

REGISTERED COMPANY NUMBER: 02614714 (England and Wales)
REGISTERED CHARITY NUMBER: 1004132

REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2024
FOR
GROUNDWORK NORTH WALES

GROUNDWORK NORTH WALES

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FOR THE YEAR ENDED 31ST MARCH 2024

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REPORT OF THE TRUSTEES
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Report of the Trustees

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Name of Charity

The name of the charity is Groundwork North Wales (GWNW). It is referred to in this report as "The Trust".

GWNW wholly owns two subsidiary trusts (also companies limited by guarantee), Refurbs Flintshire and Wild Ground. Together the three trusts are referred to in this report as the GWNW Group of Trusts or the Group.

GWNW is a member of the Federation of Groundwork Trusts. The use of the word "Groundwork" is used as a collective term to describe the Federation and the member Groundwork Trusts.

Objectives and Activities

Groundwork North Wales's charitable objectives are set down in our Memorandum and Articles of Association and date from the interpretation of charitable activities when they were drafted in 1991 as amended at annual general meetings and by written resolution.

- To promote the conservation, protection and improvement of the physical and natural environment including that which is of educational or scientific interest to the general public or within which the wildlife is in need of protection and including the improvement and maintenance of public parks.
- To advance public education in environmental matters and in all matters concerning wildlife and nature conservation, in the ways of better conserving, protecting and improving the same wheresoever.
- To conserve and protect the physical and natural environment by promotion of sustainable waste management practices in accordance with the best practicable environmental option.
- The promotion for the benefit of the public of urban or rural regeneration of areas in social or economic deprivation, by relieving poverty or financial hardship through improving the employability of disadvantaged individuals through the provision of work placement, affordable childcare, training and volunteering opportunities, the provision of quality affordable furniture and household goods, the provision of items such as food and energy efficiency measures and energy efficiency advice.
- To provide facilities for recreation and other leisure-time occupation in the interests of social welfare with the object of improving the conditions of life for the persons for whom they are intended.
- To advance cultural well-being through people's engagement with the arts and the nation's built and natural heritage.

Our Strategic Objectives

Groundwork North Wales as a charity works to transform lives in disadvantaged communities. Our team help people to carry out hundreds of projects each year. We do this by tackling climate change; helping people out of fuel and furniture poverty; bringing out the best in young people by helping them to improve their local area; building stronger communities by improving green space and conserving the natural environment; getting people back into work and supporting them to gain skills and qualifications.

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As an organisation Groundwork North Wales is committed to improving the social, economic, environmental, and cultural wellbeing of Wales. Focusing our activities where we can make the most difference, our diverse range of programmes and activities enable our team to respond to the changing needs of our communities, helping them create the Wales they want to live in, now and in the future.

Our day-to-day operations and our strategic objectives are aligned to the Groundwork Federation's 2023-28 strategy to:

- Help people improve their prospects—increasing confidence, skills, wellbeing, and employability, and helping those out of work to find jobs in the green economy,
- Help people create better places—making communities greener, healthier and better prepared for the future and enabling people to work together to bring about change in their local area.
- Help people protect the planet—supporting people and businesses to reduce their carbon footprint, cut waste, and take practical action to combat climate change.

Our Business Plan Objectives for the year 2023-24

Our overriding business plan theme was for our group of charities to remain financially viable, and to sustain our ability to deliver our activities in line with our charitable objectives while making the most of opportunities to undertake new initiatives and to achieve growth so as to contribute to the economic, social, environmental and cultural wellbeing of the communities of North Wales.

With mentoring support from Pilotlight during the year we developed a strategic business plan for 2024-27, the first key component of which was to build our financial management capacity and support systems to ensure we make sound decisions in the conduct of our business.

Our business plan priorities were to continue to:

- Develop a business model that will prepare the organisation for the potential withdrawal of core funding,
- Build on the work we have done to position the organisation as a national training provider and to grow both in demand and geographically,
- Increase our capability to deliver by investment in our people and volunteers,
- Further embed our joint management structure to drive more cost effective and efficient ways of working without reducing the quality of our service offer, and
- Enhance existing and develop new relationships with partners, funders, and businesses.

Access to new improved financial management information enabled us to start to make business changes and enhancements to ensure a more cost effective and sustainable delivery of our priorities and the continuing viability of the GWNW Group.

Overview of Activities

The health and safety of our staff, volunteers and the individuals and communities we serve continued to be uppermost throughout the period.

It was a year of great challenge for all with the continuing conflicts in the Ukraine and Middle East, high inflation fuelling the cost-of-living crisis and general economic instability. As much as ever before we were conscious of the part we should play in helping our communities to cope.

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Our passion for engaging people with the natural environment and supporting them to think about their environmental impacts has always been the golden thread that runs through our activities on the ground. This last 12 months has been no different and we have delivered a varied and diverse range of activities and projects across North Wales accordingly.

Our programme areas continue to align with Welsh Government's key wellbeing drivers with links to Social, Economic, Environmental and Cultural Wellbeing.

We also made the time to take stock of the way in which we operate as an organisation. With mentoring support from Pilotlight we engaged in a programme of strategic refreshment resulting in the development of a strategic business plan 2024-27, a new set of organisational values and behaviours, a significantly enhanced financial management capability, and a set of governance improvements leading to a blueprint for board development and succession.

During the year our achievements were recognised formally by the successes we achieved in a range of award nominations.

Our business activity and project highlights this year are set out below.

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Energy Saving

With the cost of energy adding to the cost-of-living crisis and fuel poverty increasing commensurately, this area of our business has grown significantly in importance.

Our Local Energy Saving Partnership (LEAP) scheme continued to provide support and guidance for managing household energy consumption within the Wrexham and Flintshire counties. Each home visit is tailored to the needs of the household, providing them with easy measures for reducing their energy consumption, keeping them warm, reducing their energy bills, and offering advice on ways of becoming more energy efficient. The key metrics for the year were:

- 181 home visits.
- 2,036 easy measures installed.
- Combined annual energy savings of £54,433.
- 248 onward referrals (insulation, priority services register, income maximisation).
- 31,898kgs CO2 reduced.

Our Energy Outreach project funded by Citizens' Advice Bureau is an outreach only energy advice programme with the aim of creating an entry point for underrepresented communities to access energy advice and other citizen advice services. The target of reaching 200 residents in Wrexham and Flintshire in the six months from October 2023 was substantially achieved.

Training

The training wing of our business has gone from strength to strength with annual income increasing to over £600k from the £440k secured in 2022-23. It has delivered over 3200 qualifications as well as a healthy financial contribution after deducting salary and other direct costs which has been reinvested into funding our charitable objects for the benefit of local communities and the environment.

In 2023 we were successfully reappointed as a lead provider for Adult Community Learning Wrexham and Flintshire and this area of our training business has seen significant growth, accounting for over 40% of total annual income. Over the past two years we have supported over 1,800 learners under the scheme.

