

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 2025

# Groundwork North East

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# Groundwork North East

## Reference and Administrative Details

<b>Trustees</b>	A R Thurston J E Pritchard D C Pearce H Simmons A J J Anderson M F Schooler J Davison S F Cole M Houston (resigned 11 July 2025) S Neill (resigned 19 June 2024) J Parkin (resigned 19 June 2024) Z Richardson M W Orde (appointed 19 March 2025) R Crooks (appointed 19 March 2025) J P K Atherton (appointed 19 March 2025)
<b>Key Management Personnel</b>	S Roberts, Chief Executive Officer Heatherington, Director of Finance & Corporate Services (resigned 5 July 2024) L Gardiner, Head of HR L Locke, Head of Business & Development
<b>Registered Office</b>	14 Parsons Court Welbury Way Newton Aycliffe County Durham DL5 6ZE The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	02702815
<b>Charity Registration Number</b>	1017706
<b>Auditor</b>	Azets Audit Services Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

# Groundwork North East

## Chairman's Statement

In 2024/25 Groundwork North East & Cumbria continued to deliver against the five priority areas within our 2023 - 2028 five year strategy:

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 these strategic priorities.

We ended the year with a consolidated surplus of £288,974, which is a reflection of the success of our programme of projects and which provides a foundation for continuing delivery in future years. However, the true measure of our success is the impacts we made as we fulfil our charitable objects. Key achievements are shown in the Achievements and Performance section of the Trustees' report and highlights include:

1. Supporting 3,631 households with free, impartial energy advice
2. Supported 1,144 individuals to transition into education, training or employment
3. Implemented 2,127 biodiversity improvement actions including: addressing habitat and biodiversity loss
4. 259 sites improved, including public parks, community areas and schools
5. Generating a surplus of £168,463 from our trading activities to support our charitable objects

As we developed and delivered our programme, we worked with a number of partners across the public and private sectors as well as continuing our partnership with our sister Trust, Groundwork South and North Tyneside and playing an active role in the wider Groundwork Federation.

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  
Chair

Signed by:  
  
E9F3ED3EA568428...

.....  
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 2025, 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.

# Groundwork North East

## Trustees' Report

Our strategic growth areas over five years (2023 -28) are to:

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

These areas of focus each build upon the delivery and positioning achieved during recent years through our principle operational themes of: Nature based solutions, Energy Efficiency, Employment and Skills, Green teams and land management, Youth work and Health and wellbeing.

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 1,611 volunteers (584 of these corporate volunteers and 380 professionals) who have been actively involved on a variety of projects, providing 20,128 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 2,127 biodiversity improvement actions including: addressing habitat and biodiversity loss
- Improved 207 Hectares of land
- 259 sites improved, including public parks, community areas and schools

**Revitalising our Estuaries:** Funding from the Caterpillar Foundation has built on work initially carried out through Revitalising our Estuaries (ROE) - which was a rapid 18-month project that delivered habitat restoration and community engagement across six major river estuaries in northeast England. Caterpillar Foundation's support allows us to build on ROE and enables us to deliver work against the following themes:

- Habitat and Species Recovery
- Access Improvements
- Community Engagement
- Carbon Sequestration
- Invasive Species Control
- Fish Passage Clearance
- Water Quality
- Green Space Enhancements

This programme has indirectly reached over 4M people, improved over 30 habitat areas and improved 9km of footpaths.

## Groundwork North East

### Trustees' Report

Local Investment in Natural Capital: The LINC Pilot is a project aimed at enhancing the capacity of local authorities and partners in Northumberland to adopt a natural capital approach to economic growth. The initiative seeks to develop sustainable funding and investment strategies that combine public and private finance to support long-term nature recovery efforts, benefiting local communities, landowners, and businesses. As part of the pilot, the Borderlands LINC Steering Group has appointed GNEC to create an investment strategy for the River Wansbeck catchment. This involves collaboration with key stakeholders like Northumberland County Council, the Environment Agency, and The Rivers Trust to develop a funding plan that supports Nature-based Solutions (NbS), focusing on catchment regeneration, sustainable farming, and climate resilience.

Long Term goals include:

- Establishing investible projects and natural capital funding mechanisms
- Facilitating transactions between buyers and sellers
- Strengthening collaboration to achieve large-scale environmental and economic benefits

This initiative is a pioneering effort that aims to attract investment, improve farming resilience, and support nature recovery through a coordinated, strategic approach.

Helen Hornby, Programme Development Manager for Nature-based Solutions said: *Some of our trialled Nature-based Solutions have been in place for 2 or 3 years now and are starting to show the results as they are colonised by seaweeds, algae and saltmarsh plants.*

**3 Together Big Local:** For almost 10 years GNEC has been working with the 3 Together Big Local Partnership to make Easington Lane and Moorsley in Sunderland even better places to live. Local residents and supportive partners have had the autonomy to decide how a grant of £1,250,000 from Local Trust could be best spent in their community.

