

Company registration number: 3577896

Charity registration number: 1096662

GROUNDWORK WALES
(A company limited by guarantee)

**REPORT OF THE TRUSTEES &
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

**CHARITY COMMISSION
FIRST CONTACT**

18 DEC 2017

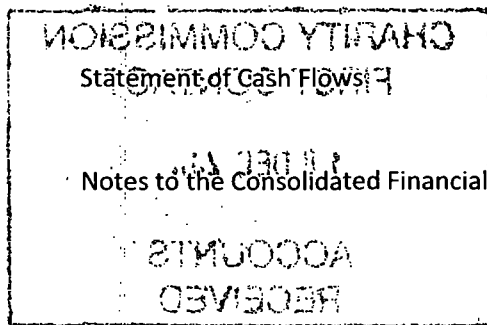
**ACCOUNTS
RECEIVED**

Broomfield & Alexander Limited
Chartered Accountants & Statutory Auditors
Tŷ Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

**GROUNDWORK WALES
FOR THE YEAR ENDED 31 MARCH 2017**

CONTENTS

	Pages
Report of the Trustees	1 - 14
Report of the Independent Auditors	15 - 16
Statement of Financial Activities	17
Balance Sheet	18 - 19
Statement of Cash Flows	20
Notes to the Consolidated Financial Statements	21 - 44



**GROUNDWORK WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

OBJECTIVES AND ACTIVITIES

The Focus of our Work

Our main objective for the year continued to be the community development and environmental regeneration of local communities and we have put special emphasis on developing our Business Development activities. The approach we used to develop and implement programmes concentrated on four key areas:

People	creating opportunities for people to learn new skills and take local action
Places	creating better, safer and healthier neighbourhoods
Prosperity	helping businesses and individuals fulfil their potential
Partnerships	building communities through joint action.

Vision

Our vision is of a society made up of sustainable communities, which are vibrant, healthy and safe, which respect the local and global environment and where individuals and enterprise prosper. Our purpose is to build sustainable communities in areas of need through joint environmental action.

Our values are:

- equality and diversity
- innovation and learning
- subsidiarity
- integrity and professionalism
- partnership
- sustainability

Our vision, purpose and values are underpinned by the principles of sustainable development. We implement our vision, purpose and values in partnership with communities and other organisations and deliver holistic programmes of work that address three strategic priorities:

for PEOPLE: creating opportunities for people to learn new skills and to become more active citizens for
PLACES: delivering environmental improvements that create cleaner, safer and greener neighbourhoods
for PROSPERITY: helping businesses and individuals to fulfil their potential.

Related Parties

In so far as it is complimentary to the Charity's objects, the Charity is guided by local, regional and national policy. Groundwork Wales is still committed to the Caerphilly Community Strategy by working with the

**GROUNDWORK WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Local Authorities and other voluntary sector organisations as well as continuing current operations within the Caerphilly County Borough and developing new work.

We review our aims, objectives and activities each year. This review looks at what we have achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us to ensure our aim, objectives and activities remained focused on our stated purpose.

How the Activities Deliver Public Benefit

Our main objective and who we try to help are described above. All our charitable activities focus on social, environmental and economic regeneration and are undertaken to further our charitable purposes for public benefit.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and purposes and in planning our future activities. In particular, the trustees consider planned activities and will contribute to the aims and purposes they have set.

ACHIEVEMENTS AND PERFORMANCE

Who used and benefited from our services?

Further information about who benefits directly from our services is explained in the analysis of performance and achievements below.

The main areas of charitable activity are the provision of community development, physical activity, environmental regeneration, employability and volunteering programmes. These activities and the achievements that flow from our work are described within this report.

Strategic Overview:

The development of national, regional and local strategies in Wales delivered through broad-based strategic partnerships, a changing relationship between the public sector and the voluntary and community sectors, and the economic recession, present challenges and opportunities.

Organisation:

Our staffing resource has been structured to meet the needs of our programme delivery and core skills required to operate effectively and efficiently.

As part of our programme development, beneficiaries have been given the opportunity to achieve accreditation for the practical and technical skills training they receive whilst working with us.

The commitment and benefit of upskilling staff and volunteers assisted the Trust in being re-accredited with the Investors in People Standard in 2015.

Demonstrating our organisational environmental awareness underpins our accreditation for the Green Dragon Quality Mark.

Programmes:

We have continued to develop the people focussed approach of our work aimed at engaging people at all levels in local regeneration. We are committed to retaining a balance of work across the three key themes of People, Places and Prosperity.

**GROUNDWORK WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Key achievements have been the development of our work on Sustainable Play and Go Green for Health, our national programmes and in addressing worklessness and employability through the Green Team Future Steps and Community Work Placement programmes.

G C Enterprises (Wales) Limited

G C Enterprises (Wales) Ltd was formed in 2007 as a Social Enterprise Trading Company wholly owned by Groundwork Caerphilly. Since 1999 the Community Furniture Enterprise has operated as a project by the Trust.

G C Enterprises (Wales) Ltd provides a collection and delivery service for reusable household items for the general public.

We have a showroom based at Lawn Industrial Estate at Rhymney, open to the general public to view and purchase donated furniture and other household items, as well as a shop in Pentreban Street, Caerphilly and we plan to open a pop up shop in Blackwood early in the new financial year.

The showroom is open to everyone and there is a discount scheme available to individuals on low income. The furniture and white goods recycling activities support the reduction of household goods going to landfill; contribute towards recycling targets; and provide a valuable opportunity to deliver volunteering and training activities to local people, particularly those excluded from the labour market, for example the long term unemployed or people with learning difficulties.

Operational processes and procedures are being continuously improved and the business is financially viable going forward. It has made profit and worked with increasing numbers of beneficiaries during the year and now has 8 staff.

GC Enterprises (Wales) Limited continues to thrive, increasing its profits year on year, which are utilised for community benefit.

Outputs:

Performance measurements are reported to Groundwork UK and Welsh Government.

People

Our People programmes 'aim to bring lasting benefits to local people, their environment and economy, by supporting all members in some of our most marginalised communities to raise self-esteem and foster local pride'.

We work with communities to help them bring about positive changes for themselves and their local environment by developing new skills, raising self-esteem, encouraging a sense of ownership and fostering local pride. Local regeneration partnerships receive support to act as the catalyst of engagement in this process, building capacity and increasing the confidence of individuals and communities.

The integration of our **People** work with the wider sustainable development agenda has proven very successful over the past year. Our contribution to social, economic and physical regeneration has helped to establish our credentials in the area of community regeneration and development.

