

Company registration number: 02702815

Charity registration number: 1017706

GROUNDWORK NORTH EAST

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

Groundwork North East

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Groundwork North East

Chairman's Statement

During the 2023/24 financial year Groundwork North East and Cumbria continued to operate within a challenging external environment. The cost of living crisis and legacy of the Covid lockdowns has particularly hit those who we reach through our community programmes, and our nature based solutions activity is made more challenging by the increasingly acute environmental challenges facing us all.

Our teams also had to adapt to the changing political landscape within which we operate, with the reorganisation of local government in Cumbria and preparations for the launch of the North East Combined Authority.

During the year the Board signed off the 2023 - 2028 five year strategy, with five priority areas which are aligned to those of the wider Groundwork Federation:

1. Protecting & Enhancing Green & Blue Spaces
2. Delivering Green Skills & Jobs
3. Promoting Greener Living
4. Empowering Communities
5. Developing new trading activity to provide additional income to support our charitable objects.

The Trustees would like to express their gratitude and thanks to our Groundwork staff and volunteers for the way in which they have continued to develop and deliver successful programme of activity in line with our strategic priorities in the context of the challenging external environment. As we developed and delivered our programme, we continued to work in partnership with our sister Trust, Groundwork South and North Tyneside and played an active role in the wider Groundwork Federation.

Our trading company's businesses continued to perform well during the year, with high occupancy in The Greenhouse and the Land of Oak and Iron Heritage Centre continuing to provide a high-quality experience to visitors.

Key achievements are summarised in the Achievements and Performance section of the Trustees' report.

I would like to thank my fellow trustees, who give their time so generously to support our organisation, and Groundwork's employees and volunteers who continue to inspire through their commitment and creativity: the greatest strength of any organisation is its people.



Andrew Thurston 05 Nov 2024 20:57:34 GMT (UTC +0)

A R Thurston
Trustee

Groundwork North East

Trustees' Report

Report of the Trustees

The trustees are pleased to present their Annual Report, together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 March 2024, which are also prepared to meet the requirements for a directors' report and accounts for the Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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.

Our purposes and activities

The charity's purposes and activities are set out below. The activities are undertaken to further the Trust's charitable purposes for the public benefit. The trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charities Commission and the trustees have paid due regard to this guidance in deciding what activities the Trust should undertake.

The company's charitable objects, as defined in the Memorandum & Articles of Association are:

- a. To promote the conservation, protection and improvement of the physical and natural environment anywhere in the North East and Cumbria regions of England.
- b. To provide facilities in the interests of 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 North East and Cumbria.
- c. To advance the public education in environmental matters and of the ways of better conserving, protecting and improving the same whatsoever.
- d. To promote, for the public benefit, urban and rural regeneration in areas of social and economic deprivation.

What we do to meet our charitable objectives To achieve these charitable objectives we deliver a diverse range of projects and programmes across the North East and Cumbria, under one of our three strategic programme areas.

- **create better places-** by making communities greener, safer and healthier and by enabling people to work together to bring about change in their local area.
- **improve people's prospects-** by increasing the confidence, skills, wellbeing and employability of those struggling in education or out of work.
- **promote greener living and working-** by helping people and businesses reduce their environmental impact, improve their health, cut waste and save money.

Our ambition is to build our visibility, our reputation and our resource base so that we can be a significant, radical force for driving change in attitudes, behaviours, places and prospects in the local communities that need it most.

Within our strategic programme areas, over the next five years to 2028 we will focus on the following strategic growth areas:

Protecting and enhancing green and blue spaces

Groundwork North East

Trustees' Report

Delivering green skills and jobs

Promoting greener living

Empowering communities

Developing new trading activity

We will align our programme with emerging policy framework from central government and local stakeholders' strategies and plans. We will continue improving our own capability and resilience to ensure we are putting maximum resource into our front-line delivery and invest in the right skills to improve the quality of our services and management.

Our Volunteers

We are extremely grateful for the assistance of 537 volunteers who have been actively involved on a variety of projects, providing 14,500 hours of volunteer time, energy and skills to help us reach more beneficiaries and increase our positive impact on the environment.

Achievements and performance

Throughout the year Groundwork North East and Cumbria delivered a high volume of short- and long-term projects. Short term projects are defined as those which last less than one year.

Creating better places

- Implemented 85 biodiversity improvement actions including: addressing habitat and biodiversity loss
- Improved 61,000 square meters of land
- 106 sites improved, including public parks, community areas and schools

Our *Revitalising Our Estuaries* project delivered additional improvements to the Wansbeck Estuary and the riverside greenspaces. *EcoNorth* identified issues such as sand dune degradation including loss of native species to invasive sea buckthorn, Japanese Rose and Japanese knotweed. In total 30 hectares of woodland were improved, featuring five sections of boardwalk for better access. Volunteers from Coca-Cola attended engagement activities to address habitat disturbances and participate in community enhancement activities.

The *Wild Oysters* programme has been successfully delivered since 2023. The project team undertook educational visits and plans to establish a sustainable reef in the North Sea. The programme aims to improve the health of Britain's coastal waters by restoring native wild oysters. A newly created reef, the size of a football pitch, home to 10,000 European native oysters was created. 860 school students have been engaged in site visits, workshops and school sessions. 200 volunteers have engaged on oyster monitoring and reef deployment.

Groundwork worked with Beyond Housing to maintain 16 sites across Redcar and Cleveland. The supervisor and six operatives who are fully trained in horticulture worked on 89,000 square meters of grass, 2,100 square meters of shrubs and 600 square meters of hedges.

Improving people's prospects

- Supported 984 individuals to transition into education, training or employment
- Attained 143 formal qualifications

Groundwork North East

Trustees' Report

- Provided 2520 individuals with personalised coaching or mentoring

Northern Directions provided opportunities to young people not in education, employment or training and aged 16-24 to progress towards the labour market, further education or training. Free tailored employability and personal development packages were available for a diverse range of participants, to support them in overcoming barriers. This comprehensive programme has supported 562 young people with coaching, mentoring, job matching, application support, interview preparation and training in basic skills including health and safety. Mary Blackwell, Project Manager said "It has been amazing to see how this project has developed and supported young people in the region. The team worked hard to reach young people in need of this support and due to the success of the delivery we were able to get further funding to continue this work".

Durham Works, a programme for schools offered specialised support to 15-16 years olds, navigating decisions about education, training and employment after Year11. It included 1:1 guidance, group activities and school events with local business representatives. The programme supported 365 young people, with 347 individuals transitioning into education training and employment. Durham Works helped young people identify their goals, explore necessary skills and qualifications to find suitable pathways towards their aspirations, providing assistance along the way. 305 young people reported that the programme improved their mental health and wellbeing.

Choices Cumbria was a programme that helped 866 individuals overcome complex barriers to achieve their goals and pathways to employment. It provided tailored support to address challenges such as lack of confidence, social isolation, health issues and lack of work experience or qualifications. 209 economically inactive people were supported into employment. Participants said "I never thought I would feel as I do today after the help from Choices" and "This programme helped me get out of the house and I am more comfortable with new people."