Over the years the 3 Together Partnership has carefully considered their communities needs and spent their money wisely. They have initiated a hugely successful community transport programme, constructed a skatepark, supported important local heritage initiatives, funded more than 60 community led projects and extensively supported the vulnerable through covid. March 2025 sees 10 years of exciting and rewarding work reach a conclusion, following a very busy 2024 when key projects were delivered. As the partnership winds down the focus is on leaving a legacy by investing in a fantastic new community building with over 300 users every week.

**Elba Park:** A park covering 52 hectares, situated on the outskirts of Sunderland. The park is owned by the Land Trust, which has appointed GNEC as the managing agent. Our team oversees the daily operations of the site and strives to achieve outcomes that align with the Land Trust's goals. Since the park opened to the community five years ago, several infrastructure improvements have been made. These include four picnic tables, five additional benches, 1,800 meters of new footpaths, and a 10-bay car park attracting 493 people to events and activities.

*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."

## Groundwork North East

### Trustees' Report

#### Improving people's prospects

- Supported 1,144 individuals to transition into education, training or employment
- Attained 338 formal qualifications
- Provided 2,748 individuals with personalised coaching or mentoring

**Back To Work:** Through the UK Shared Prosperity Funds Back to Work offers employability support for local residents across Northumberland. The programme is delivered in collaboration with The North of Tyne Combined Authority and is dedicated to assisting economically inactive individuals in building confidence and developing skills, which supports them to move forward in their employment journey. This support includes:

- Dedicated Support Mentor
- Personalised holistic one-to-one guidance, advice and support
- Access to a variety of training and vocational courses to enhance skills

This project has engaged with 124 individuals and supported 121 individuals with coaching and mentoring

Cumberland Futures: Supporting individuals who are economically inactive in Cumbria. The project has supported those who face barriers to employment, from low mental health, low resilience, long term unemployed, over 50s and NEETs.

The project has supported 47 people to improve skills such as job searching and 40 of these individuals completed the programme with a successful outcome.

**Police and Crime Commissioner:** A programme created through user-led activities to provide diverse and educational opportunities for young people. It provides support for those aged 11-18 years of age who are involved in, or are at risk of being drawn into serious violence, targeting hotspot areas across East Durham through detached youth work.

Youth workers have delivered 96 workshops as preventative work with groups around issues that most affect them such as violent behaviour or being a victim of violence. Lennon who is 15 years of age and who has participated in the workshops said "I feel more confident to make a positive change in my community and I'd definitely recommend these sessions to other young people."

**Northern Directions:** Provides opportunities for young people not in education, employment or training (NEET) and for those aged 16-24 to progress towards or into the labour market, further education or training. Free tailored employability and personal development packages are made available to a diverse range of young people, which supports them to overcome barriers.

The project last supported 282 young people, with 102 of these young people supported into a form of education, training or employment and a further 102 young people reported that they had improved mental health and wellbeing as a result of the programme.

Mary Blackwell project Manager said: "Northern Directions is a project that I am honoured to be a part of. We have an incredible team who put the needs of the young people we engage with at the centre of delivery. This is shown in the results that are being achieved".

The programme is funded to continue delivery into next year based on the impact achieved to date.

#### Promoting greener living and working

- Identification of 20,120kg CO<sub>2</sub>e in potential domestic carbon saving
- Offered 3,631 free impartial advice, supporting people to save energy and reduce bills

## Groundwork North East

### Trustees' Report

**Cadent Stay Warm Stay Well:** Stay Warm, Stay Well provides much needed support for vulnerable households who are struggling with their energy bills. Through Green Doctor visits households receive practical guidance on energy saving, including behaviour change tips, as well as referrals to other local support services such as debt advice and food banks.

Funded by the Cadent Foundation and led in partnership by GNEC, the programme will invest £6m and support 14,500 households in communities across England.

The programme is a new wave of GNEC's partnership with the Cadent Foundation, contributing towards 4,700 winter warmer packs to be distributed to households in vulnerable situations, providing warmth during the winter season.

**Home Energy Advise North East:** GNEC, in partnership with the Energy Saving Trust and Community Action Northumberland, are currently delivering the in-home support programme. This initiative provides free, expert advice on enhancing the energy efficiency of homes across the North East Combined Authority regions.

The project has 750 both hard-to-reach and hard-to-treat homes, specifically aiming to facilitate the installation of retrofit home energy improvements. The advice is managed by the Energy Saving Trust and delivered by GNEC and Community Action Northumberland (CAN), with guidance offered either in the home or at events.