**GROUNDWORK WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Environmental Participation

We promote and support the development of prosperous communities, learning communities and healthier communities through environmental schemes and projects, facilitating environmental opportunities for all local people and organisations to play a central part in regeneration within Communities First areas of Caerphilly County Borough.

The programme employs 4 Environmental Participation Officers (EPO's) and their main areas of responsibility are:

1. Learning Communities

- Provide environmental opportunities that offer practical hands-on learning, training and job opportunities, including environmental accreditation and awards to local people
- Support to enable communities to lead community-based environmental projects to take action on local issues they care about
- Deliver structured outdoor learning or environmental therapeutic programmes to support community engagement

2. Prosperous Communities

- Develop environmental opportunities that can be used to help communities and people into long-term employment through environmental projects that build their social and personal skills
- Provide structured environmental projects and opportunities for communities that will enhance practical skills to provide stepping stones towards employability
- Providing energy saving advice to community members in order to reduce carbon emissions and offer advice on sustainable energy measures in the home and reduce fuel bills

3. Healthier Communities

- Support people and communities to increase their physical activity by utilising green and outdoor space
- Encourage communities to connect with and shape their local environment and places where they live
- Develop and support community food growing projects, encouraging and educating communities to grow, harvest, prepare and eat fruit and vegetables in order to support a healthier lifestyle

The Trust is active in all communities in Wales through its national and local programmes.

Sustainable Play

Outdoor Play in natural surroundings is a proven low cost/no cost means to enhance the health and wellbeing of children and families living in poverty.

Sustainable Play is a three year programme to increase and enhance the accessibility and quality of children's outdoor play experiences across Wales. The programme is delivered through three Regional Play teams based in Bridgend, Blackwood and Wrexham and aims to engage over 21,000 children and young people aged 0-18.

**GROUNDWORK WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

The Play teams advocate children's play through a range of activities including: reclaiming play spaces, supervising risky and free play, engaging with disabled children and young people and instilling confidence and skills in adults so they are more supportive of children and young people playing outside in their local communities. The programme employs six local unemployed young people as Play Workers.

Programme Aims and Objectives:

- 21,000 children and young people engaged into Play sessions
- 90 workshops/advisory sessions delivered to partner organisations
- 600 children and young people with disabilities engaged into Play sessions
- 90 Play events delivered for families
- 720 families attending sessions
- 6 NEET trainees recruited and trained

During the year the programme met and exceeded its aims and objectives and continues to deliver under the current contract into 2016/17. The Trust is currently seeking refunding at the end of programme.

Go Green for Health

Groundwork is piloting the Go Green4Health (GG4H) programme – a “Community Prescription” of physical activity designed to prevent ill health and improve the management of chronic conditions including: obesity; diabetes type 2; depression; cancer; Alzheimer's; and chronic heart disease.

GG4H is being piloted in three Communities First areas; Mid Valleys West (Caerphilly), Neath Town, and Wrexham Urban Villages. Through the programme, participating GPs refer patients to GG4H Community Engagement Coaches who support them to increase their physical activity in the natural environment through free or low cost activities, such as walking. All staff in participating GP practices receive programme training and potential cost benefits to Local Health Boards are being measured through the use of Smart Card Technology which records participant's physical activity.

Programme Targets

- Engage and promote being active in the outdoors to 54,000 people in the three pilot areas.
- Support 5,400 of the most inactive individuals living in those areas become more physically active.
- Educate 500 health practitioners to the benefits of being healthy in the outdoors.
- Reduce barriers to participation for individuals, including those living with chronic conditions, to best manage them through physical activity in the environment.
- Reduce the frequency of medical appointments, hospital admissions, and the use of medications.

During the year the Trust met its targets and is seeking refunding during 2016/17 via a bid to National Lottery, as well as bids to smaller funders.

Community Work Placements

Community Work Placements is a mandatory Government Scheme aimed at supporting those long term unemployed who have completed the Work Programme, through placements of 30 hours and job search support. Groundwork Wales has a third tier contract, on a payment by results basis, with A19. The prime contractor is Working Links.

**GROUNDWORK WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

The programme has proven exceedingly challenging, but has provided good quality work placements to significant numbers of long term unemployed, a proportion of whom have gone into full time employment as a result. The programme ends in 2016/17 and the Trust is exploring further DWP contracts, in partnership with Groundwork UK. It remains to be seen whether the current contract will break even financially, however, it has developed the skills base and capacity of the Trust.

Routes 2 Life

The programme is based on 1.5 acres of land at Pontllanfraith with the aim of the programme to provide horticultural, countryside and carpentry based opportunities to individuals who wish to learn new skills, gain qualifications and meet new people. The programme has provided opportunities for formal and informal training as a means of gaining experience in horticultural, agricultural, woodworking and traditional countryside based skills, whilst promoting the benefits of the natural environment and horticultural activities as a means of physical and mental recovery from a range of health problems.

Green Doctors

The Green Doctors programme aims to provide energy efficiency advice to individuals and families in the South Wales Valleys. The combination of changing habits and implementing physical improvements, such as loft insulation and heating controls, results in a reduction to fuel bills which helps households become more financially sustainable. As a by-product, the household's carbon footprint is also reduced.

Green Doctors have worked with over 200 centres to implement energy saving measures during the duration of the programme.

Green Teams

The programme provides people (unemployed 16-65) with a work placement that enhances skills, CV development and job search techniques. The trainees are provided with 2 opportunities for placement including Community Environmental Projects and The Furniture Revival. Training opportunities are provided to support interpersonal skills and development to improve the chances to seek gainful employment.

Community Environmental Network

The CEN programme promotes and supports the development and delivery of community environmental and maintenance projects, creating and facilitating opportunities for local people and organisations to play a central part in environmental, social and economic regeneration within the Viable and Vibrant areas of Caerphilly, Newport, Torfaen, RCT, Merthyr, Blaenau Gwent and Cardiff Local Authority Areas. This enables Groundwork to work within communities and become their environmental partner of choice. The role also raises awareness of the benefits of community cohesion, participation and delivering and facilitating community based environmental projects.

**GROUNDWORK WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Places

'Working with partners to create better, safer, healthier and more sustainable communities by enhancing the areas where people want to live, work and spend their leisure time'.

Tŷ Mynyddislwyn Environment Centre

Groundwork was successful in its bid to the BIG Lottery's Community Asset Transfer (CAT) programme and we were able to complete the purchase of our premises, Tŷ Mynyddislwyn, in 2011. Further funding from the Welsh Assembly Government's Communities, Facilities and Activities Programme allowed us to complete the refurbishment of the building in 2013-14.