Promoting greener living and working

- Identification of 16,263kg CO₂e (carbon dioxide equivalent) in potential domestic carbon saving
- Offered 4600 free impartial advice, supporting people to save energy and reduce bills

The *Green Social Prescribing Network* was a pilot programme led by Groundwork to understand and promote the benefits of green social prescribing. The aim was to promote the benefits for health and wellbeing ensuring those with health inequalities have equal access to opportunities by linking existing social prescribers with activity providers. Groundwork hosted seven network events, with six host organisations and 25 activity providers. In total, 140 social prescribers and activity providers attended/participated. Services were mapped and funding was accessed to deliver activities. 13 projects secured funding through the NHS green social prescribing development fund.

Green Doctor has continued to help households across the region to stay warm, healthy and to save on energy bills. Offering 4600 households free impartial advice on energy savings, reducing heat loss, improving water efficiency which has resulted in reducing the cost of living. One Green Doctor service user said "I found dealing with the energy company really stressful. I really appreciated [my Green Doctor's] help"

Financial Review

The Trust continues to build a positive and robust balance sheet, with total funds of £4,750k (2023: £4,719k).

Groundwork North East

Trustees' Report

Although turnover has reduced slightly, the total number of projects delivered has increased from 195 (2021/22) to 234 (2022/23). This reflects an external funding environment that supports an increasing number of smaller and targeted interventions.

Our principal sources of funding were from the UK Shared Prosperity Fund, Environment Agency, Heritage Lottery and via Trading.

Consolidated cash balances decreased slightly in the year to £750k, (2022/23: £979k).

The Greenhouse business centre continues to house a range of tenants from start up to SME's, as well as providing a high level of quality business meeting space. Occupancy rates have remained high despite concerns regarding changes to working practices including home working.

The Land of Oak and Iron Heritage Centre continues to grow in terms of engagement and turnover, establishing itself as a go to destination catering for a wide range of visitors all year round.

Some of our funders require details to be included in our Financial Statements, which is provided as part of note 23.

Investment powers and policy

Under the Memorandum and Articles of Association, the Trust has the power to make any investment which the Board see fit.

Reserves Policy

Groundwork NE & Cumbria Trustees and executive management team have reviewed the Reserves Policy and the Board has agreed that unrestricted reserves are required for the following reasons:

- a. Financial impact of Risk:
- b. Working Capital:
- c. Commitments and long-term plans:
 - To allow the Trust to absorb short term setbacks such as loss or delays in funding;
 - To provide funding to cover unforeseen downturn in activity, allowing alternative activity to be generated and/or a planned downsizing of activity;
 - To allow for the management of risks in funding of growth opportunities;
 - To cover any contractual obligations required such as redundancy, TUPE costs, extended liabilities (re-payments)
 - To finance working capital needs, such as delays in receipts and to fund the time delays between developing projects, obtaining approval and funds being received;
 - To cover the working capital required to fund retrospective payment terms
 - To enable the Trust to maintain target reserves against anticipated low points of actual reserves
 - To fund new business development plans, such as new and improved delivery services for the Trust
 - To continue to maintain Trust buildings and sites to a good standard

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Trustees' Report

- To fund development of new systems and structures to support improved communications, research, quality and business management
- To fund specific business case led initiatives that lead to furtherance of the Trust's objectives.
- Initial specific funding is set aside to deliver the Trust's Carbon Reduction Plan, through investing in projects that:
 - Reduce energy consumption e.g. installation of solar power;
 - Investment in trust owned vehicles that rely less on fossil fuels
 - Incentivising staff to rely less on transport that uses fossil fuels whilst commuting and undertaking business travel
- Allow changes to be made to the way we do business' and in so doing reduce the impact on the environment

The above needs for reserves must be balanced against the following factors:

- The need to be seen to act as a responsible charity by central Government, our sponsors and the Charity Commission, and
- The need to avoid the accusation of creating excessive surpluses (profiteering) and accumulating large surpluses (hoarding) for which there is no future planned requirement or that bare no relation to the charitable aims.

Balancing the above and taking account of guidance published by the charity Commission, we have calculated a target Reserves value as £1,490k. This is a risk and cost-based approach;

Financial risk - £850k

Working capital - £430k

Commitment to long-term plans - £210k

The current Reserves, as of 31st March 2024, is calculated as:

Total unrestricted funds £3,503,204

Less tangible fixed assets for charity use (£2,592,511)

Total free reserves £910,693

The Trustees and management will seek to achieve and maintain the target level of Reserves over the coming years.

Funds

The Trust maintains the following funds:

Restricted Funds

Projects

The Greenhouse property

Future delivery of specific projects

Relating to the building of the Greenhouse Business Centre

Groundwork North East

Trustees' Report

| | |
|--------------------------------------|--|
| Greencroft Woodland Purchase | Purchase of the woodland |
| Cockermouth property | Funding used for property refurbishments |
| Land of Oak and Iron Heritage Centre | Relates to the capital spend on the Heritage Centre, the fund equals the net book value of the asset at the end of the year. |

Designated Funds

| | |
|--------------------------------|--|
| Business Development | Future development costs and business opportunities |
| Projects Surplus from projects | To be used in programme delivery |
| The Greenhouse | Unrestricted balance of the Greenhouse Investment property |

Going Concern

In the year to 31 March 2024, there was a net surplus in the year of £30k for the Group. General unrestricted funds showed a deficit of £627k. The Trustees have reviewed the Trust Business Plan for 2024 - 2025, targeting a surplus of £107k. The business plan is sufficient to secure the immediate future of the charity for at least the next 12 to 18 months. On this basis, we consider that the Trust is a going concern.

Plans for the future

The 2024/25 business plan has a projected turnover of £9M with a surplus of £107k. This has been structured around our five strategic growth areas as set out in GNEC's Strategic Plan 2023-28:

- Protecting and enhancing green and blue spaces
- Delivering green skills and jobs
- Promoting greener living
- Empowering Communities
- Developing new trading activity

Each growth area aligns with emerging policy frameworks from central government and local stakeholder strategies and plans, encompassing poverty, inclusivity and the environment. Each growth area also builds upon the delivery and positioning achieved through our principal operational themes.

- *Nature Based Solutions (NBS)* – We will continue to lead the way with innovative projects to improve biodiversity and connect people with nature. A key priority is to look at the ecological benefits and community impact, using our data to support the growth of NBS to attract a wider audience and increase project income.
- *Green Team and Land Management* – Providing opportunities for local communities to volunteer and link in with our Youth, Employment and skills programme. We will continue to provide hands on experiences for individuals to gain qualifications.

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Energy Efficiency – Through our Green Doctors and Retrofit advisors we will continue to support the households to reduce their energy consumption by operating a traditional but flexible model of home visits and telephone contact. Our Green Doctors programme continues to grow its portfolio offering a basic level of energy efficiency advice to all and continue to grow our knowledge and expertise in Retrofit.

-

Youth Work – We will empower young people to feel a part of their communities through programmes such as Green Influencers. We will listen to what they want to achieve and support them to seek the change they wish to see happen. We will engage to ensure all young people have equal access in having the opportunity and ability to shape their own futures.

-

Employment and Skills - Following a person-centred approach and acting as a form of 'match maker' we will support individuals to build capacity, capacity and skills to reach their personal ambition and goals, whilst promoting our Green agenda into all basic training we offer.