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Caffi Cyfle, Alyn Waters and Buckley

It was a challenging year for our cafes. While they continued very successfully to deliver our social and environmental objectives and were greatly valued by the communities they serve, our enhanced financial management revealed that they were operating at a loss and in need of remedial action to ensure their future viability. Appropriate measures were initiated in the final months of the year and will be fully implemented for 2024-25 through a combination of restructuring, tighter shift management and staff utilisation, price adjustments, and (in the case of Buckley) rebalancing the use and opening times. We are now confident of their long-term operational viability. Unfortunately, we had to close our Wellbeing Hub in Wrexham within a few months of its opening to stem future losses.

Our Lunch & Company events continued monthly throughout the year enabling participants to socialise, meet new people and enjoy a meal with entertainment and activities. The lunches are aimed at individuals who are over 55 and have felt isolated.

Clywedog Valley Partnership

The Clywedog Valley Partnership is coordinated by GWNW and plans to revitalise the heritage assets of the Clywedog Valley for the benefit of the local community and visitors. During the year we secured a major grant from Heritage Lottery which will enable us to progress the Partnership's ambitious plans, by conducting feasibility studies for a series of linked heritage buildings and natural sites along the Clywedog Valley and developing detailed plans to support our next major funding bid to HLF. In the longer term this will benefit local people through opportunities for volunteering, education and training, wellbeing, and enjoyment, as well as supporting the local economy by attracting visitors from further afield. As part of the overall vision for the Clywedog Valley we have given focus to the heritage sites at King's Mill and Nant Mill---as well as the Minera Lead Mines & Country Park which was showcased in the 2022-23 Annual Report. We have actively supported the community groups at both King's Mill and Nant Mill, enabling them to be registered with Companies House as community trusts, and, in the case of King's Mill to be registered as a charity with the Charity Commission, with intentions to do the same for Nant Mill. We will continue to provide support to both trusts with governance and fundraising as they become more established.

Community Rail Partnerships (CRPs)

It was another busy year for 3 Counties Connected (3CC), the community rail partnership for the Chester-Shrewsbury-Crewe line. It is hosted by GWNW working closely with the Community Rail Network and Transport for Wales, while other partners and interests are represented on the steering group. The partnership aims to connect communities with their local train stations and to promote sustainable travel. 2023-24 has been the second full year with GWNW as host and has delivered a wide range of projects and activities which have brought local communities together to deliver green initiatives and encourage sustainable travel, while supporting social and economic wellbeing.

In the light of GWNW's success as host of 3CC, during the year Transport for Wales invited us to apply to host a further CRP along the North Wales coast---Conwy Valley and North Wales Coast CRP. Although it is early days, an energetic start has been made and a full programme is planned for 2024-25. The CRP was shortlisted in two categories at the Community Rail Network Awards in March:

- Involving Children and Young People---sponsored by LNER, and
- Influencing Positive Change and Sustainability---sponsored by RSSB.

Our Back Yard Project

The Our Back Yard project, which has been running since 2018, concluded at the end of October. The project continued

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to run twice weekly sessions and education activities with local schools. A full summer events programme was held with over 300 people attending the Quay Nature Club sessions at Wepre Park. The project has established a committed group of volunteers, who continue to improve the green spaces and habitats across Connah's Quay. The volunteers have been offered training in mental health first aid, confidence building, and small tools use alongside informal training during sessions. At the conclusion of the project minor capital works were carried out to sites and an education pack was produced for local schools. We will endeavour to sustain and retain the volunteers through new projects and ongoing work on the Wild Ground nature reserves in the area.

Safer Streets

The project was funded by the Home Office and undertaken in partnership with the Community Cohesion Team at Wrexham Council. Its aim was to work with groups or individuals who had been identified as being involved or at risk of becoming involved in anti-social behaviour. Most were on part timetables or in specialist behavioural units or classes within schools, and some had been involved with the police or Youth Justice. The project started in January 2023 and finished in December 2023. We aimed to work with five school groups in Wrexham for ten sessions each anticipating working with up to ten pupils per group. In the event we engaged with over thirty young people. We experienced some behavioural issues within a couple of the groups, but addressed and resolved them. Each school we worked with were very positive about the project and remarked upon the difference in the pupils who were engaged.

WILD GROUND

Newt Networks

In early 2023 we were delighted to be awarded £250k funding by the Nature Networks Fund (a Welsh Government grant programme delivered by the National Lottery Development Fund) to support our Newt Networks programme which started on 1st April 2023 and will extend over three years. By working in partnership and involving communities the programme aims to increase the resilience of the network of all our protected sites in Northeast Wales. The Wild Ground team are engaging with local communities, schools, and volunteers with the aim of making our site habitats more resilient and increasing nature connectivity. A wide range of enjoyable, accessible engagement activities to suit varied interests, abilities and access needs are being delivered. The programme also includes capital investment in sites to deliver habitat improvement, especially for great crested newts, and support partner neighbouring sites to improve connectivity. In the winter months capital works were delivered at Maes y Grug (pond creation), Knowle Hill (pond restoration, scrub management, and fencing), Spon Green (pond restoration), and Glascoed (pond restoration). All the capital works were designed to improve and expand suitable habitats for newts on the sites.

Woodland Wellness

Funded by Landfill Tax grant secured in 2022-23, this project has focused on woodland improvements at our Broughton, Knowle Hill and Maes y Grug reserves. The project has engaged volunteers to carry out woodland management. Volunteers have supported staff with tree planting, hedge laying and woodland thinning. Monthly wellbeing events have been held, including walks, bushcraft, and craft sessions. The project concluded in November 2023.

Rhydymwyn Valley Nature Reserve

Staff have continued to manage and deliver the contract for this Defra owned site. The contract stipulates a range of site management prescriptions and survey requirements. The contract is managed by Defra with monthly liaison meetings. In addition to an annual report, we are also required to report against KPIs and produce survey data at regular intervals. The most recent contract was awarded in October 2023 for one year with potential annual extensions for a further two years. The first of the annual extensions has been secured.

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General Reserve Management

General reserve management has continued across our network of sites. Our team of reserves officers work across sites to ensure they are maintained safely and provide the best habitat for our range of supported species, The team provide a range of volunteer opportunities for local communities, deliver educational sessions to local schools, and organise events throughout the year. Work has been prioritised across all sites based on contractual obligations, project aims and commitments, and safety requirements. Priority sites with a designation or linked to a contract are maintained to a good or excellent standard, while other sites are maintained to a moderate or good standard. The focus of reserve management through the year included grassland management, access improvements, pond management, tree management, clearing invasive species, and infrastructure improvements such as fencing, bridge repairs and drainage. As regards site and tree safety, monthly safety checks have been recorded digitally using a mapping system, allowing staff to report issues directly via site maps, pinpointing the location accurately. We plan to use this system for tree safety checks in due course.

The annual survey of great crested newts took place in April and May 2023 and was completed in line with contract and SSSI requirements. The survey season is a major undertaking for Wild Ground requiring staff to work night shifts. Through careful planning we succeeded in carrying out our survey obligations as well as maintaining our regular work with volunteers and schools and delivering our contractual obligations at our various nature reserve sites.