Focus has turned to the long-term sustainability of the environment centre with the opportunities available for Groundwork.

Marketing the environment centre and informing the local community about the facilities has been a primary target. The environment centre has a unique branding with signage and marketing.

This last year has provided an opportunity to focus on the benefits that the asset can bring and we now have a number of tenants and short term hirers contributing to the charity.

Healthy Rivers

South East Wales Rivers Trust (SEWRT) and Natural Resources Wales (NRW) (formerly Environmental Agency Wales (EAW)) have undertaken walkover surveys that have identified issues that are impacting on fish populations and other aspects of the ecology on the Sirhowy River. The objective of Groundworks role is to work in partnership with South East Wales Rivers Trust and Natural Resources Wales to co-ordinate the removal or modification of barriers of fish migration. The other objective of the role is to promote the river to the local communities and groups, whilst also improving the local environment around the water way.

Prosperity

Greencare

Groundworks Greencare programme provides grounds maintenance and space improvement services to community groups, social landlords and charities within the Caerphilly County Borough and surrounding areas. The team works with the community to enhance the local surroundings.

By offering such services at a very competitive rate, the Greencare programme has been able to secure an ongoing grounds maintenance contract and is now responsible for the upkeep of three housing estates within the Caerphilly County Borough, as well as having achieved a good level of additional work through Celtic Horizons. We have continued to train the team in order to expand our services.

The Trust aims to continue to grow Greencare's client base and increase the services it is able to offer through ongoing product and service development.

**GROUNDWORK WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Green Dragon Environmental Standard

Groundwork's Green Dragon Standard supports companies in implementing Environmental Management Systems appropriate to the nature and scale of their activities. Following Groundwork's UKAS accreditation in 2013 Green Dragon continues to grow, with over 200 certified against the standard last year. Certified organisations operate in a diverse range of sectors including public administration, further and higher education, housing, construction, transport, manufacturing, tourism and food production.

Key environmental impacts covered by Green Dragon include energy, water and raw material use, business mileage, waste, pollution prevention, staff engagement and business communication.

Benefits for Green Dragon organisations include:

- Internationally recognised UKAS accreditation
- Supports companies with certification in ISO 14001, EMAS, BS8555
- Continuous improvement through stepped approach to EMS
- improved environmental performance coupled with a demonstrable commitment to the environment
- compliance with environmental legislation
- reduced business costs
- increased competitiveness

'The Green Dragon Environmental Standard enables us to ensure compliance with wide ranging environmental legislation, clearly demonstrate the carbon and cost savings from environmental improvements and demonstrate that the organisation is continually improving its environmental performance'

Welsh Government core funds Groundwork Wales through its Viable and Vibrant Places programme, enabling us to maintain as a financially viable operation. We have made significant in-roads with local authorities operating Viable and Vibrant Places schemes during the year.

We are also core funded through the Environment Directorate.

Impact 2015/16

- 828 community projects delivered
- 571 worked in partnership with organisations
- 78 people progressed to employment
- 262 businesses supported
- 43,157 adult volunteering days
- 16,437 young people volunteering days
- 802,395 sq metres of land improved/maintained
- 1,219 trees planted
- 12,612 people involved in Physical Activity

**GROUNDWORK WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Partnerships

We work to develop, maintain and support partnerships with other organisations from the public, private, voluntary and community sectors at local, regional and national levels. They must fit and support the strategic direction and growth of the Trust and have a shared ethos of commitment and mutual benefit.

FINANCIAL REVIEW

Against the backdrop of increased reserves, we have developed new programmes and some contract work in order to increase our programme income. We have continued to monitor and enhance our systems within the Charity. The Trading Company has made a surplus within the financial year due to reduction in expenditure and continued hard work by staff and increased sales. The Board and Management will continue to closely monitor its progress over the coming year. The Trust's continued success for the financial year will depend on business development and obtaining funding from new and existing funding streams to work in current and new areas across Wales.

We have continued to make financial interventions during 2016/17 including:

1. Continuing to aggressively test the market in order to ensure that, where core cost savings can be made, they are.
2. Managers have a clear management plan for match funding not in place for programmes, applying full cost recovery wherever possible.
3. Continuing to develop Management and Financial skills and processes within the team.
4. Staffing restructure to remain fit for purpose

The charity reported a net surplus of £520,067 following a gift of funds from Groundwork Caerphilly of £435,500 (2016: £15,328 deficit). The group reported a net surplus of £34,375 (2016: £13,504).

Unrestricted reserves at 31 March 2017 for the group were £567,873 (2016: £530,897) with £35,932 invested in fixed assets. Restricted reserves were £138,747 (2016: £141,348) with £138,747 being invested in fixed assets.

Principal Funding Sources

The principal sources of funding for the Charity during 2016/17 included core funding from Caerphilly County Borough Council, grant income from Welsh Government's Communities First programme, Wales Government, in addition to Big Lottery Fund. The Charity is developing new and existing partnerships to seek funding from a much broader group of agencies and involve more organisations and partners to provide opportunities for a much wider range of funding in the future. We are working strategically and operationally to build partnerships across Wales.

Reserves Policy

Reserves are required to:-

- Fund working capital
- Fund income shortfalls
- Develop new functions/projects
- Underpin long term commitments
- Fund unexpected expenditure arising out of, for example, project deficits, unplanned events, emergencies

**GROUNDWORK WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

The trustees consider that a level of free reserves sufficient to sustain the costs of the Trust for 3 months is needed, which for the year to 31 March 2017 is budgeted at £201,552. The actual level of free reserves excluding fixed assets and designated funds at 31 March 2017 is £531,941 for the group. The unrestricted free reserves for the charity total £526,352.

The Trust has taken further steps to increase reserves by increasing business development, ensuring robust overhead recovery written into bids and developing more commission/contract work as the financial climate toughens.

Reserves will be monitored and reviewed throughout the year.

Fund by Fund Analysis of Availability of Assets

The Board of Trustees has reviewed the reserves of the Charity. The review encompassed the nature of the income and expenditure streams and the need to fulfil future commitments.

Investment Policy

The Trust does not hold any investments.

PLANS FOR FUTURE PERIODS

The Trust has continued to further develop and consolidate its strategic role in partnership with the Welsh Government, Local Authorities, local communities, voluntary and private sectors in order to bring about sustainable environmental improvements related to local needs and opportunities.