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Health and wellbeing - Physical health and mental wellbeing are a part of a thread that runs through all GNEC projects. We will provide a holistic community approach to improve experiences for people and the environment they live in which we will do by enhancing community green spaces, connecting people, reducing isolation, improving skills and giving people a sense of purpose

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We will continue to focus our work in areas of greatest need across the North East and Cumbria, helping people in hardship and isolation; building the green economy, connecting those who need it most with nature and helping people and places respond and adapt to climate change.

Our business plan enables us to focus on priority areas to support sustainable growth and adapt to a fast-paced changing world. We plan to maintain our areas of strength whilst building and/or improving other area as needed. This will support the organisation to build and retain skills and committed teams and develop systems and facilities that are fit for purpose. Our priorities include:

- People
- Marketing
- Quality and Learning
- Net Zero
- Finance

We will strive to develop our financial position and drive income diversification, generating more flexible funds that we can use to deliver our local programmes. We will do this by:

- Keeping our overhead costs low to ensure discretionary spending is focused on supporting local delivery
- Continuing to make strides in achieving our reserves policy to sustain our charitable operations
- Using our financial resources to support our business, increasing our resilience, diversifying income streams and maximising community impact.

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Trading Activities

The Greenhouse Environmental Business Centre in Annfield Plain was established as an eco-Centre in 2005 and provides high quality facilities for our tenants. With an on-site wind turbine, c70% of electricity used in the building was generated from this facility. The environmental credentials of the building will continue to be improved and where relevant, leading technologies to cement this unique proposition in the area will be continued. This includes a significant investment in improving the mobile phone coverage within the building for the benefit of tenants.

At our Land of Oak and Iron Heritage Centre in Winlaton Mill, we are proud to promote and celebrate local heritage and history of the Derwent Valley and surrounding areas. The centre attracts significant visitor numbers from the local population due to the convenience of the site and amenities provided. The centre continues to engage through on site events and an active social media presence. A quality food and drink offer is constantly being updated to encourage repeat visits. Further investment is scheduled to extend the service area to reduce waiting times and increase turnover.

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and executive officers serving during the year and since the year end were as follows:

| | | |
|-----------------|--------------------|----------------------------|
| Members: | A Thurston (Chair) | |
| | A Anderson | |
| | D Pearce | |
| | J Pritchard | |
| | M Schooler | |
| | H Simmons | |
| | J Davison | (appointed September 2023) |
| | Z Richardson | (appointed October 2023) |
| | S Neill | (appointed October 2023) |
| | M J U Houston | (appointed October 2023) |
| | S F Cole | (appointed October 2023) |
| | J Parkin | (appointed October 2023) |
| | T Case | (resigned 1 June 2023) |
| | Sir P Ennals | (resigned March 2024) |

Executive Officers:

| | |
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| Chief Executive Officer | S Roberts |
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| Company Secretary: | S Roberts |
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| Company Number: | 02702815 |
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| Charity Number: | 1017706 |
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| Registered Office: | 14 Parsons Court Welbury Way Newton Aycliffe Co. Durham |
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Groundwork North East

Trustees' Report

DL5 6ZE

Statutory Auditor:

Azets Audit Services
Regent Centre
Newcastle Upon Tyne
Gosforth
NE3 3LS

Bankers:

NatWest Bank plc
29 Newgate Street
Co Durham
DL14 7ET

Structure, Governance and Management

Governing Document

The Trust is a registered charity and a company limited by guarantee and is governed by its Memorandum and Articles of Association.

The Trust is part of a national federation of independent Trusts, including the Groundwork national office and we continue to play a leading role in the development of Groundwork in the UK. Each Groundwork trust operates independently with their local partners to improve people's prospects, create better places and promote greener living and working.

Appointment of trustees

Trustees who are also members of the Company serve a term to a maximum of three years and can be appointed for further terms subject to approval by the Board.

Trustee induction and training

Trustees meet with the Chief Executive and Chairman for an introduction to the Trust. Trustees are invited and encouraged to sit on Board Committees.

Organisation

The Board of Trustees, which can have up to 15 members, administer the charity. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity.

During this financial year there were four meetings of the full Board, which received reports from committees which also met quarterly:

- **Finance & Corporate Services Committee** - Oversees the financial, personnel and health and safety activities of the Trust, recommend financial strategy to the Board and ensure that robust systems of financial management are in place.
- **Strategic & Business Development Committee** - Develops the Trust's forward Strategic and Business plans making recommendations to the Board via the Finance & Corporate Services Committee on specific opportunities.

Groundwork North East

Trustees' Report

- **Business Controls, Systems and Compliance Committee** – Oversees the Trust implementation of non-financial compliance, policies and procedures required to meet legal compliance, and regulatory requirements with regards Health & Safety Data Protection and Safeguarding.
- **Trading Board** – oversees commercial and income generating objectives at The Greenhouse Business Centre and the Land of Oak and Iron Heritage Centre.

In addition to the formal Trustee committees, in line with our commitment to youth participation our Youth of Today meet throughout the year. The objective of the group is to provide a platform for young voices to help inform the way we go about our work and that we are being evidenced based in our interventions.

At each meeting of the Board, presentations from areas of the business are received. Throughout the year presentations from staff on projects in the Youth Employment Initiative, Land & Communities Projects and an overview of the Social Enterprise businesses were made.

Our close working relationship with Groundwork South & North Tyneside continues to operate well within the organisation. The Business Controls, Systems and Compliance Committee remains a joint Committee, with representation from Trustees and Executives of both Trusts and includes cross working between the Trusts in specific operational areas such as Finance, HR, Health & Safety and Facilities. The Chairs of Groundwork North East & Cumbria and Groundwork South & North Tyneside are Trustees of both Trusts.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other financial benefit from their work with the charity.

The Trust is part of a national network of independent trusts known as the Groundwork Federation and the Chair of Groundwork North East & Cumbria is a member of the Federation Board.

The Trust has one wholly owned subsidiary company,

The Greenhouse Company (Groundwork) Limited;

Details of any related party transactions are disclosed in Note 26 to the accounts.

Groundwork North East

Trustees' Report

Statement of trustees' responsibilities

The trustees (who are also the directors of Groundwork North East 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), including FRS 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. 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 parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the parent charitable company and the group 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 parent charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 05/11/2024.. and signed on its behalf by:



Andrew Thurston 05 Nov 2024 20:57:34 GMT (UTC +0)

A R Thurston
Trustee

Groundwork North East

Independent Auditor's Report to the Members of Groundwork North East

Opinion

We have audited the financial statements of Groundwork North East (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 parent charity's affairs as at 31 March 2024 and of the group's 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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 group's ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Groundwork North East

Independent Auditor's Report to the Members of Groundwork North East

We have nothing to report in this regard.

Opinion on other matter 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 and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 (set out on page 12), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor 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 an auditor's 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:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations including fraud;
- Reviewing the most recent reports issued by regulators;

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Independent Auditor's Report to the Members of Groundwork North East

Reviewing board minutes;

- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: compliance with the UK Companies Act, and the Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable parent company's trustees, 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 group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown 05 Nov 2024 14:42:09 GMT (UTC +0)

Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 05/11/2024.....

Azets Audit Services is a trading name of Azets Audit Services Limited.