Volunteering

Support from our volunteers is vital to enable us to carry out some of our projects, it also enables us to engage local people in practical conservation work which brings immediate benefits to the local area and long-term benefits with increased local knowledge, enthusiasm and participant confidence and wellbeing. The monetary value of this contribution can be used to match funding received from outside sources to maximise the benefits financially and in terms of work completed on the ground.

REFURBS FLINTSHIRE

Main Operations

The charity has continued to collect bulky household waste and to redistribute household goods to lower income households at affordable prices. These redistributed household goods might otherwise have been discarded as waste to landfill. Refurbs has also continued to deliver cleaning and clearance services for Flintshire County Council's (FCC) void properties.

Our sofa deconstruction offering continued to show the value of partnership working alongside Flintshire County Council. There has been an increase in the number of sofas included in the bulky collection and those which could not be recycled were channelled to the Oakenholt site where the sofa deconstruction team are based. Legal restrictions relating to the use and presence in upholstered domestic seating of persistent organic pollutants (POPs) which apply in England are yet to be implemented in Wales. This could have serious implications for operations and associated costs at Refurbs, in particular bulky waste and sofa deconstruction. A watching brief is being maintained.

Across the GWNW Group the accuracy of financial information and quality of financial management has improved. In the case of Refurbs this has enabled a more forensic and commercial understanding of the costs and viability of the different areas of business and will help inform the renegotiation of, and retendering for, contracts in 2024-25 and future years.

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Buckley Repair and Reuse Centre with Community Café

The successful establishment and early months of operation of the centre and café, which are in the ownership of Refurbs, were heralded in the 2021-22 and 2022-23 annual trustees report. The centre has become a focal point for the local community and great relationships have been formed. The centre continues to fulfil its objective of promoting education and behavioural change on waste and recycling initiatives, as well as providing volunteering opportunities for local people. An extensive programme of repair, recycling, and upcycling workshops and sessions has been run successfully throughout the year. The café complements the centre and provides the opportunity for quiet enjoyment and social interaction.

However, with our improved understanding of the financial dimension of the business, it became clear that the Buckley establishment, in particular the café, was running at a loss. To ensure its future viability and sustainability it was necessary to implement appropriate remedial measures including changing staffing arrangements and revising the use of the site to operate three days as a café and three days as a centre for projects. The situation will be kept under review and further revised as necessary, but we are confident that things are moving in the right direction.

Community Fridge Flint

Grant funding has enabled us to continue our waste food subscription which as well as easing the food poverty challenge in the community, benefits the natural environment by reducing food waste disposals to landfill and consequent greenhouse gas emissions. In April 2023 we were awarded a grant from the Landfill Disposals Tax Fund for the period April 2023 until March 2025, with this we have been able to maintain and improve our community fridge service at the Refurbs site in Flint. The WG Landfill funding is delivering a project called Making Food Go Further, with the aim of reaching 250 residents of Flintshire County and reducing food waste (and addressing food poverty) through running:

- educational community sessions on how to make best use of surplus food and the differences between best-before-use by awareness-raising campaigns, and
- community food drives to collect unwanted store cupboard essentials for our community fridge which would otherwise go to waste.

The project has funding for a part-time coordinator to deliver the service and drive more waste food into the fridge as well as educate and inform the community about using surplus food sources. Another objective has been to bring volunteers on board with a view to developing the community fridge into a volunteer-led hub within the community. At present we have 3 volunteers supporting the service weekly.

Woodshed

For most of the year our Woodshed project has continued with a minimum of 15 adults attending each week and a constant stream of interest and referrals coming through. More than ever before our communities need projects like this to lift them out of the doom and gloom going on in their daily lives. All money made from sales of items has gone back into this programme, which has brought a much-needed lifeline for most of the volunteers who have attended. A donation of £500 from Gallagher Insurance (GWNW Group's insurers) funded new equipment, which significantly improved productivity.

Volunteering in Wales

With funding of £11.5k brought forward from 2022-23, this project continued to deliver volunteering opportunities, with the primary focus being for 16–24-year-old refugees who have recently resettled in North Wales. Not all the volunteers were refugees-- some were young people just generally struggling with mental health. Overall, we engaged with 30 young people all experiencing different challenges. The project offered a range of activities that provided personal and emotional support to build confidence and knowledge to support resettlement and resilience.

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Swap Shop

In November 2023 we secured £10k of funding from Lottery Community Fund. This funding was for the creation of a clothing and accessories swap shop to be based at our Buckley Repair and Reuse centre. The project provides the community with an opportunity to come together, share and recycle items of clothing. Encouraging and increasing the lifespan of clothing in this way decreases the amount of clothes going to landfill and helps people and families save money by swapping items of clothing.

Estate of Peter Jones Legacy

We are indebted to the Estate of the late Peter Jones for two generous legacy donations amounting to £35k and will ensure that the sum is used in accordance with their expressed wishes for the purpose of residents in Flint to benefit from recycled items, especially bicycle recycling. We are now using this funding to support our Bike Shed and offering recycled bikes at affordable prices and in 2024 will be offering maintenance courses for local people to come and learn new skills and receive a recycled bike.

PROGRAMME OF BUSINESS IMPROVEMENTS

We were privileged to take part in a business improvement programme with mentoring support from Pilotlight, the costs of which were generously funded by the Garfield Weston Foundation. Over a 12-month period we engaged in a process of fundamental self-reflection with guidance from four Pilotlight experts and an assigned project manager. The key outcomes from the programme were:

- A strategic plan 2024-27.
- A strengthened financial management capacity with insightful and reliable financial information, including forecasts.
- A revised set of organisational values and behaviours.
- Governance improvements, including a skills audit of the board, leading to a blueprint for board development and succession.
- An improved understanding of the commercial aspects of the business, enabling clarity on pricing, profitability, and viability.

While the programme concluded formally with a final progress review with the Pilot lighters in April 2024, the benefits continue, and further work is planned to build on the above outcomes as well as to make progress with the one missed goal of the Senior Leadership Team being clear on monthly priorities and ensuring that capacity is shared accordingly, underpinned by a decision-making matrix.

RECOGNITION

The GWNW Group was included for the fourth consecutive year in the SE100 ranking of the top 100 social enterprises in the UK, achieving finalist status in three award categories—Climate, Impact and Leader of the Year.

GWNW was winner of the Made a Difference award at the West Cheshire and North Wales Chamber Awards 2023, while Refurbs Flintshire was short-listed by the Reuse Network for Reuse Organisation of the Year 2023.

We are immensely proud of our Chief Executive, Karen Balmer, for winning the Environmental Champion award at the WISE 100 2024 awards ceremony.