Delivering on the project Rebekah Vickers, Green Living Coordinator said "It has been a beneficial project to be involved in, has strengthened our partnerships with the local authorities, and helped raise awareness of retrofit in our communities".

**Blue Influencers:** GNEC, among 22 charities funded by the Blue Influencers Scheme, recruits young people (ages 10-14) to become 'Blue Influencers.' With support from Blue Mentors, they initiate social action projects to enhance their environments. In total 99 young people have participated in 48 different projects.

This initiative, from The Ernest Cook Trust, aims to empower underserved youth in coastal and riverside areas to address environmental issues while developing skills for future employment, building on the success of the Green Influencers Project.

A blue Influencer when discussing the programme said "I've learnt how to create tools and trinkets with biodegradable, sole to the Earth materials. I have realised how important water and river spaces are and how necessary they are to maintain. I have learnt how to help maintain blue spaces and how everyone can make some difference. Even if it's is small like litter picking I have learned how important reducing plastic waste is and how it affects blue spaces and sea life more than ever.

### Financial Review

The Trust continues to build a positive and robust balance sheet, increasing from £4,750k to £5,039k.

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

Consolidated cash balances increased in the year to £1,358,950.

## Groundwork North East

### Trustees' Report

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. Investment has been made to improve mobile phone coverage throughout the centre.

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. Investment has been made to expand and remodel the servery to cater for increased footfall.

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:

Financial impact of Risk:

- 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)

Working Capital:

- 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

Commitments and long-term plans:

- 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
- 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;

# Groundwork North East

## Trustees' Report

- 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 £1,577k. This is a risk and cost-based approach;

1. Financial risk - £916k
2. Working capital - £441k
3. Commitment to long-term plans - £220k

The current Reserves, as of 31st March 2025, is calculated as:

Total unrestricted reserves £1,597,552  
Less tangible fixed assets (£392,997)

Total group free reserves £1,204,555

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

The Trust maintains the following funds:

### Restricted Funds Use of Funds

- Projects - Future delivery of specific projects
- The Greenhouse property - Relating to the building of the Greenhouse Business Centre
- 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.

# Groundwork North East

## Trustees' Report

### Going Concern

In the year to 31 March 2025, there was a net surplus in the year of £289k for the Group. General unrestricted funds showed a surplus of £316k. The Trustees have reviewed the Trust Business Plan for 2025 - 2026, targeting a surplus of £35k. 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 2025/26 business plan has a projected turnover of £8.3M with a surplus of £35k. 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.

# Groundwork North East

## Trustees' Report

• **Nature Based Solutions** - We are committed to expanding and strengthening our nature based solutions to tackle environmental challenges, enhance biodiversity and create healthier, more resilient communities. Our approach includes:

- o Restoring degraded landscapes
- o Enhancing urban green infrastructure
- o Improving water quality and flood resilience
- o Supporting community-led conservation

• **Youth** - We strongly believe that young people are key to shaping a sustainable future, and we are committed to expanding and strengthening our youth programmes. Our approach includes:

- o Education and training
- o Youth employment support
- o Traditional youth work

• **Employment** - We recognise that a strong, sustainable economy must be inclusive and green, ensuring that all individuals, especially those facing barriers to employment have access to meaningful work opportunities. Our approach includes:

- o Delivering targeted employability programmes
- o Expanding green jobs and skills training
- o Working with employers to create inclusive opportunities
- o Supporting disadvantaged groups

• **Energy Efficiency** - We are committed to enhancing and expanding our Green Doctors Programme, providing in home, face to face support, helping individuals reduce their energy consumption and save money. Our approach includes:

- o Expanding our geographical reach of the green doctor service
- o Developing retrofit skills
- o Delivering energy efficiency training
- o Engaging vulnerable communities

• **Health and wellbeing** - We recognise that access to nature plays a fundamental role in improving mental and physical health. Our ambition is to maintain and further develop our social prescribing activities, ensuring more people benefit from green spaces, structured support, and community lead wellbeing initiatives. Our approach includes:

- o Nature Based social prescribing
- o Outdoor wellbeing programmes
- o Physical activity through environmental action
- o Community resilience projects

• **Land Management** - We are committed to protecting, restoring and enhancing the regions green and blue spaces to ensure they remain vibrant, accessible and resilient for both people and nature. Our approach includes:

- o Managing parks, woodlands and community green spaces
- o Delivering community led conservation initiatives
- o Providing skills development and training
- o Supporting sustainable farming
- o Developing natural flood management solutions

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.

## Groundwork North East

### Trustees' Report

Our business management plan enables us to focus on priority areas to support sustainable growth and adapt to a face-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

GNEC will strive to improve our financial position and drive income diversification, generating more flexible funds that we can use to deliver our local programmes.