Groundwork North East

Consolidated Statement of Financial Activities for the Year Ended 31 March 2024

(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted £ | Restricted £ | Total 2024 £ | Total 2023 £ |
|--|------|-------------------------|-------------------------|-------------------------|-------------------------|
| Income and Endowments from: | | | | | |
| Donations and legacies | 3 | 83,242 | - | 83,242 | 22,992 |
| Charitable activities | 4 | - | 7,334,620 | 7,334,620 | 8,559,793 |
| Other trading activities | 5 | 924,107 | - | 924,107 | 787,098 |
| Investment income | 6 | 61,324 | - | 61,324 | 219,645 |
| Other income | 7 | 17,259 | - | 17,259 | 62,686 |
| Total Income | | <u>1,085,932</u> | <u>7,334,620</u> | <u>8,420,552</u> | <u>9,652,214</u> |
| Expenditure on: | | | | | |
| Raising funds | 8 | (712,234) | - | (712,234) | (668,049) |
| Charitable activities | 9 | <u>(1,086,008)</u> | <u>(6,677,488)</u> | <u>(7,763,496)</u> | <u>(8,890,849)</u> |
| Total Expenditure | | <u>(1,798,242)</u> | <u>(6,677,488)</u> | <u>(8,475,730)</u> | <u>(9,558,898)</u> |
| Net (expenditure)/income | | (712,310) | 657,132 | (55,178) | 93,316 |
| Transfers between funds | | 721,077 | (721,077) | - | - |
| Other recognised gains and losses | | | | | |
| Other gains/losses | | <u>85,550</u> | - | <u>85,550</u> | <u>-</u> |
| Net movement in funds | | 94,317 | (63,945) | 30,372 | 93,316 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | <u>3,408,887</u> | <u>1,310,316</u> | <u>4,719,203</u> | <u>4,625,887</u> |
| Total funds carried forward | 23 | <u><u>3,503,204</u></u> | <u><u>1,246,371</u></u> | <u><u>4,749,575</u></u> | <u><u>4,719,203</u></u> |

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 23.

Groundwork North East

(Registration number: 02702815)

Consolidated Balance Sheet as at 31 March 2024

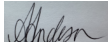
| | Note | 2024 £ | 2023 £ |
|--|------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 15 | 1,643,882 | 1,779,620 |
| Investments | 16 | <u>2,195,000</u> | <u>2,190,000</u> |
| | | <u>3,838,882</u> | <u>3,969,620</u> |
| Current assets | | | |
| Stocks | 17 | 12,673 | 10,816 |
| Debtors | 18 | 2,277,045 | 1,850,206 |
| Cash at bank and in hand | | <u>749,648</u> | <u>979,522</u> |
| | | 3,039,366 | 2,840,544 |
| Creditors: Amounts falling due within one year | 19 | <u>(1,871,678)</u> | <u>(1,822,672)</u> |
| Net current assets | | <u>1,167,688</u> | <u>1,017,872</u> |
| Total assets less current liabilities | | 5,006,570 | 4,987,492 |
| Creditors: Amounts falling due after more than one year | 20 | <u>(256,995)</u> | <u>(268,289)</u> |
| Net assets | | <u>4,749,575</u> | <u>4,719,203</u> |
| Funds of the group: | | | |
| Restricted | | <u>1,246,371</u> | <u>1,310,316</u> |
| Unrestricted income funds | | | |
| Designated funds | | 2,208,470 | 2,122,920 |
| General funds | | <u>1,294,734</u> | <u>1,285,967</u> |
| Total unrestricted funds | | <u>3,503,204</u> | <u>3,408,887</u> |
| Total funds | 23 | <u>4,749,575</u> | <u>4,719,203</u> |

The financial statements on pages 16 to 41 were approved by the trustees, and authorised for issue on 05/11/2024 and signed on their behalf by:



Andrew Thurston 05 Nov 2024 20:57:34 GMT (UTC +0)

A R Thurston
Trustee



Amber Anderson 06 Nov 2024 11:55:16 GMT (UTC +0)

A J J Anderson
Trustee

Groundwork North East

(Registration number: 02702815) Balance Sheet as at 31 March 2024

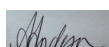
| | Note | 2024 £ | 2023 £ |
|--|------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 15 | 1,561,964 | 1,696,769 |
| Investments | 16 | <u>2,195,001</u> | <u>2,190,001</u> |
| | | <u>3,756,965</u> | <u>3,886,770</u> |
| Current assets | | | |
| Debtors | 18 | 2,193,524 | 1,919,187 |
| Cash at bank and in hand | | <u>507,027</u> | <u>691,588</u> |
| | | 2,700,551 | 2,610,775 |
| Creditors: Amounts falling due within one year | 19 | <u>(1,739,572)</u> | <u>(1,713,775)</u> |
| Net current assets | | <u>960,979</u> | <u>897,000</u> |
| Total assets less current liabilities | | 4,717,944 | 4,783,770 |
| Creditors: Amounts falling due after more than one year | 20 | <u>(256,995)</u> | <u>(268,289)</u> |
| Net assets | | <u>4,460,949</u> | <u>4,515,481</u> |
| Funds of the charity: | | | |
| Restricted | | <u>1,246,371</u> | <u>1,310,316</u> |
| Unrestricted income funds | | | |
| Designated funds | | 2,208,470 | 2,122,920 |
| Unrestricted funds | | <u>1,006,108</u> | <u>1,082,245</u> |
| Total unrestricted funds | | <u>3,214,578</u> | <u>3,205,165</u> |
| Total funds | 23 | <u>4,460,949</u> | <u>4,515,481</u> |

The financial statements on pages 16 to 41 were approved by the trustees, and authorised for issue on 05/11/2024.. and signed on their behalf by:



Andrew Thurston 05 Nov 2024 20:57:34 GMT (UTC +0)

A R Thurston
Trustee



Amber Anderson 06 Nov 2024 11:55:16 GMT (UTC +0)

A J J Anderson
Trustee

Groundwork North East

Consolidated Statement of Cash Flows for the Year Ended 31 March 2024

| | Note | 2024 £ | 2023 £ |
|--|------|------------------|------------------|
| Cash flows from operating activities | | | |
| Net cash income | | 30,372 | 93,316 |
| Adjustments to cash flows from non-cash items | | | |
| Depreciation | 15 | 76,602 | 61,215 |
| Investment income | 6 | (61,324) | (219,645) |
| Revaluation of investments | | (85,550) | - |
| | | <u>(39,900)</u> | <u>(65,114)</u> |
| Working capital adjustments | | | |
| (Increase)/decrease in stocks | 17 | (1,857) | 393 |
| (Increase)/decrease in debtors | 18 | (326,839) | 387,662 |
| Increase/(decrease) in creditors | 19 | 61,978 | (437,309) |
| | | <u>(306,618)</u> | <u>(114,368)</u> |
| Net cash flows from operating activities | | | |
| Cash flows from investing activities | | | |
| Interest receivable and similar income | 6 | 61,324 | 219,645 |
| Purchase of tangible fixed assets | 15 | (40,317) | (109,149) |
| Sale of investments | | 80,000 | - |
| | | <u>101,007</u> | <u>110,496</u> |
| Net cash flows from investing activities | | | |
| Cash flows from financing activities | | | |
| Repayment of loans and borrowings | 19 | (24,263) | (26,077) |
| | | <u>(229,874)</u> | <u>(29,949)</u> |
| Net decrease in cash and cash equivalents | | | |
| Cash and cash equivalents at 1 April | | 979,522 | 1,009,471 |
| | | <u>979,522</u> | <u>1,009,471</u> |
| Cash and cash equivalents at 31 March | | <u>749,648</u> | <u>979,522</u> |

All of the cash flows are derived from continuing operations during the above two periods.