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Group Performance Measures

People	
• Green Doctor visits	181
• Number of Volunteers	106
• People supported (cost of living crisis)	3407
• Formal Qualifications Gained	3244
Places	
• People engaged in outdoor activities	5058
• Area of land maintained/improved	200,000 m2
• Community clean-ups	18
• Woodlands improved	14
Planet	
• River Improvement Projects	5
• Trees planted	45
• Diversion of waste from landfill	803 tonnes
• Environmental Quality Projects	71

Financial Review

The Trust assesses its financial performance against the opening forecast budget and monitors actual results on a regular and systematic basis during the year. It has been another challenging year financially in the aftermath of the pandemic and associated restrictions and with the surge in fuel prices and the general rate of inflation while competition for limited resources within the sector has continued to grow, as our core funding support has come under increasing pressure. We have been able to secure total income for the year of £2,674,655.

The principal sources of funding were as follows:

Welsh Government	£139,283
Public Sector Bodies	£590,119
Charitable Trusts	£350,989
Private Sector	£883,252
National Lottery	£129,789
Local Authority	£524,295
Housing Association	£56,928

Reserves Policy

Reserves are needed to bridge the gap between the spending and receiving of income, ie the working capital of the charity, and to cover any unplanned eventualities. The Trustees reviewed the policy during the year and revised the required minimum level of unrestricted reserves to 3 months of unrestricted expenditure with no specified upper limit.

Total reserves held at 31st March 2024 amounted to £1,834,551. The amount held as restricted reserves amounted to £1,404,441, with £430,110 in unrestricted reserves.

Financial Strategy

Essential components of our strategy are that full cost recovery is achieved, that our organisations continue to build their reserves and that good cash flows are maintained. To this end we will endeavour to

- ensure we have sufficient working capital, to cover no less than 3 months expenditure needs, by building our unrestricted reserves,

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- ensure we have the right product and service mix between grant and non-grant funded activities to mitigate financial risk,
- develop our product and service offer to ensure we at least cover our costs and remain financially, viable, with any surpluses reinvested in the quality and reach of our delivery.

Our business plan for 2023-24 sought to continue to operationalise our financial strategy.

Plans for Future Periods

The charitable group's plans for the forthcoming year are to review its activities in line with the charitable objects and to continue to prioritise the development of those areas where the greatest growth and impact on the ground can be achieved.

Structure, Governance and Management

Groundwork North Wales is a registered charity and company limited by guarantee as defined by the Companies Act 2006. The governing documents are its Memorandum and Articles of Association, which were amended by special resolution of the members of the company most recently on 6th October 2021 to add:

- clause 2.6 to the objects: to advance cultural well-being through people's engagement with the arts and the nation's built and natural heritage,
- clause 2.7: the area of benefit is Wales and England,
- a normal limit of three on the number of terms which can be served by trustees, unless by exception a further extension is justified.

The amendments were duly authorised by the Charity Commission and filed with Companies House.

The governing body of the trust is its board of trustees who are also the directors of the company in accordance with the Companies Act 2006. The directors are the members of the company. The board is responsible for strategic decision making and is ultimately responsible for the financial viability of the company. It meets a minimum of four times a year. Trustees are appointed on a three yearly basis and retire by rotation at the AGM; retiring trustees can be reappointed.

Organisational structure and decision-making powers

The board retains authority for the overall strategy and policy of the Trust and approves the Strategic Plan as well as the annual Business Plan. The board delegates decision making powers to the Chief Executive and to two sub-groups: the Finance and HR Sub- Group and a Risk Assurance Sub-Group. A Board trustee chairs each Sub-Group and the members are appointed by the Board. terms of reference for the Sub-Groups set down their delegated authority from the board and specify limitations on the authority for matters which the Board reserves to itself.

The Finance and HR Subgroup is responsible for reviewing the management accounts, amendments to policy and matters appertaining to the remuneration and welfare of the trust's staff. It meets four times a year in between the quarterly Board meetings.

The Risk Assurance Sub-Group was established during 2022-23 to monitor and provide assurance on the GWNW Group's principal risks and supporting risk management processes. The Sub-Group's remit also includes health & safety risks, policy, procedures, and performance. It also meets four times a year ahead of meetings of the board.

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Induction and training of new trustees

New members of the Board of Trustees are provided with the Charity Commission's guidance: "The Essential Trustee: What you need to know; What you need to do" and a full pack of other trust documents such as the latest annual report and accounts, risk register and business plan. New Trustees have an induction meeting with the Chief Executive, members of the Senior Management Team and the Chair of the board of Trustees.

Robert Williams resigned from the board in July 2023, otherwise its membership remained stable throughout 2023-24 and no new members were appointed

Relationships within the Groundwork Federation

The Trust is part of the Federation of Groundwork Trusts in England, Wales and Northern Ireland, each working with their partners in deprived areas to improve the quality of the local environment, the lives of the local people and the success of the local businesses. Groundwork North Wales works in partnership with its sister trust in South Wales to provide national coverage across Wales.

Governance review

A comprehensive review of the governance of Groundwork North Wales and of its two subsidiaries, Wild Ground and Refurbs Flintshire, was conducted in the Autumn of 2020 using the framework for governance reviews issued by Groundwork UK for use across the Federation. While the findings were generally positive, a number of improvement actions were identified which were approved by the Board. Their implementation was completed by in 2021-22.

A series of governance improvements were taken forward during 2023-24 as part of the Pilotlight-supported programme to which reference has been made earlier. An important component was a self-assessment of the effectiveness of the Board and its two Sub-groups leading to the delivery of a blueprint for board development and succession which will be taken forward in 2024-25.

Public Benefit Statement

Our charitable objectives, as set down in our Memorandum and Articles of Association, are presented under Objectives and Activities earlier in this report.

Statement of Compliance

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing 2022-23 activities and making plans for future periods and believe that they have complied with their duty to have due regard to this guidance. In particular, the Trustees have considered how all the Trust's activities contribute to its charitable objectives. All of the Trust's activities focus on improving the quality of life for people and the places in which they live - focusing on the most disadvantaged people and places in Wales and England.

Identifiable Benefits

In terms of identifiable benefits, the Trust delivers projects and programmes, manages contracts and delivers services according to its objectives, with the resulting benefits of safer and stronger communities across North Wales, healthier and more active communities, enhanced ("green") skills and employment opportunities for citizens, larger numbers of higher quality places for young people to go and things for them to do, and the reduction of carbon emissions to help to tackle climate change. The Trust aims to help the public to make sustainable development a reality, respecting nature's limits and supporting the Welsh Government's commitment to future generations.

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Benefit to the Public

Our approach is always to work in partnership with others from the public, private and voluntary sectors, to add value to wider plans for maximum impact to the public. Our role in these partnerships is usually to find ways of helping deprived, disadvantaged, or disabled local people to get practically involved in decisions and actions. As such, our work is designed to address the needs of all sections of the community, and we provide equal access to our services regardless of race, gender, disability, or sexual orientation. Our work primarily benefits those in most need, and thanks to the support of our funders and partners (such as The Welsh Government, Local Authorities and Natural Resources Wales) our services are in the main provided free to those in need.

Financial Instruments

The charitable company's operations expose it to a variety of financial risks including price risk, credit risk, liquidity risk and cash flow risk.

The charitable company's principal financial instruments comprise sterling bank accounts together with trade debtors and trade creditors that arise directly from operations.