Auditors

Broomfield & Alexander Limited were appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Groundwork is a leading UK wide environmental partnership organisation which consists of the UK Federation of 19 independent trusts, which form part of the national Groundwork network, supported by Groundwork UK.

Groundwork Wales is the national charity which delivers work across Wales, having merged with Groundwork Caerphilly which is a subsidiary company.

Groundwork's national network vision is '*the kind of world we want to see*' - a society of sustainable communities which are vibrant, healthy and safe and which respect the local and global environment and where individuals and enterprise prosper.

Groundwork's national mission is '*our role in making the vision a reality*' - to transform lives and places in communities in need in the UK.

**GROUNDWORK WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Governing Document

The organisation is a charitable company limited by guarantee, incorporated as a company number 3577896 and registered as a charity, number 1096662 with the Charity Commission. The charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association, which were amended in February 2016. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Board of Trustees

The trustees of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Trustees. Under the requirements of the Memorandum and Articles of Association the members of the Board of Trustees are elected for an indefinite period and Board of Directors will determine tenure for directing.

All members of the Board of Trustees give their time voluntarily and received no benefits from the Charity. Any expenses reclaimed from the Charity are set out in note 5 to the accounts.

The Charity's work inevitably focuses upon environmental regeneration and community development. The Board of Trustees seek to ensure that the needs of the Board are appropriately reflected through the diversity of the trustee body. To enhance the potential pool of trustees the Charity has networked with local organisations who would be willing to become Board Members of the Trust and use their experience to assist the Charity.

Trustees Induction and Training

Board Members are familiar with the work of the Charity and are invited to attend any project launches and events that are held throughout the year. Governance training is offered to Board Members throughout their term of membership.

Additionally, new board members are invited and encouraged to attend an induction programme consisting of short informal meetings, project visits and formal training to familiarise themselves with the Charity and the context in which it operates. They are jointly led by the Chair of the Board of Trustees and the Chief Executive and cover:

- The obligations of the Board of Trustees
- The main documents which set out the operational framework of the charity including the Memorandum and Articles
- Resourcing and current financial position as set out in the latest published accounts
- Future plans and objectives

Trustees are also given a copy of the Charity Commission's guide the 'Essential Trustee' with the initial information and with the above documents as part of their induction programme. They are supplied with updated publications as appropriate and information in connection with the running of the Trust, such as a management overview, programmes update, people management and quality. Financial management accounts are circulated in advance of each Board Meeting which are held on a quarterly basis.

**GROUNDWORK WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

Risk Management

The Board of Trustees has assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the organisation and are satisfied that systems are in place to mitigate exposure to any major risks. The risk register is reviewed on a quarterly basis. Where appropriate, systems or procedures have been established to mitigate the risks the Charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of all staff, volunteers, clients and visitors to the Trust and quarterly Health and Safety Committee meetings are convened, including staff and board representatives. All procedures are periodically reviewed to ensure that they continue to meet legal requirements and the needs of the Charity.

Organisational Structure

Groundwork Wales has a Board of Trustees of up to 11 members which meet quarterly and is responsible for the strategic direction and policy of the Charity. At present the Board has 5 Co-Opted Trustees from a variety of professional backgrounds relevant to the work of the Charity, two Nominated Trustees representing Caerphilly County Borough and Groundwork UK. The Trust's Chief Executive attends all board meetings but has no voting rights.

Key Management Personnel

A scheme of delegation is in place and day to day responsibility for the provision of services rests with the Executive Director along with the support of the services of the management team. The Chief Executive is responsible for ensuring that the Charity delivers the services specified and that key performance objectives are met. The support of the management team ensures that business development, operational management, individual supervision of staff, and that the team continues to develop its skills and working practices in line with good practice. Salaries for key management personnel are benchmarked by assessing the market and comparing salaries with like organisations of national scale. There is an incremental increase process in place, which is reviewed according to length of service with satisfactory performance.

Risks

The Chief Executive Officer updates the Trusts Risk Register on a regular basis with the Board of Trustees reviewing the register at all board meetings. The Risk register provides information on the type of risk, the gross and net risk, the controls in place, the impact on the organisation and any change in scoring from the previous review. According to the risk register the risks currently considered the highest are:-

- Slow recovery in financial climate
- Significant reduction in core funding from Welsh Government and Local Authorities
- Political changes

With risks of building deterioration and IT failure being the lower scoring risks, although still requiring monitoring and controls to manage.

**GROUNDWORK WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Company registration number 3577896

Charity registration number 1096662

Registered office Ty Mynyddislwyn Offices
Bryn Road
Pontllanfraith
Blackwood
Gwent
NP12 2BH

Chairman B J Davies MBE

Other board members D Havard
G Hunt
B Matthew
H F Northmore
N Rees
E Trier
J Bennett – Appointed 12/05/2017

Chief Executive K Stevenson

Secretary K Stevenson

Auditors Broomfield & Alexander Limited
Chartered Accountants & Statutory Auditors
Tŷ Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Bankers Barclays Bank plc
South Wales Corporate Banking Team
PO Box 674
121 Queen Street
Cardiff
CF10 2XU

**GROUNDWORK WALES
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

RESPONSIBILITIES OF THE BOARD OF TRUSTEES

The trustees (who are also directors of Groundwork Wales for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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

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


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

In so far as the trustees are aware:

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

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

Approved by the Board of Trustees on 27th October 2017 and signed on its behalf by:

 MBE
B J Davies (Chairman) MBE

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF GROUNDWORK WALES
FOR THE YEAR ENDED 31 MARCH 2017**

We have audited the financial statements of Groundwork Wales for the year ended 31st March 2017 which comprise Group Statement of Financial Activities, the Group and the Parent Charitable Company Balance Sheet, the Parent Charitable Company Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an 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 company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under section 151 of the Charities Act 2011 and report in accordance with this Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF GROUNDWORK WALES
FOR THE YEAR ENDED 31 MARCH 2017**

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Broomfield & Alexander

Broomfield & Alexander Limited
Chartered Accountants & Statutory Auditors
Tŷ Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Dated: 12 December 2017

Broomfield & Alexander is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

GROUNDWORK WALES
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2017

	Note	Unrestricted funds £	Restricted funds £	Total funds 2017 £	Total funds 2016 £
Income and endowments from:					
Charitable activities	3	639,242	1,333,842	1,973,084	2,388,605
Trading company income	4	207,312	-	207,312	196,366
Total income and endowments		846,554	1,333,842	2,180,396	2,584,971
Expenditure on:					
Charitable activities	6	606,563	1,336,443	1,943,006	2,376,170
Trading company costs	12	203,015	-	203,015	195,297
Total expenditure		809,578	1,336,443	2,146,021	2,571,467
Net movement in funds	9	36,976	(2,601)	34,375	13,504
Reconciliation of Funds					
Total funds brought forward	17,19	530,897	141,348	672,245	658,741
Total funds carried forward	20	567,873	138,747	706,620	672,245

All of the net incoming/outgoing resources are from continuing activities.