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

The charity is limited by guarantee, incorporated in England and England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is: 14 Parsons Court, Welbury Way, Newton Aycliffe, County Durham, DL5 6ZE

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

Basis of preparation

Groundwork North East 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 notes.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2024.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a loss after tax for the financial year of £6,361 (2023 - surplus of £93,316).

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

Estimation uncertainty and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no significant accounting estimates which are considered to materially impact the financial statements.

Income and endowments

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 the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Rental income is recognised once the charity has received the income.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

Charitable activities

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

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the performance model and are measured at the fair value of the asset received or receivable. Grants are recognised in income where there are no performance conditions. If there are such performance conditions, then the income is deferred and recognised as deferred income within creditors.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class | Depreciation method and rate |
|-------------------------|--|
| Leasehold improvements | over the remaining unexpired term of the lease |
| Freehold property | over 50 years |
| Furniture and equipment | over 4 years |
| Computer and software | over 3 years |
| Motor vehicles | over 3 years |

Investments

Fixed asset investments are stated at cost less provision for diminution in value. Those stated as current assets are stated at the lower of cost and net realisable value.

Investment property is included at open market value, which is updated every five years by an independent, chartered surveyor. Each year, trustees review the valuations in order to identify any impairment that is due.

Stock

Stock and work in progress are valued at the lower of cost and net realisable value.

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the group.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

Pensions and other post retirement obligations

The group operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial Instruments

The Trust 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 with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

3 Income from donations and legacies

| | Unrestricted funds General £ | Restricted funds £ | Total 2024 £ |
|----------------------------|---|-----------------------------------|-----------------------------|
| Donations and legacies; | | | |
| Donations from individuals | 83,242 | - | 83,242 |
| | <u>83,242</u> | <u>-</u> | <u>83,242</u> |
| | | | |
| | Unrestricted funds General £ | Restricted funds £ | Total 2023 £ |
| Donations and legacies; | | | |
| Donations from individuals | 22,992 | - | 22,992 |
| | <u>22,992</u> | <u>-</u> | <u>22,992</u> |

4 Income from charitable activities

| | Restricted funds £ | Total 2024 £ |
|------------------------------------|-----------------------------------|-----------------------------|
| Improve people's prospects | 4,144,943 | 4,144,943 |
| Create better places | 2,148,370 | 2,148,370 |
| Promote greener living and working | 1,041,307 | 1,041,307 |
| | <u>7,334,620</u> | <u>7,334,620</u> |

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

| | Restricted funds | Total 2023 |
|------------------------------------|-------------------------|-------------------|
| | £ | £ |
| Improve people's prospects | 6,003,356 | 6,003,356 |
| Create better places | 2,102,772 | 2,102,772 |
| Promote greener living and working | 453,665 | 453,665 |
| | <u>8,559,793</u> | <u>8,559,793</u> |

5 Income from other trading activities

| | Unrestricted funds General | Total 2024 |
|---|-----------------------------------|-------------------|
| | £ | £ |
| Trading activities | | |
| The Greenhouse Company (Groundwork) Limited | 924,107 | 924,107 |
| | <u>924,107</u> | <u>924,107</u> |

| | Unrestricted funds General | Total 2023 |
|---|-----------------------------------|-------------------|
| | £ | £ |
| Trading activities | | |
| The Greenhouse Company (Groundwork) Limited | 787,098 | 787,098 |
| | <u>787,098</u> | <u>787,098</u> |

6 Investment income

| | Unrestricted funds General | Total 2024 |
|---|-----------------------------------|-------------------|
| | £ | £ |
| Interest receivable and similar income; | | |
| Interest receivable on bank deposits | 7,354 | 7,354 |
| Income from rents | 53,970 | 53,970 |
| | <u>61,324</u> | <u>61,324</u> |

| | Unrestricted funds General | Total 2023 |
|---|-----------------------------------|-------------------|
| | £ | £ |
| Interest receivable and similar income; | | |
| Interest receivable on bank deposits | 2,423 | 2,423 |
| Income from rents | 217,222 | 217,222 |
| | <u>219,645</u> | <u>219,645</u> |

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

7 Other income

| | Unrestricted funds General £ | Total 2024 £ |
|--------------|---|-----------------------------|
| Other income | 17,259 | 17,259 |
| | Unrestricted funds General £ | Total 2023 £ |
| Other income | 62,686 | 62,686 |

8 Expenditure on raising funds

a) Costs of trading activities

| | Allocated support costs £ | Total 2024 £ | Total 2023 £ |
|--------------------|--|-----------------------------|-----------------------------|
| Trading subsidiary | 712,234 | 712,234 | 668,049 |

9 Expenditure on charitable activities

| | Activity undertaken directly £ | Activity support costs £ | 2024 £ |
|------------------------------------|---|---|-------------------|
| Improve people's prospects | 3,297,865 | 682,843 | 3,980,708 |
| Create better places | 2,179,381 | 451,254 | 2,630,635 |
| Promote greener living and working | 954,515 | 197,638 | 1,152,153 |
| | <u>6,431,761</u> | <u>1,331,735</u> | <u>7,763,496</u> |
| | Activity undertaken directly £ | Activity support costs £ | 2023 £ |
| Improve people's prospects | 5,369,145 | 776,795 | 6,145,940 |
| Create better places | 1,827,151 | 582,711 | 2,409,862 |
| Promote greener living and working | 311,991 | 23,056 | 335,047 |
| | <u>7,508,287</u> | <u>1,382,562</u> | <u>8,890,849</u> |

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

In addition to the expenditure analysed above, there are also governance costs of £13,500 (2023 - £14,175) which relate directly to charitable activities. See note 10 for further details.

10 Analysis of governance and support costs

Support costs allocated to charitable activities

| | Governance costs | Other support costs | Total 2024 |
|-----------------------|-------------------------|----------------------------|-------------------|
| | £ | £ | £ |
| Staffing | - | 569,554 | 569,554 |
| Transport | - | 15,755 | 15,755 |
| Premises | - | 131,602 | 131,602 |
| Supplies and services | - | 285,263 | 285,263 |
| Legal fees | - | 239,459 | 239,459 |
| Audit fees | 13,500 | - | 13,500 |
| Depreciation | - | 76,602 | 76,602 |
| | <u>13,500</u> | <u>1,318,235</u> | <u>1,331,735</u> |
| | Governance costs | Other support costs | Total 2023 |
| | £ | £ | £ |
| Staffing | - | 625,105 | 625,105 |
| Transport | - | 8,813 | 8,813 |
| Premises | - | 139,866 | 139,866 |
| Supplies and services | - | 395,895 | 395,895 |
| Legal fees | - | 137,493 | 137,493 |
| Audit fees | 14,175 | - | 14,175 |
| Depreciation | - | 61,215 | 61,215 |
| | <u>14,175</u> | <u>1,368,387</u> | <u>1,382,562</u> |

The Trust initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the three key programme areas delivered in the year. The basis of the apportionment of the costs is pro-rata to the expenditure on each programme area.