Price risk – Price risk is managed by monitoring the market, current rates of inflation and costing products and services in accordance with these factors.

Credit risk – Credit risk is mitigated by monitoring and managing the credit limits given to our customers.

Liquidity risk – Liquidity risk is managed by maintaining a balanced mix of income streams, with a limit to the number of payments by results or in arrears payment contracts at any one time.

Cash flow risk – is managed through our credit management procedures, cash flow forecasting and negotiation of payment terms where practicable.

Risk Management

The full Board reviews the risk register at summary level at each board meeting and keeps a regular focus on the major risks to which the group is exposed, having regard for the risk appetite it has agreed for each risk area. More detailed scrutiny of the risks and progress with mitigating actions is undertaken regularly by the Risk Assurance Subgroup with issues escalated to the full Board by exception. The review and updating of the risk register and associated programme of mitigating actions is a routine feature of Senior Leadership Team meetings. The principal risk areas on the GWNW Group's risk register at 31st March 2024 were:

- Financial—income and financial sustainability
- Data protection and compliance.
- Safeguarding.
- People, leadership, and culture.
- Governance and regulatory.
- Cyber security and ICT failure.
- Business continuity.
- Reputation.
- Health & safety.

GROUNDWORK NORTH WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02614714 (England and Wales)

Registered Charity number

1004132

Registered office

3-4 Plas Power Road, Tanyfron
Wrexham
LL11 5SZ

Trustees		First Elected	Retired/Resigned
N Reader CBE (Chair)	Retired Finance Director	March 2020	
M Booker	Retired Bank Manager	February 2002	
R D Williams	Solicitor	June 2003	July 2023
C A Powell	Environmental Manager	September 2004	
H Wright	Retired	February 2011	
S Overson	H R Manager	August 2013	
S Moore	Retired	April 2013	
R Taylor	Estates & Facilities Director	February 2020	
N Said	Commercial Director	March 2020	

Trust Senior Management Team

Karen Balmer	Chief Executive
Christine Bowyer	Head of HR & Governance
Lorna Crawshaw	Head of Operations
Hanna Clarke	Head of Marketing
Louise Stokes	Head of Health & Safety and Training
Richard Aram	Head of Contracts & Project Delivery
Judy Mitchell	Head of Finance
Stewart Platt	Commercial Finance Manager

Auditors

M. D. Coxey and Co. Limited
Chartered Accountants and Statutory Auditors
25 Grosvenor Road
Wrexham
LL11 1BT

Bankers

National Westminster Bank plc
33, Lord Street
Wrexham
LL11 1LP

Solicitors

GHP Legal
Ashgrove
26-30 Grosvenor Road
Wrexham
LL11 1BU

GROUNDWORK NORTH WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2024

Statement of trustees responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

A resolution was passed at the AGM in November 2022 to delegate responsibility to the Board of Trustees to appoint auditors.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 28th November 2024 and signed on the board's behalf by:



Nigel Reader CBE
Chair / Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
GROUNDWORK NORTH WALES

Opinion

We have audited the financial statements of Groundwork North Wales (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31st March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31st 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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the group 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.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable group company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the group annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatement, 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
GROUNDWORK NORTH WALES

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the group charity 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 groups and the parent 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 group of the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and management
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
GROUNDWORK NORTH WALES

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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



Joanne Evans (Senior Statutory Auditor)
For and behalf of M. D. Coxey and Co. Limited
Chartered Accountants
and Statutory Auditors
25 Grosvenor Road
Wrexham
LL11 1BT

Date: 28th November 2024

GROUNDWORK NORTH WALES

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

	Notes	Unrestricted fund £	Restricted fund £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	105,998	716	106,714	124,014
Charitable activities					
Income from charitable activities	3	212,386	331,536	543,922	713,987
Other trading income		687,802	142,675	830,477	722,563
Interest		2,122	-	2,122	1,987
Other trading activities					
Subsidiary income	4	<u>924,905</u>	<u>266,515</u>	<u>1,191,420</u>	<u>1,003,066</u>
Total		1,933,213	741,442	2,674,655	2,565,617
EXPENDITURE ON					
Charitable activities					
Salaries & wages	5/6	994,162	247,278	1,241,440	1,211,344
Overhead costs		254,856	65,785	320,641	246,768
Project costs		147,682	186,422	334,104	389,888
Subsidiary expenditure	4	<u>533,400</u>	<u>249,132</u>	<u>782,532</u>	<u>830,337</u>
Total		1,930,100	748,617	2,678,717	2,678,337
NET INCOME/(EXPENDITURE)		<u>3,113</u>	<u>(7,175)</u>	<u>(4,062)</u>	<u>(112,720)</u>
Net movement in funds		3,113	(7,175)	(4,062)	(112,720)
RECONCILIATION OF FUNDS					
Total funds brought forward		426,997	1,411,616	1,838,613	1,951,333
TOTAL FUNDS CARRIED FORWARD		<u><u>430,110</u></u>	<u><u>1,404,441</u></u>	<u><u>1,834,551</u></u>	<u><u>1,838,613</u></u>

The statement of financial activities include all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

GROUNDWORK NORTH WALES
CONSOLIDATED BALANCE SHEET
AT 31ST MARCH 2024

	Notes	Unrestricted fund £	Restricted fund £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Tangible assets	11	156,014	383,515	539,529	570,318
Heritage assets	12		305,044	305,044	305,044
CURRENT ASSETS					
Stocks	13	59,866	-	59,866	59,991
Debtors	14	217,174	127,075	344,249	295,071
Investments		-	563,104	563,104	553,141
Cash at bank and in hand		<u>609,730</u>	<u>81,821</u>	<u>691,551</u>	<u>587,212</u>
		886,770	772,000	1,658,770	1,495,415
CREDITORS					
Amounts falling due within one year	15	(541,094)	(35,201)	(576,295)	(446,323)
NET CURRENT ASSETS					
		<u>345,676</u>	<u>736,799</u>	<u>1,082,475</u>	<u>1,049,092</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		501,690	1,425,358	1,927,048	1,924,454
Accruals and deferred income	15	(71,580)	(20,917)	(92,497)	(85,842)
NET ASSETS					
		<u>430,110</u>	<u>1,404,441</u>	<u>1,834,551</u>	<u>1,838,613</u>
FUNDS					
Unrestricted funds	17			430,110	426,997
Restricted funds				<u>1,404,441</u>	<u>1,411,616</u>
TOTAL FUNDS					
				<u>1,834,551</u>	<u>1,838,613</u>

The financial statements were approved by the Board of Trustees on 28th November 2024 and were signed on its behalf by:



Nigel Reader CBE
Trustee

GROUNDWORK NORTH WALES
CHARITY BALANCE SHEET
AT 31ST MARCH 2024

		Unrestricted fund	Restricted fund	31.3.24 Total funds	31.3.23 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	11	105,550	4,476	110,026	107,581
CURRENT ASSETS					
Stocks	13	17,974	-	17,974	17,334
Debtors	14	171,789	127,075	298,864	226,014
Cash at bank and in hand		<u>286,024</u>	<u>(8,440)</u>	<u>277,584</u>	<u>237,333</u>
		475,787	118,635	594,422	480,681
CREDITORS					
Amounts falling due within one year	15	(509,640)	(35,201)	(544,841)	(385,772)
NET CURRENT ASSETS					
		<u>(33,853)</u>	<u>83,434</u>	<u>49,581</u>	<u>94,909</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		71,697	87,910	159,607	202,490
NET ASSETS					
		<u>71,697</u>	<u>87,910</u>	<u>159,607</u>	<u>202,490</u>
FUNDS					
Unrestricted funds	17			71,697	90,022
Restricted funds				<u>87,910</u>	<u>112,468</u>
TOTAL FUNDS					
				<u>159,607</u>	<u>202,490</u>

The financial statements were approved by the Board of Trustees on 28th November 2024 and were signed on its behalf by:



Nigel Reader CBE
Trustee

GROUNDWORK NORTH WALES
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2024

	Notes	31.3.24 £	31.3.23 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>134,285</u>	<u>139,266</u>
Net cash provided by (used in) operating activities		<u>134,285</u>	<u>139,266</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(42,867)	(42,228)
Sale of tangible fixed assets		7,000	275
Purchase of investments		(-)	(-)
Purchase of heritage assets		(-)	(-)
Interest received		<u>5,921</u>	<u>563</u>
Net cash provided by (used in) investing activities		<u>(29,946)</u>	<u>(41,390)</u>
Change in cash and cash equivalents in the reporting period		104,339	97,876
Cash and cash equivalents at the beginning of the reporting period		<u>587,212</u>	<u>489,336</u>
Cash and cash equivalents at the end of the reporting period		<u><u>691,551</u></u>	<u><u>587,212</u></u>

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.24 £	31.3.23 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(4,062)	(112,720)
Adjustments for:		
Depreciation charges	67,292	59,507
Profit / loss on disposal	(173)	-
Revaluation of assets	(463)	-
Interest received	(5,921)	(563)
Decrease/(increase) in investments	(9,963)	46,859
Decrease/(increase) in stocks	126	(15,365)
Decrease/(increase) in debtors	(49,179)	115,889
(Decrease)/increase in creditors	<u>136,628</u>	<u>45,659</u>
Net cash provided by (used in) operating activities	<u><u>134,285</u></u>	<u><u>139,266</u></u>

GROUNDWORK NORTH WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the consolidated charitable company, which is a public benefit entity under FRS 102, 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The consolidated financial statements have been prepared under the historical cost convention.

The charity's functional and presentational currencies are pounds sterling.

Preparation of the accounts on a going concern basis

Regular contact with the funders is maintained with the immediate future of the charity for the next twelve months secured, and on that basis the charity is a going concern.

Basis of consolidation

The financial statements represent the consolidated financial position of the group. This comprises Refurbs Flintshire and Wild Ground. Groundwork North Wales is the sole member of Refurbs Flintshire and Wild Ground.

The financial statements cannot be consolidated on a line by line due to the variations between the objects of each charity and therefore each subsidiary is included in total within incoming resources and resources expended.

All intra-group transactions are eliminated on consolidation. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income

All income is recognised in the Statement of Financial Activities once the group has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income regarding services is recognised as the service is provided. Income is deferred where it is received in advance of the service being provided.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be reliably measured by the group; this is normally upon notification of the interest paid or payable by the Bank.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the group to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular heading, they have been allocated to activities on a basis consistent with the use of resources.

Expenditure on charitable activities includes the costs undertaken to further the purposes of the group and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

GROUNDWORK NORTH WALES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31ST MARCH 2024

1. ACCOUNTING POLICIES – continued

Allocation of support costs

Support costs are those functions that assist the work of the group but do not directly undertake charitable activities. These costs have been allocated to charitable activities across each activity.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Significant judgements and estimates

In the application of the Company's accounting policies, management are required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily available from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

- Estimated useful lives and residual values of fixed assets:

The carrying value of fixed assets are reviewed each year end for indicators of impairment triggers. Depreciation of tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take into account estimated useful lives used by other companies operating in the sector and actual asset lives and residual values, as evidenced by disposals during current and prior accounting periods.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land & buildings	- 2% - 10% on cost (down to residual value)
Specialised cycles	- 2% on cost
Plant & machinery	- 20% on cost
Fixtures & office equipment	- 15% - 33% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 20% on cost

Heritage assets

The charity's accounting policy for its heritage assets is to value at cost where a site has been purchased or at fair value for donated sites. At present all sites have been acquired through section 106 agreements with local authorities. The charity has adopted the policy under FRS 102 section 18.19 to treat the initial valuation as deemed cost.

No depreciation is provided in respect of freehold land.

Stocks

Stock is incurred and valued at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the group would be willing to pay for the items on the open market.

GROUNDWORK NORTH WALES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2024

1. ACCOUNTING POLICIES – continued

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Debtors

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing any trade discounts due.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Legal status of the trust

The trust is a company limited by guarantee and has no share capital. The charity's registered number and registered office address can be found on the Company Information page.

2. DONATIONS AND LEGACIES

	31.3.24 £	31.3.23 £
Donations	1,714	19,014
Grants	105,000	105,000
	<hr/>	<hr/>
	106,714	124,014
	<hr/>	<hr/>

Grants received, included in the above, are as follows:

	31.3.24 £	31.3.23 £
Welsh Government	105,000	105,000
	<hr/>	<hr/>

3. INCOME FROM CHARITABLE ACTIVITIES

Activity	31.3.24 £	31.3.223 £
Income from charitable activities	543,922	713,987
Other trading income	830,477	722,563
Interest	2,122	1,987
	<hr/>	<hr/>
	1,376,521	1,438,537
	<hr/>	<hr/>

GROUNDWORK NORTH WALES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2024

4. CHARITY SUBSIDIARIES

In January 2016 the charity became the sole member of Refurbs Flintshire, a charitable company, limited by guarantee and incorporated on 5th February 2002 in England and Wales. The registered office is Unit 1-3, Aber Park, Aber Road, Flint, Flintshire, CH6 5EX. Company number 04367121, charity number 1093176. The objects of the charity are:-

- To relieve poverty by the provision of quality affordable furniture and household goods to members of the local community who are in need;
- To conduct research and collect information in order to educate the community about the economic, social and environmental benefits of re-use and recycling and the reduction of pollution and protection of the environment that results from these activities;
- To conserve and protect the physical and natural environment by the promotion of sustainable waste management practices in accordance with the best practical environmental option;
- To relieve unemployment by improving the employability of disadvantaged individuals through the provision of work placement, training and volunteering opportunities.