The company has no recognised gains or losses other than the above.

The notes on pages 21 - 46 form part of the financial statements


GROUNDWORK WALES
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2017

		2017	2016
	Note	£	£
Fixed assets:			
Tangible assets	11	174,679	188,495
Current assets:			
Stock		1,500	1,215
Debtors	13	283,627	415,011
Cash at bank and in hand		731,399	649,948
		<u>1,016,526</u>	<u>1,066,174</u>
Liabilities:			
Creditors: Amounts falling due within one year	14	<u>(484,585)</u>	<u>(582,424)</u>
Net current assets		531,941	483,750
Net assets		<u>706,620</u>	<u>672,245</u>
The funds of the charity:			
Restricted income funds	17	138,747	141,348
Unrestricted income funds			
General funds	19	567,873	483,897
Designated funds	18	-	47,000
		<u>567,873</u>	<u>530,897</u>
Total charity funds		<u>706,620</u>	<u>672,245</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

For the financial year ended 31 March 2017, the company was entitled to exemption from audit under the Companies Act 2006, s. 477 relating to small companies and the members have not required the company to obtain an audit of its accounts for the year in question in accordance with s. 476. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements were approved by the board of directors on 27th October 17 and signed on its behalf.

 MBE

B J Davies MBE– Chairman

The notes on pages 21 - 46 form part of the financial statements

GROUNDWORK WALES
CHARITY BALANCE SHEET AS AT 31 MARCH 2017

		2017	2016
	Note	£	£
Current assets:			
Debtors	13	716,947	221,167
Cash at bank and in hand		564,539	523,868
		<u>1,281,486</u>	<u>745,035</u>
Liabilities:			
Creditors: Amounts falling due within one year	14	(755,134)	(738,748)
Net current assets		526,352	6,287
Net assets		526,352	6,287
The funds of the charity:			
Unrestricted income funds	19	526,352	6,287
Total charity funds		526,352	6,287

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

For the financial year ended 31 March 2017, the company was entitled to exemption from audit under the Companies Act 2006, s. 477 relating to small companies and the members have not required the company to obtain an audit of its accounts for the year in question in accordance with s. 476. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements were approved by the board of directors on 27th October 17 and signed on its behalf.

 MBE

B J Davies MBE- Chairman

The notes on pages 21 - 46 form part of the financial statement

**GROUNDWORK WALES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017**

Group	Note	2017 £	2016 £
Net cash provided by operating activities	24	<u>85,057</u>	<u>87,748</u>
<i>Cash flows from investing activities:</i>			
Purchase of property plant and equipment	11	<u>(3,606)</u>	<u>(4,946)</u>
Net cash (used in) investing activities		<u>(3,606)</u>	<u>(4,946)</u>
Change in cash and cash equivalents in the reporting period		81,451	82,802
Cash and cash equivalents at the beginning of the reporting period		649,948	567,146
Cash and cash equivalents at the end of the reporting period	24	<u>731,399</u>	<u>649,948</u>

The notes on pages 21 - 46 form part of the financial statements

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements.

Basis of Preparation

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

No separate cash flow statement has been presented for the charity itself as the charity has taken advantage of the exemptions in paragraph 1.12 of FRS 102.

Rounding

Figures contained in the financial statements have been rounded to the nearest pound.

Presentation of the accounts on a going concern basis

The charity reported a net unrestricted inflow of £520,067 for the year. The group reported a net unrestricted inflow of £36,976. This charity has sufficient free reserves and is monitoring results on a frequent basis. The trustees are of the view that on this basis the charity is a going concern and there are no material uncertainties about the charity's ability to continue as a going concern.

Basis of consolidation

The financial statements represent the consolidated financial position of the group. This comprises Groundwork Caerphilly and GC Enterprises (Wales) Limited. Groundwork Caerphilly is a subsidiary of Groundwork Wales and Groundwork Caerphilly own 100% of the share capital of GC Enterprises (Wales) Limited.

The financial statements are consolidated on a line-by-line basis and cover the consolidated financial position and transactions of all companies controlled by the charity from the date of acquisition. All intra group transactions are eliminated on consolidation.

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (Continued)

Fund accounting

Unrestricted funds are available for use at the discretion of the directors in furtherance of the Trust's general objectives.

Restricted funds are funds subject to specific restrictive conditions imposed by the terms of the grant or funding body.

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income and grants are included in incoming resources when receivable, except as follows:-

- When donors specify that the grants must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.
- When donors specify that grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Allocation of expenditure

Expenditure incurred by the charity in the year has been split between restricted and unrestricted funds. Costs have been analysed between direct charitable expenditure, fundraising and publicity and the administration and management of the charity. Expenditure relating directly to a cost category has been charged to that account. Expenditure, which includes more than one cost category, has been apportioned on a reasonable, justifiable and consistent basis to the categories involved. Committed expenditure that has yet to be invoiced is, in line with best accounting practice, not recognised in these accounts. It is intended that such expenditure will be funded by future income flows.

Charitable activities

This includes all expenditure directly related to the aims of the charity as follows:

- To promote the conservation, protection and improvement of the physical and natural environment.
- To provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living, working and visiting in the area.
- To advance public education in environmental matters and in the ways of better conserving, protecting and improving the environment.

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (Continued)

Governance costs

These costs include the costs of governance arrangements, which relate to the general running of Groundwork Wales as opposed to the direct management functions inherent in generating funds, service delivery and programme of project work. These include such items as external audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party; it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure has been allocated to management and administration of the trust, where it relates to the management of the trust's assets, organisational administration and compliance with constitutional and statutory requirements.

Resources expended are recognised in the period in which they are incurred.

Tangible fixed assets

Fixed assets are capitalised at cost. Depreciation is calculated so that the cost of tangible assets or valuation less any residual value is written off over their estimated useful lives on the following basis:-

Computers	33.33% on cost
Office Equipment	20% on cost
Plant and Machinery	20% on cost
Land & Buildings	2.5% on cost
Motor Vehicles	20% on cost

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

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

Financial instruments

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

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (Continued)

Capital grants received

Grants that relate to capital expenditure on specific projects are treated as restricted funds that are charged to the income and expenditure account at acquisition. This treatment is due to the nature of the funding as the grants are received to provide equipment to specifically run the projects and services.