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

11 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

| | 2024 | 2023 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Audit fees | 13,500 | 14,175 |
| Depreciation of fixed assets | <u>76,602</u> | <u>61,215</u> |

12 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

13 Staff costs

The aggregate payroll costs were as follows:

| | 2024 | 2023 |
|--|------------------|------------------|
| | £ | £ |
| Staff costs during the year were: | | |
| Wages and salaries | 4,368,134 | 4,723,940 |
| Social security costs | 131,194 | 368,823 |
| Pension costs | 60,137 | 344,100 |
| Compensation payments | 26,281 | - |
| | <u>4,585,746</u> | <u>5,436,863</u> |

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

| | 2024 | 2023 |
|-----------------|-------------|-------------|
| | No | No |
| Number of staff | <u>174</u> | <u>200</u> |

The number of employees whose emoluments fell within the following bands was:

| | 2024 | 2023 |
|--------------------|-------------|-------------|
| | No | No |
| £60,001 - £70,000 | 1 | 2 |
| £70,001 - £80,000 | 1 | - |
| £80,001 - £90,000 | 1 | - |
| £90,001 - £100,000 | <u>-</u> | <u>1</u> |

The total employee benefits of the key management personnel of the group were £249,999 (2023 - £264,847).

14 Taxation

The group is a registered charity and is therefore potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

15 Tangible fixed assets

Group

| | Land and buildings £ | Furniture and equipment £ | Motor vehicles £ | Total £ |
|-----------------------|----------------------------|---------------------------------|------------------------|------------------|
| Cost | | | | |
| At 1 April 2023 | 2,041,708 | 602,552 | 63,110 | 2,707,370 |
| Additions | - | 29,822 | 10,495 | 40,317 |
| Transfers | <u>(130,000)</u> | <u>-</u> | <u>-</u> | <u>(130,000)</u> |
| At 31 March 2024 | <u>1,911,708</u> | <u>632,374</u> | <u>73,605</u> | <u>2,617,687</u> |
| Depreciation | | | | |
| At 1 April 2023 | 355,455 | 509,189 | 63,109 | 927,753 |
| Charge for the year | 40,061 | 33,917 | 2,624 | 76,602 |
| Transfers | <u>(30,550)</u> | <u>-</u> | <u>-</u> | <u>(30,550)</u> |
| At 31 March 2024 | <u>364,966</u> | <u>543,106</u> | <u>65,733</u> | <u>973,805</u> |
| Net book value | | | | |
| At 31 March 2024 | <u>1,546,742</u> | <u>89,268</u> | <u>7,872</u> | <u>1,643,882</u> |
| At 31 March 2023 | <u>1,686,253</u> | <u>93,363</u> | <u>1</u> | <u>1,779,617</u> |

Included within the net book value of land and buildings above is £366,538 (2023 - £441,627) in respect of freehold land and buildings and £1,180,204 (2023 - £1,244,626) in respect of leasehold properties.

The transfer represents fixed assets with a NBV of £99,450 being held as an investments property.

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

Charity

| | Land and buildings £ | Furniture and equipment £ | Motor vehicles £ | Total £ |
|-----------------------|----------------------------|---------------------------------|------------------------|------------------|
| Cost | | | | |
| At 1 April 2023 | 2,041,708 | 433,556 | 63,110 | 2,538,374 |
| Additions | - | - | 10,495 | 10,495 |
| Transfers | <u>(130,000)</u> | <u>-</u> | <u>-</u> | <u>(130,000)</u> |
| At 31 March 2024 | <u>1,911,708</u> | <u>433,556</u> | <u>73,605</u> | <u>2,418,869</u> |
| Depreciation | | | | |
| At 1 April 2023 | 355,455 | 423,044 | 63,109 | 841,608 |
| Charge for the year | 40,061 | 3,162 | 2,624 | 45,847 |
| Transfers | <u>(30,550)</u> | <u>-</u> | <u>-</u> | <u>(30,550)</u> |
| At 31 March 2024 | <u>364,966</u> | <u>426,206</u> | <u>65,733</u> | <u>856,905</u> |
| Net book value | | | | |
| At 31 March 2024 | <u>1,546,742</u> | <u>7,350</u> | <u>7,872</u> | <u>1,561,964</u> |
| At 31 March 2023 | <u>1,686,253</u> | <u>10,512</u> | <u>1</u> | <u>1,696,766</u> |

Included within the net book value of land and buildings above is £366,538 (2023 - £441,627) in respect of freehold land and buildings and £1,180,204 (2023 - £1,244,626) in respect of leasehold properties.

The transfer represents fixed assets with a NBV of £99,450 being held as an investments property.

16 Fixed asset investments

Group

| | 2024 £ | 2023 £ |
|-----------------------|------------------|------------------|
| Investment properties | <u>2,195,000</u> | <u>2,190,000</u> |

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

Investment properties

| | Investment properties £ |
|------------------------------------|--|
| Cost or Valuation | |
| At 1 April 2023 | 2,190,000 |
| Revaluation | 85,550 |
| Reclassification from fixed assets | 99,450 |
| Disposals and transfers | <u>(180,000)</u> |
| At 31 March 2024 | 2,195,000 |
| Provision | |
| At 31 March 2024 | <u>-</u> |
| Net book value | |
| At 31 March 2024 | <u>2,195,000</u> |
| At 31 March 2023 | <u>2,190,000</u> |

Included in disposals and transfers above is a disposal of £80,000 and a transfer of properties to other debtors (as assets held for resale) of £100,000.

The fair value of the investment properties have been arrived at on the basis of a valuation carried out by Lambert Smith Hampton on 5 March 2024 for all investment properties. The valuation was made on an open market basis by reference to market evidence of transaction prices for similar properties. The investments in property are held primarily for an investment return. An internal review is undertaken by the trustees annually.

Charity

| | 2024 £ | 2023 £ |
|-----------------------|-------------------|-------------------|
| Investment properties | 2,195,000 | 2,190,000 |
| Other investments | <u>1</u> | <u>1</u> |
| | <u>2,195,001</u> | <u>2,190,001</u> |

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

Investment properties

| | Investment properties £ |
|------------------------------------|--|
| Cost or Valuation | |
| At 1 April 2023 | 2,190,000 |
| Revaluation | 85,550 |
| Reclassification from fixed assets | 99,450 |
| Disposals and transfers | <u>(180,000)</u> |
| At 31 March 2024 | 2,195,000 |
| Provision | |
| At 31 March 2024 | <u>-</u> |
| Net book value | |
| At 31 March 2024 | <u>2,195,000</u> |
| At 31 March 2023 | <u>2,190,000</u> |

Included in disposals and transfers above is a disposal of £80,000 and a transfer of properties to other debtors (as assets held for resale) of £100,000.

The fair value of the investment properties have been arrived at on the basis of a valuation carried out by Lambert Smith Hampton on 5 March 2024 for all investment properties. The valuation was made on an open market basis by reference to market evidence of transaction prices for similar properties. The investments in property are held primarily for an investment return. An internal review is undertaken by the trustees annually.

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

Investment in subsidiary

| | Investment in subsidiary £ | Total £ |
|--------------------------|----------------------------------|-----------------|
| Cost or Valuation | | |
| At 1 April 2023 | <u>1</u> | <u>1</u> |
| At 31 March 2024 | <u>1</u> | <u>1</u> |
| Net book value | | |
| At 31 March 2024 | <u><u>1</u></u> | <u><u>1</u></u> |
| At 31 March 2023 | <u><u>1</u></u> | <u><u>1</u></u> |

Details of undertakings

The company's investments at the balance sheet date include an investment in The Greenhouse Company (Groundwork) Limited. Groundwork North East hold 100% of the ordinary share capital of The Greenhouse Company (Groundwork) Limited.