A summary of the results (including consolidation adjustments) is shown below

	31.3.24	31.3.23
Summary Income and Expenditure Account:	£	£
Incoming resources	849,392	763,533
Intra group transactions	<u>(4,707)</u>	<u>-</u>
Total incoming resources	844,685	763,533
Resources expended	(862,887)	(800,306)
Intra group transactions	<u>154,734</u>	<u>80,065</u>
Total resources expended	(708,153)	(720,241)
Contribution for the financial year	136,532	43,292
Summary Balance Sheet:		
Total assets	673,160	701,425
Total liabilities	<u>(136,824)</u>	<u>(151,595)</u>
Net assets	<u>536,336</u>	<u>549,830</u>
Restricted funds carried forward	<u>404,972</u>	<u>427,962</u>
Unrestricted funds carried forward	<u>131,364</u>	<u>121,868</u>

GROUNDWORK NORTH WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2024

4. CHARITY SUBSIDIARIES (continued)

In November 2016 the charity became the sole member of Wild Ground, a charitable company, limited by guarantee and incorporated on 6th December 1999 in England and Wales. The registered office is 3-4 Plas Power Road, Tanyfron, Wrexham, LL11 5SZ. Company number 03889382, charity number 1080838. The objects of the charity are:-

- To promote and assist in the preservation and conservation of land mainly in the area of benefit which is of educational and scientific interest to the general public including land within which the wildlife is in need of protection and including the improvement and maintenance of public parks,
- to educate the public in all matters concerning wildlife and nature conservation in urban areas.

A summary of the results (including consolidation adjustments) is shown below.

	31.3.24	31.3.23
Summary Income and Expenditure Account:	£	£
Incoming resources	366,428	239,532
Intra group transactions	<u>(19,693)</u>	<u>-</u>
Total incoming resources	<u>346,735</u>	<u>239,532</u>
Resources expended	(314,111)	(302,682)
Intra group transactions	<u>239,732</u>	<u>192,586</u>
Total resources expended	<u>(74,379)</u>	<u>(110,096)</u>
Contribution for the financial year	272,356	129,436
Summary Balance Sheet:		
Total assets	1,251,993	1,194,262
Total liabilities	<u>(113,384)</u>	<u>(107,970)</u>
Net assets	<u>1,138,609</u>	<u>1,086,292</u>
<hr/>		
Restricted funds carried forward	911,559	871,186
Unrestricted funds carried forward	<u>227,050</u>	<u>215,106</u>

5. CHARITABLE ACTIVITIES COSTS

Expenditure on projects comprised:	Direct cost of		Total 2024	Total 2023
	activities	Support costs		
	£	£	£	£
Staff & overheads	1,161,181	400,900	1,562,081	1,458,112
Project costs	<u>334,104</u>	<u>-</u>	<u>334,104</u>	<u>389,888</u>
	<u>1,495,285</u>	<u>400,900</u>	<u>1,896,185</u>	<u>1,848,000</u>

GROUNDWORK NORTH WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2024

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.24	31.3.23
	£	£
Staff & overhead costs	1,161,181	1,185,461
Project costs	<u>334,104</u>	<u>389,888</u>
	<u>1,495,285</u>	<u>1,575,349</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.24	31.3.23
	£	£
Depreciation - owned assets	67,292	59,507
Auditors' remuneration	8,175	7,450
Operating leases	<u>79,239</u>	<u>76,096</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits within the group for the year ended 31st March 2024 nor for the year ended 31st March 2023.

Trustees' expenses

Trustees' expenses within the group amounted to £nil during the year (2023: £nil).

9. STAFF COSTS

	31.3.24	31.3.23
	£	£
Wages and salaries	1,416,631	1,081,583
Social security costs	117,800	97,699
Other pension costs	<u>71,393</u>	<u>54,266</u>
	<u>1,605,824</u>	<u>1,233,548</u>

The average monthly number of employees during the year was as follows:

	31.3.24	31.3.23
Direct charitable	35	38
Fundraising and publicity	3	4
Governance	4	4
Wild Ground office and management	7	6
Refurbs Flintshire	<u>21</u>	<u>25</u>
	<u>69</u>	<u>77</u>

Key management salaries in the year amounted to £146,287 (2023: £136,632).

GROUNDWORK NORTH WALES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2024

STAFF COSTS – CHARITY (CONTINUED)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.24	31.3.23
£60,001 - £70,000	<u>1</u>	<u>1</u>

The staff numbers above relate to full time equivalents.

10. SURPLUS OF PARENT CHARITY

As permitted by section 408 of the Companies Act 2006, the Statement of Financial Activities of the parent charity is not presented as part of these financial statements. The parent charity's (deficit) / surplus for the financial year was (£42,883)/ (2023: (£12,798)).

11. TANGIBLE FIXED ASSETS – GROUP

	Land & buildings	Specialised cycles	Plant, fixtures & computer equipment	Motor vehicles	Totals
	£	£	£	£	£
COST					
At 1st April 2023	497,569	51,620	467,134	115,549	1,131,872
Additions	-	-	13,943	28,924	42,867
Disposals	-	-	(15,294)	(12,800)	(28,094)
Revaluation	-	-	-	-	-
At 31st March 2024	<u>497,569</u>	<u>51,620</u>	<u>465,783</u>	<u>131,673</u>	<u>1,146,645</u>
DEPRECIATION					
At 1st April 2023	87,184	6,662	387,155	80,553	561,554
Charge for year	25,587	1,032	26,821	13,852	67,292
Eliminated on disposal	-	-	(15,757)	(5,973)	(21,730)
At 31st March 2024	<u>112,771</u>	<u>7,694</u>	<u>398,219</u>	<u>88,432</u>	<u>607,116</u>
NET BOOK VALUE					
At 31st March 2024	<u>384,798</u>	<u>43,926</u>	<u>67,564</u>	<u>43,241</u>	<u>539,529</u>
At 31st March 2023	<u>410,385</u>	<u>44,958</u>	<u>79,979</u>	<u>34,996</u>	<u>570,318</u>

GROUNDWORK NORTH WALES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2024

TANGIBLE FIXED ASSETS – CHARITY

	Land & buildings	Specialised cycles	Fixtures & office equipment	Motor vehicles	Totals
	£	£	£	£	£
COST					
At 1st April 2023	71,567	51,620	282,062	49,105	454,354
Additions	-	-	8,607	9,592	18,199
Disposals	-	-	(14,677)	-	(14,677)
Revaluation	-	-	-	-	-
At 31st March 2024	<u>71,567</u>	<u>51,620</u>	<u>275,992</u>	<u>58,697</u>	<u>457,876</u>
DEPRECIATION					
At 1st April 2023	51,795	6,662	239,211	49,105	346,773
Charge for year	272	1,032	12,851	1,599	15,754
Elimination on disposal	-	-	(14,677)	-	(14,677)
At 31st March 2024	<u>52,067</u>	<u>7,694</u>	<u>237,385</u>	<u>50,704</u>	<u>347,850</u>
NET BOOK VALUE					
At 31st March 2024	<u>19,500</u>	<u>43,926</u>	<u>38,607</u>	<u>7,993</u>	<u>110,026</u>
At 31st March 2023	<u>19,772</u>	<u>44,958</u>	<u>42,851</u>	<u>-</u>	<u>107,581</u>

12. HERITAGE ASSETS – GROUP

	Sites of specific scientific interest £	Totals £
COST		
At 1st April 2023	305,044	305,044
Additions	-	-
Disposals	-	-
At 31st March 2024	<u>305,044</u>	<u>305,044</u>
DEPRECIATION		
At 1st April 2023	-	-
Charge for year	-	-
Eliminated on disposal	-	-
At 31st March 2024	<u>-</u>	<u>-</u>
NET BOOK VALUE		
At 31st March 2024	<u>305,044</u>	<u>305,044</u>
At 31st March 2023	<u>305,044</u>	<u>305,044</u>

The directors have valued the Heritage Assets having sought advice.