Hire purchase contracts and finance leases

Assets acquired under such agreements are recorded in the Balance Sheet at their fair value and as an obligation to pay future rentals at the inception of the contract. The total finance charge is not allocated to accounting periods during the lease term so as to produce a constant periodic rate of charge on the remaining balance sheet obligation, but on a straight line basis as, in the opinion of the Trustees, this represents a reasonable approximation thereto. The capital element of future payments is treated as a liability and the interest element is charged to the Income and Expenditure Account.

Operating lease costs

The rentals under operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged against profit as incurred.

Liabilities policy

Liabilities are recognised in the Statement of Financial Activities as they become payable.

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the charity. Contributions payable are charged to the profit and loss account in the year they are payable and are charged against unrestricted funds

Taxation

As a registered charity, Groundwork Wales is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of charity's accounting policies, the trustees 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.

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

3. INCOME FROM CHARITABLE ACTIVITIES

<u>Group</u>	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Big Lottery Fund	-	290,505	290,505	396,537
Central government – indirect	-	-	-	396,646
European Union	-	-	-	193,860
Local authority	127,605	119,676	247,281	110,588
Private sector	354,525	27,438	381,963	322,827
Public agencies & national charities	156,869	67,038	223,907	264,956
Welsh Government	243	829,185	829,428	703,191
	<u>639,242</u>	<u>1,333,842</u>	<u>1,973,084</u>	<u>2,388,605</u>

<u>Charity</u>				
Big Lottery Fund	-	290,505	290,505	380,549
Central government – indirect	-	-	-	323,391
European Union	-	-	-	24,898
Local authority	110,431	117,809	228,240	23,481
Private sector	332,285	27,438	359,723	103,962
Public agencies & national charities	38,520	-	38,520	105,547
Welsh Government	-	824,645	824,645	681,906
	<u>481,236</u>	<u>1,260,397</u>	<u>1,741,633</u>	<u>1,643,734</u>

Income was received for:

<u>Group</u>	Unrestricted funds £	Restricted Funds £	Total 2017 £	Total 2016 £
People	332,251	891,460	1,223,711	1,220,028
Places	27,430	79,569	106,999	168,557
Prosperity	243,011	15,336	258,347	607,015
Partnership	36,550	347,477	384,027	315,959
Other	-	-	-	77,046
	<u>639,242</u>	<u>1,333,842</u>	<u>1,973,084</u>	<u>2,388,605</u>

<u>Charity</u>				
People	358,220	886,920	1,245,140	895,698
Places	25,334	26,000	51,334	88,980
Prosperity	97,682	-	97,682	399,424
Partnership	-	347,477	347,477	258,897
Other	-	-	-	735
	<u>481,236</u>	<u>1,260,397</u>	<u>1,741,633</u>	<u>1,643,734</u>

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<u>Group</u>				
Trading company income	207,312	-	207,312	196,366
	<u>207,312</u>	<u>-</u>	<u>207,312</u>	<u>196,366</u>

5. OTHER INCOME

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<u>Charity</u>				
Gift of funds received from Groundwork Caerphilly	435,500	-	435,500	-
	<u>435,500</u>	<u>-</u>	<u>435,500</u>	<u>-</u>

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

6. EXPENDITURE ON CHARITABLE ACTIVITIES

<u>Group</u>	Total 2017 £	Total 2016 £
Direct costs		
Staff costs	771,590	1,063,145
Volunteer costs	35,709	43,065
Materials & direct purchases	135,373	116,244
Subcontractors & consultancy	413,711	489,827
Training and recruitment	23,233	21,629
Project travel and transport	98,128	175,236
Project publicity	22,582	18,132
Support costs	-	32,003
Professional fees	16,694	38,309
Other costs	696	19,310
Depreciation	1,210	2,585
Federation membership	2,423	5,100
	<u>1,521,349</u>	<u>2,024,585</u>
Support costs		
Staff costs	295,619	224,149
Recruitment and training	2,514	4,840
Depreciation	6,284	5,636
Premises expenses	51,734	34,096
Motor and travel expenses	2,716	4,334
Legal and professional	12,020	1,239
Communications & IT, and equipment	18,303	28,263
Promotion and advertisement,	560	729
Administration & sundry	25,047	38,218
Governance	6,860	10,081
	<u>421,657</u>	<u>351,585</u>
TOTAL	<u><u>1,943,006</u></u>	<u><u>2,376,170</u></u>
 Analysed by:		
Unrestricted	606,563	392,162
Restricted	1,336,443	1,984,008
	<u><u>1,943,006</u></u>	<u><u>2,376,170</u></u>

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

6. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)

<u>Charity</u>	Total 2017 £	Total 2016 £
Direct costs		
Staff costs	676,400	682,209
Volunteer costs	32,287	34,905
Materials & direct purchases	58,517	25,428
Subcontractors & consultancy	400,280	430,760
Training and recruitment	20,076	10,157
Project travel and transport	67,825	109,820
Project publicity	21,638	17,779
Support costs	-	29,023
Professional fees	17,407	33,898
Federation membership	2,423	5,100
Other costs	50	6,371
	1,296,903	1,385,450
Support costs		
Staff costs	295,619	224,149
Recruitment and training	2,514	4,684
Premises expenses	20,561	5,459
Motor travel and expenses	2,421	4,667
Promotion and advertisement	560	696
Legal and professional	10,072	1,000
Communications & IT, and equipment	11,224	9,513
Administration & sundry	13,232	19,994
Governance	3,960	3,450
	360,163	273,612
TOTAL	1,657,066	1,659,062
Analysed by:		
Unrestricted	396,669	100,936
Restricted	1,260,397	1,558,126
	1,657,066	1,659,062

The charity paid grants to the following institutions during the period:

<u>Group and charity</u>	2017 £	2016 £
Groundwork North Wales	130,061	121,880
SNAP Cymru	35,740	35,899
	165,801	157,779