In the year to 31 March 2023 the subsidiary recorded a surplus of £204,208 (2023: £119,304) and had net assets of £288,627 (2023: £203,724).

17 Stock

| | Group | | Charity | |
|--------|---------------|---------------|-----------|-----------|
| | 2024 £ | 2023 £ | 2024 £ | 2023 £ |
| Stocks | <u>12,673</u> | <u>10,816</u> | <u>-</u> | <u>-</u> |

18 Debtors

| | Group | | Charity | |
|-----------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 2024 £ | 2023 £ | 2024 £ | 2023 £ |
| Trade debtors | 1,023,306 | 948,708 | 960,850 | 910,759 |
| Due from group undertakings | - | - | - | 130,525 |
| Prepayments | 121,558 | 96,495 | 100,493 | 72,900 |
| Accrued income | 1,032,181 | 796,836 | 1,032,181 | 796,836 |
| Other debtors | <u>100,000</u> | <u>8,167</u> | <u>100,000</u> | <u>8,167</u> |
| | <u><u>2,277,045</u></u> | <u><u>1,850,206</u></u> | <u><u>2,193,524</u></u> | <u><u>1,919,187</u></u> |

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

19 Creditors: amounts falling due within one year

| | Group | | Charity | |
|------------------------------------|------------------|------------------|------------------|------------------|
| | 2024 £ | 2023 £ | 2024 £ | 2023 £ |
| Bank loans | 25,415 | 38,387 | 25,415 | 38,387 |
| Trade creditors | 409,184 | 294,550 | 252,367 | 258,751 |
| Due to group undertakings | - | - | 92,391 | - |
| Other taxation and social security | 71,341 | 77,750 | 71,341 | 77,750 |
| VAT | 93,917 | 38,457 | 62,953 | - |
| Other creditors | 30,055 | 32,355 | 27,627 | 31,062 |
| Accruals and deferred income | <u>1,241,766</u> | <u>1,341,173</u> | <u>1,207,478</u> | <u>1,307,825</u> |
| | <u>1,871,678</u> | <u>1,822,672</u> | <u>1,739,572</u> | <u>1,713,775</u> |

Creditors due within one year includes the following liabilities on which security has been given:

| | Group | | Charity | |
|-------------------|---------------|---------------|---------------|---------------|
| | 2024 £ | 2023 £ | 2024 £ | 2023 £ |
| Charity Bank Loan | 15,360 | 27,739 | 15,360 | 27,739 |
| Bounce back Loan | <u>10,055</u> | <u>10,648</u> | <u>10,055</u> | <u>10,648</u> |
| | <u>25,415</u> | <u>38,387</u> | <u>25,415</u> | <u>38,387</u> |

20 Creditors: amounts falling due after one year

| | Group | | Charity | |
|------------|----------------|----------------|----------------|----------------|
| | 2024 £ | 2023 £ | 2024 £ | 2023 £ |
| Bank loans | <u>256,995</u> | <u>268,289</u> | <u>256,995</u> | <u>268,289</u> |

Creditors amounts falling due after more than one year includes the following liabilities on which security has been given:

| | Group | | Charity | |
|-------------------|----------------|----------------|----------------|----------------|
| | 2024 £ | 2023 £ | 2024 £ | 2023 £ |
| Charity Bank Loan | 239,661 | 241,730 | 239,661 | 241,730 |
| Bounce back loan | <u>17,334</u> | <u>26,559</u> | <u>17,334</u> | <u>26,559</u> |
| | <u>256,995</u> | <u>268,289</u> | <u>256,995</u> | <u>268,289</u> |

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

21 Obligations under leases and hire purchase contracts

The total value of future minimum lease payments was as follows:

| | Group 2024 £ | Charity 2024 £ |
|----------------------|-----------------------------|-------------------------------|
| Within one year | 6,096 | 4,298 |
| In two to five years | <u>21,379</u> | <u>15,071</u> |
| | <u><u>27,475</u></u> | <u><u>19,369</u></u> |

22 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £60,137 (2023 - £344,100).

Contributions totalling £24,112 (2023 - £29,608) were payable to the scheme at the end of the year and are included in creditors.

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

23 Funds

Group

| | Balance at 1 April 2023 £ | Incoming resources £ | Resources expended £ | Transfers £ | Other recognised gains/(losses) £ | Balance at 31 March 2024 £ |
|--|------------------------------------|----------------------------|----------------------------|------------------|--|--|
| Unrestricted funds | | | | | | |
| General | | | | | | |
| General funds | 1,285,967 | 1,085,932 | (1,798,242) | 721,077 | - | 1,294,734 |
| Designated | | | | | | |
| Revaluation reserve | 12,920 | - | - | - | 550 | 13,470 |
| The Greenhouse | 2,010,000 | - | - | - | 85,000 | 2,095,000 |
| Trustees Designated Reserve | <u>100,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>100,000</u> |
| | <u>2,122,920</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>85,550</u> | <u>2,208,470</u> |
| Total unrestricted funds | <u>3,408,887</u> | <u>1,085,932</u> | <u>(1,798,242)</u> | <u>721,077</u> | <u>85,550</u> | <u>3,503,204</u> |
| Restricted funds | | | | | | |
| Property Fund - Greencroft Woodland Purchase | 40,591 | - | - | - | - | 40,591 |
| Property Fund - Cockermouth 2 Market St | 17,612 | - | - | - | - | 17,612 |
| Project funds | 36,981 | 7,334,620 | (6,650,524) | (721,077) | - | - |
| Land of Oak and Iron Heritage Centre Fund | <u>1,215,132</u> | <u>-</u> | <u>(26,964)</u> | <u>-</u> | <u>-</u> | <u>1,188,168</u> |
| Total restricted funds | <u>1,310,316</u> | <u>7,334,620</u> | <u>(6,677,488)</u> | <u>(721,077)</u> | <u>-</u> | <u>1,246,371</u> |
| Total funds | <u>4,719,203</u> | <u>8,420,552</u> | <u>(8,475,730)</u> | <u>-</u> | <u>85,550</u> | <u>4,749,575</u> |

Restricted - Property funds

Grants were received for the refurbishment of 2 Market Street, Cockermouth. These are being written off in line with the depreciation policy of these assets.

The Greenhouse project represents funding for the construction of The Greenhouse, an investment asset. The restriction is reducing over a period of 15 years. The transfer from the restricted fund relates to the amount being reallocated to the designated fund, which together total the value of the investment.

The Greencroft Woodlands Purchase Fund is funding received to purchase woodland adjacent to the Greencroft Industrial Estate, Annfield Plain.

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

BBO Development Funding

Spending is restricted to future delivery of the Building Better Opportunities (BBO) programme.

Land of Oak & Iron Heritage Centre fund

The construction of the Land of Oak & Iron Heritage Centre was completed in September 2018. The funds equals the net book value of the asset.

Designated Fund - The Greenhouse

The fund represents the remaining unrestricted balance of the investment property. The transfer relates to the amount being reallocated from the restricted fund, which together total the value of the investment.