1. Keep our overhead costs low to ensure discretionary spending is focused on supporting local delivery
2. Continue to make strides in contributing towards our reserves policy to sustain our charitable operations
3. Use our financial resources to support GNEC, increasing our resilience, diversify income streams and maximise community impact.

# Groundwork North East

## Trustees' Report

### 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 potential investment in commercial battery storage for variable energy generation and consumption.

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 develop a new play area adjacent to the centre.

### Directors and Trustees

### 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.

## Groundwork North East

### Trustees' Report

- **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.
- **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.

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.

#### **Related parties and co-operation with other organisations**

The Trustees represent local authorities, businesses, community & voluntary 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.

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 25 November 2025 and signed on its behalf by:

Signed by:  
  
..... E9F3ED3EA668428:....  
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 2025, 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 2025 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 15), 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:

## Groundwork North East

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

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations cluding fraud;
- Reviewing the most recent reports issued by regulators;;
- Reviewing thbaord minutes
- Challenging assumptions and judgements made by management in their significant accountingestimates; 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](http://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.

Signed by:



.....A919E10F4B2841D:.....

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

28 November 2025

Date:.....

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 2025 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	89,552	-	89,552	83,242
Charitable activities	4	-	7,012,010	7,012,010	7,334,620
Other trading activities	5	980,592	-	980,592	924,107
Investment income	6	83,679	-	83,679	61,324
Other income	7	26,471	-	26,471	17,259
Total Income		<u>1,180,294</u>	<u>7,012,010</u>	<u>8,192,304</u>	<u>8,420,552</u>
<b>Expenditure on:</b>					
Raising funds	8	(786,150)	-	(786,150)	(712,234)
Charitable activities	9	<u>(31,892)</u>	<u>(7,096,429)</u>	<u>(7,128,321)</u>	<u>(7,763,496)</u>
Total Expenditure		<u>(818,042)</u>	<u>(7,096,429)</u>	<u>(7,914,471)</u>	<u>(8,475,730)</u>
Net income/(expenditure)		362,252	(84,419)	277,833	(55,178)
Transfers between funds		(57,455)	57,455	-	-
<b>Other recognised gains and losses</b>					
Other gains/losses		13,120	-	13,120	85,550
(Profit)/loss on sale of tangible fixed assets held for charity's own use		<u>(1,979)</u>	<u>-</u>	<u>(1,979)</u>	<u>-</u>
Net movement in funds		315,938	(26,964)	288,974	30,372
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>3,503,204</u>	<u>1,246,371</u>	<u>4,749,575</u>	<u>4,719,203</u>
Total funds carried forward	23	<u>3,819,142</u>	<u>1,219,407</u>	<u>5,038,549</u>	<u>4,749,575</u>

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

The funds breakdown for 2024 is shown in note 23.

## Groundwork North East

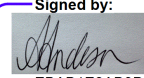
(Registration number: 02702815)

### Consolidated Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	15	1,638,994	1,643,882
Investments	16	<u>2,195,000</u>	<u>2,195,000</u>
		<u>3,833,994</u>	<u>3,838,882</u>
<b>Current assets</b>			
Stocks	17	10,339	12,673
Debtors	18	1,824,321	2,277,045
Cash at bank and in hand		<u>1,358,950</u>	<u>749,648</u>
		3,193,610	3,039,366
<b>Creditors: Amounts falling due within one year</b>	19	<u>(1,759,840)</u>	<u>(1,871,678)</u>
<b>Net current assets</b>		<u>1,433,770</u>	<u>1,167,688</u>
<b>Total assets less current liabilities</b>		5,267,764	5,006,570
<b>Creditors: Amounts falling due after more than one year</b>	20	<u>(229,215)</u>	<u>(256,995)</u>
<b>Net assets</b>		<u>5,038,549</u>	<u>4,749,575</u>
<b>Funds of the group:</b>			
<b>Restricted</b>		<u>1,219,407</u>	<u>1,246,371</u>
<b>Unrestricted income funds</b>			
Designated funds		2,221,590	2,208,470
General funds		<u>1,597,552</u>	<u>1,294,734</u>
Total unrestricted funds		<u>3,819,142</u>	<u>3,503,204</u>
<b>Total funds</b>	23	<u>5,038,549</u>	<u>4,749,575</u>

The financial statements on pages 19 to 45 were approved by the trustees, and authorised for issue on 25 November 2025 and signed on their behalf by:

Signed by:  
  
 .....E9F3ED3EA968428.....  
 A R Thurston  
 Trustee

Signed by:  
  