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

6. EXPENDITURE ON CHARITABLE ACTIVITIES (Continued)

<u>Group</u>	Unrestricted funds	Restricted Funds	Total 2017	Total 2016
Expenditure:	£	£	£	£
People	397,493	894,061	1,291,554	1,238,838
Places	26,134	41,336	67,470	156,918
Prosperity	182,936	-	182,936	686,966
Partnership	-	401,046	401,046	293,448
	<u>606,563</u>	<u>1,336,443</u>	<u>1,943,006</u>	<u>2,571,467</u>
	Direct cost of activities	Support & governance costs	Total 2017	Total 2016
Expenditure on projects comprised:	£	£	£	£
People	1,193,167	98,387	1,291,554	1,218,915
Places	55,851	11,619	67,470	168,237
Prosperity	146,554	36,382	182,936	695,570
Partnerships	125,777	275,269	401,046	293,448
	<u>1,521,349</u>	<u>421,657</u>	<u>1,943,006</u>	<u>2,571,467</u>
<u>Charity</u>	Unrestricted funds	Restricted Funds	Total 2017	Total 2016
Expenditure:	£	£	£	£
People	245,076	886,920	1,131,996	911,266
Places	26,134	26,000	52,134	79,392
Prosperity	125,459	-	125,459	418,816
Partnership	-	347,477	347,477	249,588
	<u>396,669</u>	<u>1,260,397</u>	<u>1,657,066</u>	<u>1,659,062</u>
	Direct cost of activities	Support & governance costs	Total 2017	Total 2016
Expenditure on projects comprised:	£	£	£	£
People	1,037,613	94,383	1,131,996	891,343
Places	44,539	7,595	52,134	90,711
Prosperity	89,393	36,066	125,459	427,420
Partnerships	125,358	222,119	347,477	249,588
	<u>1,296,903</u>	<u>360,163</u>	<u>1,657,066</u>	<u>1,659,062</u>

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

7. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Group	2017 Total £	2016 Total £
Salaries and wages	1,056,672	1,265,141
Redundancy pay	-	1,909
Social security costs	82,452	74,671
Staff pension costs	39,425	40,161
	<u>1,178,549</u>	<u>1,381,882</u>

Charity	2017 Total £	2016 Total £
Salaries and wages	856,826	805,876
Social security costs	70,378	62,598
Staff pension costs	36,109	26,911
	<u>963,313</u>	<u>895,385</u>

The number of employees whose emoluments as defined for taxation purposes amounted to a rate of over £60,000 in the year was as follows:

	2017 No.	2016 No.
£60,000 - £69,999	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

The total employer's contribution paid to defined contribution schemes for the above higher paid employee was £1,845 (2016: £ 1,845).

Trustees

No trustee expenses (2016: £275 for travel and subsistence) were paid trustees during the year (2016: 2).

No trustees received remuneration during the current or previous year.

Key Management Personnel

The key management personnel of the group are as detailed in the Trustees report. The total employee benefits (including gross salary, employer's national insurance, pension and benefits in kind) of the key management personnel of the charity were £252,092 (2016: £332,146).

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

8. STAFF NUMBERS

The average number of employees during the year, analysed by category was;

Group	2017 No.	2016 No.
Direct	56	55
Management and administration of the charity	10	10
	<u>66</u>	<u>65</u>

Charity	2017 No.	2016 No.
Direct	36	31
Management and administration of the charity	9	9
	<u>45</u>	<u>40</u>

9. NET INCOME FOR THE YEAR

This is stated after charging:

	2017	2016
<u>Group</u>	£	£
Auditors remuneration	12,025	9,400
Depreciation of owned fixed assets	17,422	-
Operating lease rentals	<u>5,408</u>	<u>17,422</u>

This is stated after charging:

	2017	2016
Charity	£	£
Auditors remuneration	4,800	3,900
Operating lease rentals:	<u>5,408</u>	<u>7,960</u>

10. SURPLUS OF THE PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the income and expenditure of the parent company is not presented as part of these financial statements. The parent company's surplus for the financial period was £520,067 (2016: £15,328 deficit).

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

11. TANGIBLE FIXED ASSETS

<u>Group</u>	Plant and machinery £	Motor vehicles £	Buildings £	Total £
Cost				
At 1 April 2016	23,017	51,887	144,375	219,279
Additions	3,606	-	-	3,606
At 31 March 2017	<u>26,623</u>	<u>51,887</u>	<u>144,375</u>	<u>222,885</u>
Depreciation				
At 1 April 2016	5,735	21,299	3,750	30,784
Charge for year	4,113	11,434	1,875	17,422
At 31 March 2017	<u>9,848</u>	<u>32,733</u>	<u>5,625</u>	<u>48,206</u>
Net book value				
31 March 2017	<u>16,775</u>	<u>19,154</u>	<u>138,750</u>	<u>174,679</u>
31 March 2016	<u>17,282</u>	<u>30,588</u>	<u>140,625</u>	<u>188,495</u>

Land and buildings with a carrying amount of £138,750 (2016: £140,625) have been pledged to secure borrowings of the charity. The charity is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

12. CHARITY SUBSIDIARIES

Groundwork Caerphilly

On 1 February 2015 the charity became a subsidiary of Groundwork Wales, Groundwork Caerphilly is a charitable company, limited by guarantee and incorporated on 14 May 1990 in England and Wales. Company number 02501792, charity number 1006811 – registered 13 December 1991. The objects of the charity are:

- To promote firstly the conservation protection and improvement of the physical and natural environment.
- To provide facilities in the interests of social welfare for recreation and leisure.
- To advance public education in environmental matters and of better ways of better conserving protecting and improving the same.

A summary of the results are shown below:

	Year ended 31 March 2017 £	Year ended 31 March 2016 £
Summary Income and Expenditure Account:		
Total income	325,239	745,507
Gift of funds to Groundwork Wales	(435,500)	-
Total expenditure	(379,282)	(717,108)
Deficit for the financial year	<u>(489,543)</u>	<u>28,399</u>
Summary Balance Sheet:		
Total assets	908,540	824,743
Total liabilities	(753,791)	(180,451)
Net assets	<u>154,749</u>	<u>644,292</u>
 Restricted funds carried forward	 138,747	 141,348
Unrestricted funds carried forward	<u>16,002</u>	<u>502,944</u>
	<u>154,749</u>	<u>644,292</u>

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

12. TRADING SUBSIDIARIES (continued)

G C Enterprises (Wales) Limited

Groundwork Caerphilly holds the entire issued share capital of 100 ordinary shares of £1 each in GC Enterprises (Wales) Limited, a company incorporated in England and Wales (company number 06296414). GC Enterprises (Wales) Limited provides collection, repair as necessary and appropriate testing of white goods and donated re-usable furniture for sale to people on benefits and low incomes.

A summary of the trading results is shown below.