Designated Fund - Trustees Designated Fund

The Trustees Designated Fund is set aside in relation to an ongoing review of pay structures across the Trust.

Project funds

Project funds represent funding to enable specific projects to be undertaken in the year. Included in the charitable activities there are a number of funders and specific projects that need to be referred to specifically. These project funds are held in restricted reserves. The balance on Project funds is the overall net position on over 200 individual projects. The funds that require separate analysis are shown below:

| Project | Funder | Balance B/Fwd £ | Income £ | Expenditure £ | Balance C/Fwd £ |
|-----------------------------------|------------------------------------|-----------------------|-------------|------------------|-----------------------|
| River Tees Rediscovered | Heritage Lottery Fund | (22,645) | 134,173 | (56,144) | 55,384 |
| BBO - Choices | Big Lottery / European Social Fund | - | 91,104 | (99,799) | (8,696) |
| BBO - Step Forward Tees Valley | Big Lottery / European Social Fund | (18,368) | 50,132 | (37,494) | (5,730) |
| BBO - Reaching Out Accross Durham | Big Lottery / European Social Fund | - | 29,583 | (3,685) | 25,898 |
| BBO - Moving on Tyne and Wear | Big Lottery / European Social Fund | 30,535 | (12,558) | (9,211) | 8,765 |
| Eden Hill Young Peoples Project | Horden Youth and Community Centre | - | 174,803 | (62,403) | 112,400 |
| Norton Grange Lottery Funding | Heritage Lottery Fund | 9,304 | 37,994 | (55,002) | (7,704) |
| Big Local Easington | Local Trust | 18,487 | 199,334 | (243,876) | (26,055) |
| RC North East & Cumbria Region | National Lottery Community Fund | 17,845 | 14,871 | (3,804) | 28,912 |
| Western Perimeter Path | Livin Housing Limited | 8,000 | 7,490 | (12,607) | 2,883 |
| Reaching Out Across Durham (2) | UK Shared Prosperity Fund | (25,143) | 229,201 | (322,507) | (118,449) |

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

| | | | | | |
|---------------------------|---------------------------------|----------|---------|-----------|----------|
| Durhamworks 3-D384 | Durham CC/ European Social Fund | (53,108) | 293,164 | (162,263) | 77,792 |
| Durhamworks DD-D387 | Durham CC/ European Social Fund | (69,266) | 362,508 | (238,701) | 54,541 |
| Distington Big Local | Local Trust | 13,297 | (4,676) | (28,285) | (19,664) |
| Big Local Gateshead-TW394 | Local Trust | - | (34) | (2,027) | (2,062) |

The above overdrawn projects are paid in arrears and the balance was paid to Groundwork post year end.

24 Analysis of net assets between funds

Group

| | Unrestricted | | | Total funds |
|----------------------------------|------------------|------------------|------------------|------------------|
| | General £ | Designated £ | Restricted £ | |
| Tangible fixed assets | 384,041 | 13,470 | 1,246,371 | 1,643,882 |
| Fixed asset investments | 100,000 | 2,095,000 | - | 2,195,000 |
| Net current assets/(liabilities) | 1,067,688 | 100,000 | - | 1,167,688 |
| Creditors over 1 year | (256,995) | - | - | (256,995) |
| Total net assets | <u>1,294,734</u> | <u>2,208,470</u> | <u>1,246,371</u> | <u>4,749,575</u> |

| | Unrestricted | | | Total funds at 31 March 2023 |
|----------------------------------|------------------|------------------|------------------|------------------------------------|
| | General £ | Designated £ | Restricted £ | |
| Tangible fixed assets | 493,365 | 12,920 | 1,273,335 | 1,779,620 |
| Fixed asset investments | 180,000 | 2,010,000 | - | 2,190,000 |
| Net current assets/(liabilities) | 880,891 | 100,000 | 36,981 | 1,017,872 |
| Creditors over 1 year | (268,289) | - | - | (268,289) |
| Total net assets | <u>1,285,967</u> | <u>2,122,920</u> | <u>1,310,316</u> | <u>4,719,203</u> |

25 Analysis of net funds

Group

| | At 1 April 2023 £ | Financing cash flows £ | At 31 March 2024 £ |
|-----------------------------------|-------------------------|------------------------------|--------------------------|
| Cash at bank and in hand | 979,522 | (229,874) | 749,648 |
| Debt due within one year | (38,387) | 12,972 | (25,415) |
| Debt due after more than one year | (268,289) | 11,294 | (256,995) |
| Net debt | <u>672,846</u> | <u>(205,608)</u> | <u>467,238</u> |

Groundwork North East

Notes to the Financial Statements for the Year Ended 31 March 2024

26 Related party transactions

The Trust is part of a national network of trusts being part of the Groundwork Federation. Any trading activities with other trusts are at arm's length on normal commercial terms.

The Trustees represent local authorities, businesses, community & voluntary organisations. All transactions with these bodies are on an arm's length basis.

Other Groundwork Trusts

The following transactions occurred with other Groundwork Trusts during the year;

| Groundwork Trust | Sales in Year | Purchases in year | Amounts due/(owed) at year end |
|--|---------------|-------------------|--------------------------------|
| | £ | £ | £ |
| Groundwork UK | 61,006 | - | 61,006 |
| Groundwork South and North Tyneside | 25,583 | 38,549 | (12,965) |
| Groundwork London | - | 1,614 | (1,614) |
| Groundwork East | 1,960 | - | 1,960 |
| Groundwork Yorkshire | 23,271 | 5,500 | 17,772 |
| Groundwork Ten North East Limited | 680 | - | 680 |
| Groundwork Cheshire, Lancashire & Merseyside | 700 | | 700 |

Group

Charity

27 Contingent liabilities

On 15 March 2018 a legal charge was registered against Groundwork North East by the Trustees of The National Heritage Memorial Fund regarding a grant of £697,700 awarded for the Land of Oak and Iron project.

Groundwork North East

Comparative Consolidated Statement of Financial Activities for the Year Ended 31 March 2023 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted £ | Restricted £ | Total 2023 £ |
|------------------------------------|------|-------------------------|-------------------------|-------------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 3 | 22,992 | - | 22,992 |
| Charitable activities | 4 | - | 8,559,793 | 8,559,793 |
| Other trading activities | 5 | 787,098 | - | 787,098 |
| Investment income | 6 | 219,645 | - | 219,645 |
| Other income | 7 | 62,686 | - | 62,686 |
| Total income | | <u>1,092,421</u> | <u>8,559,793</u> | <u>9,652,214</u> |
| Expenditure on: | | | | |
| Raising funds | 8 | (668,049) | - | (668,049) |
| Charitable activities | 9 | <u>(1,382,562)</u> | <u>(7,508,287)</u> | <u>(8,890,849)</u> |
| Total expenditure | | <u>(2,050,611)</u> | <u>(7,508,287)</u> | <u>(9,558,898)</u> |
| Net (expenditure)/income | | (958,190) | 1,051,506 | 93,316 |
| Transfers between funds | | <u>1,129,910</u> | <u>(1,129,910)</u> | - |
| Net movement in funds | | 171,720 | (78,404) | 93,316 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>3,237,167</u> | <u>1,388,720</u> | <u>4,625,887</u> |
| Total funds carried forward | 23 | <u><u>3,408,887</u></u> | <u><u>1,310,316</u></u> | <u><u>4,719,203</u></u> |