 .....EBAB1E8AB9DA4E3.....  
 A J J Anderson  
 Trustee

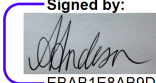
# Groundwork North East

## (Registration number: 02702815) Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	15	1,531,449	1,561,964
Investments	16	<u>2,195,001</u>	<u>2,195,001</u>
		<u>3,726,450</u>	<u>3,756,965</u>
<b>Current assets</b>			
Debtors	18	1,759,015	2,193,524
Cash at bank and in hand		<u>1,253,943</u>	<u>507,027</u>
		3,012,958	2,700,551
<b>Creditors: Amounts falling due within one year</b>	19	<u>(1,722,474)</u>	<u>(1,739,572)</u>
<b>Net current assets</b>		<u>1,290,484</u>	<u>960,979</u>
<b>Total assets less current liabilities</b>		5,016,934	4,717,944
<b>Creditors: Amounts falling due after more than one year</b>	20	<u>(229,215)</u>	<u>(256,995)</u>
<b>Net assets</b>		<u>4,787,719</u>	<u>4,460,949</u>
<b>Funds of the charity:</b>			
<b>Restricted</b>		<u>1,219,407</u>	<u>1,246,371</u>
<b>Unrestricted income funds</b>			
Designated funds		2,221,590	2,208,470
Unrestricted funds		<u>1,346,722</u>	<u>1,006,108</u>
Total unrestricted funds		<u>3,568,312</u>	<u>3,214,578</u>
<b>Total funds</b>	23	<u>4,787,719</u>	<u>4,460,949</u>

The financial statements on pages 19 to 45 were approved by the trustees, and authorised for issue on 25 November 2025 and signed on their behalf by:

Signed by:  
  
 .....E0F3ED3EA568428.....  
 A R Thurston  
 Trustee

Signed by:  
  
 .....EBAB1E8AB9DA4E3...  
 A J J Anderson  
 Trustee

## Groundwork North East

### Consolidated Statement of Cash Flows for the Year Ended 31 March 2025

	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Net cash income		288,974	30,372
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	15	90,206	76,602
Investment income	6	(83,679)	(61,324)
Revaluation of investments		-	(85,550)
Loss on disposal of fixed assets held for the group's own use	11	1,979	-
		<u>297,480</u>	<u>(39,900)</u>
<b>Working capital adjustments</b>			
Decrease/(increase) in stocks	17	2,334	(1,857)
Decrease/(increase) in debtors	18	452,724	(326,839)
(Decrease)/increase in creditors	19	(113,989)	61,978
Net cash flows from operating activities		<u>638,549</u>	<u>(306,618)</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	6	83,679	61,324
Purchase of tangible fixed assets	15	(90,298)	(40,317)
Sale of tangible fixed assets		3,001	-
Sale of investments		-	80,000
Net cash flows from investing activities		<u>(3,618)</u>	<u>101,007</u>
<b>Cash flows from financing activities</b>			
Repayment of loans and borrowings	19	(25,629)	(24,263)
Net increase/(decrease) in cash and cash equivalents		609,302	(229,874)
Cash and cash equivalents at 1 April		<u>749,648</u>	<u>979,522</u>
Cash and cash equivalents at 31 March		<u>1,358,950</u>	<u>749,648</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 2025

### 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 2025.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a surplus of for the financial year of £326,770 (2024 - loss of £6,361).

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 2025**

#### **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.

## **Groundwork North East**

### **Notes to the Financial Statements for the Year Ended 31 March 2025**

#### **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.

#### **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.

## Groundwork North East

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
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 2025

#### 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 2025

#### 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

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2025 £</b>
Donations and legacies;			
Donations from individuals	89,552	-	89,552
	<u>89,552</u>	<u>-</u>	<u>89,552</u>
	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2024 £</b>
Donations and legacies;			
Donations from individuals	83,242	-	83,242
	<u>83,242</u>	<u>-</u>	<u>83,242</u>

### 4 Income from charitable activities

	<b>Restricted funds £</b>	<b>Total 2025 £</b>
Improve people's prospects	4,254,062	4,254,062
Create better places	1,926,834	1,926,834
Promote greener living and working	831,114	831,114
	<u>7,012,010</u>	<u>7,012,010</u>

## Groundwork North East

### Notes to the Financial Statements for the Year Ended 31 March 2025

	<b>Restricted funds</b>	<b>Total 2024</b>
	<b>£</b>	<b>£</b>
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>

#### 5 Income from other trading activities

	<b>Unrestricted funds General</b>	<b>Total 2025</b>
	<b>£</b>	<b>£</b>
Trading activities		
The Greenhouse Company (Groundwork) Limited	980,592	980,592
	<u>980,592</u>	<u>980,592</u>

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

#### 6 Investment income

	<b>Unrestricted funds General</b>	<b>Total 2025</b>
	<b>£</b>	<b>£</b>
Interest receivable and similar income;		
Interest receivable on bank deposits	11,673	11,673
Income from rents	72,006	72,006
	<u>83,679</u>	<u>83,679</u>

	<b>Unrestricted funds General</b>	<b>Total 2024</b>
	<b>£</b>	<b>£</b>
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>