GROUNDWORK NORTH WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2024

HERITAGE ASSETS – CHARITY

There are no Heritage Assets in the Parent Charitable Company's Balance Sheet.

13. STOCKS – GROUP

	31.3.24	31.3.23
	£	£
Stocks	<u>59,866</u>	<u>59,991</u>

STOCKS – CHARITY

	31.3.24	31.3.23
	£	£
Stocks	<u>17,974</u>	<u>17,334</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR – GROUP

	31.3.24	31.3.23
	£	£
Trade debtors	256,549	181,332
Other debtors	2,625	2,625
Prepayments & accrued income	<u>85,075</u>	<u>111,114</u>
	<u>344,249</u>	<u>295,071</u>

DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR – CHARITY

	31.3.24	31.3.23
	£	£
Trade debtors	231,646	151,593
Prepayments & accrued income	<u>67,218</u>	<u>74,421</u>
	<u>298,864</u>	<u>226,014</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR – GROUP

	31.3.24	31.3.23
	£	£
Trade creditors	56,327	100,889
Social security and other taxes	41,273	35,437
VAT	77,291	34,305
Accruals & deferred income	<u>401,404</u>	<u>275,692</u>
	<u>576,295</u>	<u>446,323</u>

CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR – CHARITY

	31.3.24	31.3.23
	£	£
Trade creditors	40,215	63,755
Social security and other taxes	34,595	30,125
VAT	52,934	17,840
Accruals & deferred income	338,777	195,731
Inter-company loans	<u>78,320</u>	<u>78,321</u>
	<u>544,841</u>	<u>385,772</u>

GROUNDWORK NORTH WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2024

Deferred Income:

Deferred income is in relation to grants that have been received but which relate to a period after the year end date of the 31st March 2024. This income will be included in the following year end and spent within this period in accordance with the conditions set out in the funding agreement.

	31.3.24	31.3.23
	£	£
Balance as at 1st April 2023	(176,856)	(190,050)
Amount released to income	-	-
Amount deferred in the year	<u>332,548</u>	<u>176,856</u>
	<u>155,692</u>	<u>(13,194)</u>

16. OPERATING LEASE COMMITMENTS – GROUP

The following operating lease payments are committed to be paid within one year:

	31.3.24	31.3.23
	£	£
Expiring:		
Within one year	-	2,882
Between one and five years	<u>-</u>	<u>-</u>
	<u>-</u>	<u>2,882</u>

OPERATING LEASE COMMITMENTS – CHARITY

The following operating lease payments are committed to be paid within one year:

	31.3.24	31.3.23
	£	£
Expiring:		
Within one year	-	2,882
Between one and five years	<u>-</u>	<u>-</u>
	<u>-</u>	<u>2,882</u>

GROUNDWORK NORTH WALES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2024

17.

MOVEMENT IN FUNDS – GROUP

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	426,997	3,113	430,110
Restricted funds			
Wild Ground	871,186	40,373	911,559
Refurbs Flintshire	427,962	(22,990)	404,972
Create your Space	48,189	(48,189)	-
THRIVE (Third Sector Resilience)	25,000	(25,000)	-
Minera Country Park - Landfill	17,246	(17,246)	-
Resilience communities	2,714	(2,714)	-
Millenium Stadium Charity	4,746	(4,746)	-
Resilience fund HLF	8,169	(8,169)	-
Principality	-	347	347
Wrexham Schools 2023-24	-	4,683	4,683
Moving on Wrexham	-	1,035	1,035
Nationwide Happy Families	-	53,219	53,219
Safer Streets 5	-	616	616
Co-op	-	2,526	2,526
Dee Valley River Gwenfro	-	20,699	20,699
SS5 Underspend – out of hours delivery	-	62	62
Alyn Waters Events	-	140	140
Buckley Events	-	107	107
Brilliant Basics – Digital Kiosks	<u>6,404</u>	<u>(1,928)</u>	<u>4,476</u>
Restricted funds	<u>1,411,616</u>	<u>(7,175)</u>	<u>1,404,441</u>
TOTAL FUNDS	<u>1,838,613</u>	<u>(4,062)</u>	<u>1,834,551</u>

GROUNDWORK NORTH WALES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2024

MOVEMENT IN FUNDS – CHARITY

	At 1.4.23	Net movement in funds	At 31.3.24
	£	£	£
Unrestricted funds			
General fund	90,022	(18,325)	71,697
Restricted funds			
Create your Space	48,189	(48,189)	-
Thrive Third Sector Resilience	25,000	(25,000)	-
Minera Country Park - Landfill	17,246	(17,246)	-
Resilience communities	2,714	(2,714)	-
Millenium Stadium Charity	4,746	(4,746)	-
Resilience fund - HLF	8,169	(8,169)	-
Nationwide Family Project	-	(42,858)	-
Brilliant Basics – Digital Kiosks	6,404	(1,928)	4,476
Principality	-	347	347
Wrexham schools 2023-24	-	4,683	4,683
Moving on Wrexham	-	1,035	1,035
Nationwide Happy Families	-	53,219	53,219
Safer Streets 5	-	616	616
Co-op	-	2,526	2,526
Dee Valley River Gwenfro	-	20,699	20,699
SS5 Underspend – out of hours delivery	-	62	62
Alyn Waters Events	-	140	140
Buckley Events	-	107	107
	<u>112,468</u>	<u>(24,558)</u>	<u>87,910</u>
Restricted funds			
TOTAL FUNDS	<u>202,490</u>	<u>(42,883)</u>	<u>159,607</u>

All carried forward funds have been agreed as carryover and be spent in 2024-25

NET MOVEMENT IN FUNDS – GROUP

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,933,214	(1,930,100)	3,114
Restricted funds			
Restricted fund	741,442	(748,617)	(7,175)
	<u>2,674,656</u>	<u>(2,678,717)</u>	<u>(4,061)</u>
TOTAL FUNDS			

GROUNDWORK NORTH WALES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2024

NET MOVEMENT IN FUNDS – CHARITY

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,394,787	(1,413,112)	(18,325)
Restricted funds			
Restricted fund	474,927	(499,485)	(24,558)
TOTAL FUNDS	<u>1,869,714</u>	<u>(1,912,597)</u>	<u>(42,883)</u>

18. CAPITAL COMMITMENTS – GROUP & CHARITY

	31.3.23 £	31.3.22 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>-</u>