## Groundwork North East

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 7 Other income

	<b>Unrestricted funds General £</b>	<b>Total 2025 £</b>
Other income	26,471	26,471
	<b>Unrestricted funds General £</b>	<b>Total 2024 £</b>
Other income	17,259	17,259

#### 8 Expenditure on raising funds

##### a) Costs of trading activities

	<b>Allocated support costs £</b>	<b>Total 2025 £</b>	<b>Total 2024 £</b>
Trading subsidiary	786,150	786,150	712,234

#### 9 Expenditure on charitable activities

	<b>Activity undertaken directly £</b>	<b>Activity support costs £</b>	<b>2025 £</b>
Improve people's prospects	3,489,069	678,393	4,167,462
Create better places	1,485,311	288,795	1,774,106
Promote greener living and working	693,513	134,842	828,355
Core	300,057	58,341	358,398
	<u>5,967,950</u>	<u>1,160,371</u>	<u>7,128,321</u>
	<b>Activity undertaken directly £</b>	<b>Activity support costs £</b>	<b>2024 £</b>
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>

## Groundwork North East

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 10 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	<b>Governance costs</b> £	<b>Other support costs</b> £	<b>Total 2025</b> £
Staffing	-	449,838	449,838
Transport	-	18,032	18,032
Premises	-	129,519	129,519
Supplies and services	-	305,203	305,203
Legal fees	-	193,172	193,172
Audit fees	16,325	-	16,325
Depreciation	-	48,282	48,282
	<u>16,325</u>	<u>1,144,046</u>	<u>1,160,371</u>
	<b>Governance costs</b> £	<b>Other support costs</b> £	<b>Total 2024</b> £
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>

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 2025

#### 11 Net incoming/outgoing resources

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

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Audit fees	16,325	13,500
Depreciation of fixed assets	<u>48,282</u>	<u>76,602</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 2025

#### 13 Staff costs

The aggregate payroll costs were as follows:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	4,389,865	4,368,134
Social security costs	63,043	131,194
Pension costs	30,529	60,137
Compensation payments	25,576	26,281
	<u>4,509,013</u>	<u>4,585,746</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:

	<b>2025</b>	<b>2024</b>
	<b>No</b>	<b>No</b>
Number of staff	<u>142</u>	<u>174</u>

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

	<b>2025</b>	<b>2024</b>
	<b>No</b>	<b>No</b>
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£110,001 - £120,000	<u>1</u>	<u>-</u>

The total employee benefits of the key management personnel of the group were £389,949 (2024 - £249,999).

#### 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 2025

#### 15 Tangible fixed assets

##### Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2024	1,911,708	632,374	73,605	2,617,687
Additions	-	90,298	-	90,298
Disposals	-	(11,950)	-	(11,950)
At 31 March 2025	<u>1,911,708</u>	<u>710,722</u>	<u>73,605</u>	<u>2,696,035</u>
<b>Depreciation</b>				
At 1 April 2024	364,966	543,106	65,733	973,805
Charge for the year	40,086	46,622	3,498	90,206
Depreciation eliminated on disposals	-	(6,970)	-	(6,970)
At 31 March 2025	<u>405,052</u>	<u>582,758</u>	<u>69,231</u>	<u>1,057,041</u>
<b>Net book value</b>				
At 31 March 2025	<u>1,506,656</u>	<u>127,964</u>	<u>4,374</u>	<u>1,638,994</u>
At 31 March 2024	<u>1,546,742</u>	<u>89,268</u>	<u>7,872</u>	<u>1,643,882</u>

Included within the net book value of land and buildings above is £328,478 (2024 - £366,538) in respect of freehold land and buildings and £1,178,178 (2024 - £1,180,204) in respect of leasehold properties.

## Groundwork North East

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2024	1,911,708	433,556	73,605	2,418,869
Additions	<u>-</u>	<u>17,767</u>	<u>-</u>	<u>17,767</u>
At 31 March 2025	<u>1,911,708</u>	<u>451,323</u>	<u>73,605</u>	<u>2,436,636</u>
<b>Depreciation</b>				
At 1 April 2024	364,966	426,206	65,733	856,905
Charge for the year	<u>40,086</u>	<u>4,698</u>	<u>3,498</u>	<u>48,282</u>
At 31 March 2025	<u>405,052</u>	<u>430,904</u>	<u>69,231</u>	<u>905,187</u>
<b>Net book value</b>				
At 31 March 2025	<u>1,506,656</u>	<u>20,419</u>	<u>4,374</u>	<u>1,531,449</u>
At 31 March 2024	<u>1,546,742</u>	<u>7,350</u>	<u>7,872</u>	<u>1,561,964</u>

Included within the net book value of land and buildings above is £328,478 (2024 - £366,538) in respect of freehold land and buildings and £1,178,178 (2024 - £1,180,204) in respect of leasehold properties.

## Groundwork North East

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 16 Fixed asset investments

##### Group

	2025 £	2024 £
Investment properties	<u>2,195,000</u>	<u>2,195,000</u>
<b>Investment properties</b>		<b>Investment properties £</b>
<b>Cost or Valuation</b>		
At 1 April 2024		<u>2,195,000</u>
<b>Provision</b>		
At 31 March 2025		<u>-</u>
<b>Net book value</b>		
At 31 March 2025		<u>2,195,000</u>
At 31 March 2024		<u>2,195,000</u>

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

	2025 £	2024 £
Investment properties	2,195,000	2,195,000
Other investments	<u>1</u>	<u>1</u>
	<u>2,195,001</u>	<u>2,195,001</u>

## Groundwork North East

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### Investment properties

	Investment properties £
<b>Cost or Valuation</b>	
At 1 April 2024	<u>2,195,000</u>
<b>Provision</b>	
At 31 March 2025	<u>-</u>
<b>Net book value</b>	
At 31 March 2025	<u>2,195,000</u>
At 31 March 2024	<u>2,195,000</u>

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.

#### Investment in subsidiary

	Investment in subsidiary £	Total £
<b>Cost or Valuation</b>		
At 1 April 2024	<u>1</u>	<u>1</u>
At 31 March 2025	<u>1</u>	<u>1</u>
<b>Net book value</b>		
At 31 March 2025	<u>1</u>	<u>1</u>
At 31 March 2024	<u>1</u>	<u>1</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 2025 the subsidiary recorded a surplus of £168,463 (2024: £204,208) and had net assets of £250,831 (2024: £288,627).

## Groundwork North East

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 17 Stock

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Stocks	<u>10,339</u>	<u>12,673</u>	<u>-</u>	<u>-</u>

#### 18 Debtors

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	731,329	1,023,306	691,549	960,850
Prepayments	135,686	121,558	110,160	100,493
Accrued income	917,306	1,032,181	917,306	1,032,181
Other debtors	<u>40,000</u>	<u>100,000</u>	<u>40,000</u>	<u>100,000</u>
	<u>1,824,321</u>	<u>2,277,045</u>	<u>1,759,015</u>	<u>2,193,524</u>

## Groundwork North East

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 19 Creditors: amounts falling due within one year

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Bank loans	27,566	25,415	27,566	25,415
Trade creditors	161,015	409,184	121,059	252,367
Due to group undertakings	-	-	80,627	92,391
Other taxation and social security	58,508	71,341	58,508	71,341
VAT	143,458	93,917	111,092	62,953
Other creditors	24,789	30,055	21,232	27,627
Accruals and deferred income	<u>1,344,504</u>	<u>1,241,766</u>	<u>1,302,390</u>	<u>1,207,478</u>
	<u>1,759,840</u>	<u>1,871,678</u>	<u>1,722,474</u>	<u>1,739,572</u>

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

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Charity Bank Loan	16,947	15,360	16,947	15,360
Bounce back Loan	<u>10,619</u>	<u>10,055</u>	<u>10,619</u>	<u>10,055</u>
	<u>27,566</u>	<u>25,415</u>	<u>27,566</u>	<u>25,415</u>

#### 20 Creditors: amounts falling due after one year

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Bank loans	<u>229,215</u>	<u>256,995</u>	<u>229,215</u>	<u>256,995</u>

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

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Charity Bank Loan	222,510	239,661	222,510	239,661
Bounce back loan	<u>6,705</u>	<u>17,334</u>	<u>6,705</u>	<u>17,334</u>
	<u>229,215</u>	<u>256,995</u>	<u>229,215</u>	<u>256,995</u>

## Groundwork North East

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 21 Obligations under leases and hire purchase contracts

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

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Within one year	6,096	6,096	4,298	4,298
In two to five years	15,283	21,379	10,773	15,071
	<u>21,379</u>	<u>27,475</u>	<u>15,071</u>	<u>19,369</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 £23,433 (2024 - £60,137).

Contributions totalling £28,879 (2024 - £24,112) 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 2025

#### 23 Funds

##### Group

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2025 £
<b>Unrestricted funds</b>						
<b>General</b>						
General funds	1,294,734	1,180,294	(818,042)	(57,455)	(1,979)	1,597,552
<b>Designated</b>						
Revaluation reserve	13,470	-	-	-	13,120	26,590
The Greenhouse	2,095,000	-	-	-	-	2,095,000
Trustees Designated Reserve	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	<u>2,208,470</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,120</u>	<u>2,221,590</u>
<b>Total unrestricted funds</b>	<u>3,503,204</u>	<u>1,180,294</u>	<u>(818,042)</u>	<u>(57,455)</u>	<u>11,141</u>	<u>3,819,142</u>
<b>Restricted funds</b>						
Property Fund - Greencroft Woodland Purchase	40,591	-	-	-	-	40,591
Property Fund - Cockermouth 2 Market St	17,612	-	-	-	-	17,612
Project funds	-	7,012,010	(7,069,465)	57,455	-	-
Land of Oak and Iron Heritage Centre Fund	<u>1,188,168</u>	<u>-</u>	<u>(26,964)</u>	<u>-</u>	<u>-</u>	<u>1,161,204</u>
<b>Total restricted funds</b>	<u>1,246,371</u>	<u>7,012,010</u>	<u>(7,096,429)</u>	<u>57,455</u>	<u>-</u>	<u>1,219,407</u>
<b>Total funds</b>	<u>4,749,575</u>	<u>8,192,304</u>	<u>(7,914,471)</u>	<u>-</u>	<u>11,141</u>	<u>5,038,549</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 2025

#### 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	(55,384)		783	(54,601)
BBO - Step Forward Tees Valley	Big Lottery / European Social Fund	26,991			26,991
BBO - Reaching Out Accross Durham	Big Lottery / European Social Fund	37,386	(54,440)		(17,054)
Eden Hill Young Peoples Project	Horden Youth and Community Centre	78,025	74,493	(117,736)	34,782
Norton Grange Lottery Funding	Heritage Lottery Fund	7,704	400		1
Big Local Easington	Local Trust	26,055	100,789	(84,760)	42,084
RC North East & Cumbria Region	National Lottery Community Fund	26,153		(14,662)	11,491
Western Perimeter Path	Livin Housing Limited	2,883	(1,506)	(1,216)	161
Reaching Out Across Durham (2)	UK Shared Prosperity Fund	(154,823)	154,822	(322,507)	(118,449)
Durhamworks DD-D387	Durham CC/ European Social Fund	(64,331)	64,331	(533)	(533)
Distington Big Local	Local Trust	19,664	145,765	(121,851)	42,579

## Groundwork North East

### Notes to the Financial Statements for the Year Ended 31 March 2025

Big Local Gateshead- TW394	Local Trust	2,062		(2,401)	(339)
Millions Hours Fund- D404	National Lottery Community Fund	27,130	48,793	(27,938)	47,985

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	392,997	26,590	1,219,407	1,638,994
Fixed asset investments	100,000	2,095,000	-	2,195,000
Net current assets/(liabilities)	1,333,770	100,000	-	1,433,770
Creditors over 1 year	(229,215)	-	-	(229,215)
Total net assets	<u>1,597,552</u>	<u>2,221,590</u>	<u>1,219,407</u>	<u>5,038,549</u>

	Unrestricted			Total funds at 31 March 2024 £
	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>

#### 25 Analysis of net funds

##### Group

	At 1 April 2024 £	Financing cash flows £	At 31 March 2025 £
Cash at bank and in hand	749,648	609,302	1,358,950
Debt due within one year	(25,415)	(2,151)	(27,566)
Debt due after more than one year	(256,995)	27,780	(229,215)
Net debt	<u>467,238</u>	<u>634,931</u>	<u>1,102,169</u>

## Groundwork North East

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 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.

#### The Greenhouse Company ( Groundwork) Limited.

Groundwork North East provided management services and invoiced £24,000 (2024-£24,000).

#### 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	204,599	32,028	5,476
Groundwork South and North Tyneside	42,065	213,548	
Groundwork London	-	10,919	
Groundwork East	1,711	-	
Groundwork Yorkshire	147,144	7,493	(6,180)
Groundwork Ten North East Limited	1,733	-	(27)
Groundwork Cheshire, Lancashire & Merseyside	43,064		

#### 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 2024 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2024 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	83,242	-	83,242
Charitable activities	4	-	7,334,620	7,334,620
Other trading activities	5	924,107	-	924,107
Investment income	6	61,324	-	61,324
Other income	7	17,259	-	17,259
Total income		<u>1,085,932</u>	<u>7,334,620</u>	<u>8,420,552</u>
<b>Expenditure on:</b>				
Raising funds	8	(712,234)	-	(712,234)
Charitable activities	9	<u>(1,086,008)</u>	<u>(6,677,488)</u>	<u>(7,763,496)</u>
Total expenditure		<u>(1,798,242)</u>	<u>(6,677,488)</u>	<u>(8,475,730)</u>
Net (expenditure)/income		(712,310)	657,132	(55,178)
Transfers between funds		721,077	(721,077)	-
<b>Other recognised gains and losses</b>				
Other gains/losses		<u>85,550</u>	<u>-</u>	<u>85,550</u>
Net movement in funds		94,317	(63,945)	30,372
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>3,408,887</u>	<u>1,310,316</u>	<u>4,719,203</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>