	Year ended 31 March 2017 £	Year ended 31 March 2016 £
Profit & Loss Account		
Turnover	207,312	196,366
Cost of sales	(168,686)	(148,226)
Gross profit	38,626	48,140
Administrative expenses	(34,406)	(47,071)
Loan interest paid to Groundwork Caerphilly	(371)	(636)
Deficit for the financial year	<u>3,849</u>	<u>433</u>
Balance Sheet		
Fixed assets	17,248	23,570
Current assets	109,811	86,554
Current liabilities	(72,840)	(45,956)
Creditors due after more than 1 year	(28,604)	(42,402)
Total assets less liabilities	<u>25,615</u>	<u>21,766</u>
Reserves		
Share capital	100	100
Profit & loss reserves	25,515	21,666
	<u>25,615</u>	<u>21,766</u>

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

13. DEBTORS

	<u>Group</u>		<u>Charity</u>	
	2017	2016	2017	2016
	£	£	£	£
Amounts due within one year:				
Trade debtors	204,717	220,453	98,342	105,850
Amounts due from group entities	-	-	581,745	-
Prepayments & accrued income	73,609	194,558	36,860	115,317
Other debtors	5,301	-	-	-
	<u>283,627</u>	<u>415,011</u>	<u>716,947</u>	<u>221,167</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>Group</u>		<u>Charity</u>	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	66,492	80,966	51,721	69,172
Amounts due to group undertakings	-	-	495,432	368,893
Accruals & deferred income	223,416	352,271	93,013	168,666
PAYE and social security	50,596	24,028	36,543	18,209
VAT	-	46,253	-	34,905
Other creditors	144,081	78,906	78,425	78,903
	<u>484,585</u>	<u>582,424</u>	<u>755,134</u>	<u>738,748</u>

Deferred Income

Contained in the accruals and deferred income balance above is deferred income in relation to performance related grants which relates to the 2017/18 financial year.

	<u>Group</u>		<u>Charity</u>	
	2017	2016	2017	2016
	£	£	£	£
Balance brought forward	210,858	291,683	129,057	57,990
Income received in the year	1,907,582	2,307,780	1,663,953	1,714,801
Released to income	(1,973,084)	(2,388,605)	(1,741,633)	(1,643,734)
Balance carried forward	<u>145,356</u>	<u>210,858</u>	<u>51,377</u>	<u>129,057</u>

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

15. FINANCIAL INSTRUMENTS

	<u>Group</u>		<u>Charity</u>	
	2017	2016	2017	2016
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	941,417	871,616	1,245,126	629,718
Carrying amount of financial liabilities				
Measured at amortised cost	<u>288,632</u>	<u>301,285</u>	<u>667,213</u>	<u>556,577</u>

16. ANNUAL COMMITMENTS UNDER NON CANCELLABLE OPERATING LEASES ARE AS FOLLOWS:

	Land & buildings		Other	
	2017	2016	2017	2016
<u>Group and charity</u>	£	£	£	£
Due within 1 year	484	484	4,925	9,723
Due within 2-5 years	-	-	-	4,925
	<u>484</u>	<u>484</u>	<u>4,925</u>	<u>14,648</u>

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

17. RESTRICTED FUNDS

<u>Group</u>	At 1 April 2016 £	Income £	Expenditure £	At 31 March 2017 £
British Gas Energy Trust	-	19,620	(19,620)	-
Big Lottery Fund – Create your space	-	26,000	(26,000)	-
Big Lottery Fund – Go Green for Health	-	264,505	(264,505)	-
Bridges to work	-	1,867	(1,867)	-
CAT project	140,622	-	(1,875)	138,747
Communities First	-	117,809	(117,809)	-
Greencare	-	13,469	(13,469)	-
Healthy rivers	-	53,569	(53,569)	-
Smart energy	-	7,818	(7,818)	-
Sustainable play	-	477,168	(477,168)	-
Welsh Government	-	4,540	(4,540)	-
Welsh Government - CTP	-	147,477	(147,477)	-
Welsh Government - ESDG	-	200,000	(200,000)	-
Youth environment	726	-	(726)	-
	<u>141,348</u>	<u>1,333,842</u>	<u>(1,336,443)</u>	<u>138,747</u>

Charity

Big Lottery Fund - Go Green for Health	-	264,505	(264,505)	-
Big Lottery Fund - Create your space	-	26,000	(26,000)	-
Communities First	-	117,809	(117,809)	-
British Gas Energy Trust	-	19,620	(19,620)	-
Smart energy	-	7,818	(7,818)	-
Welsh Government - Sustainable Play	-	477,168	(477,168)	-
Welsh Government - ESDG	-	200,000	(200,000)	-
Welsh Government - CTP	-	147,477	(147,477)	-
	<u>-</u>	<u>1,260,397</u>	<u>(1,260,397)</u>	<u>-</u>

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

17. RESTRICTED FUNDS (continued)

British Gas Energy Trust - The provision of Green Doctor support to households in supporting energy savings

Big Lottery Fund - Create your space - The development of a programme bid for the Create your Space funds

Big Lottery Fund - Go Green for Health – The provision of services to those with long term health conditions to enable them to utilise the outdoors for health benefits

Bridges into Work – Grant received towards the Bridges into Work project.

CAT project – Grant received for the purchase of the property at Mynydd Islwyn.

Communities First - The provision of support to through project work in Communities First areas of Caerphilly

Greencare - ILM model of grounds maintenance.

Healthy rivers - Grant to support the clean up of rivers.

Smart energy - Grant to support householders in utilising Smart Metres.

Sustainable play – Grant to support communities, families, parents, carers children and professionals in utilising the outdoors for creative play

Welsh Government – Funding received to cover the core costs of the charity.

Welsh Government - ESDG - Funding received to cover the core costs of the charity.

Youth Environment – Grant received towards to provision of the Youth Environment project.

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

17. RESTRICTED FUNDS (continued)

Previous year

Group	At 1 April 2015 £	Income £	Expenditure £	Transfers £	At 31 March 2016 £
Bridgend LS (SLA)	-	20,000	(20,000)	-	-
British Gas Funding	-	14,835	(14,835)	-	-
Caerphilly CBC	-	43,860	(43,860)	-	-
CAT Project	142,496	-	(1,874)	-	140,622
CCW for trusts	-	51,874	(51,875)	1	-
CEN Officer	-	22,803	(22,803)	-	-
Communities First	-	142,258	(142,325)	67	-
Community Recharge Projects	-	444	(752)	308	-
Community Work Placements	-	323,391	(323,391)	-	-
Environment Wales Project Officer	-	17,565	(17,565)	-	-
Flexible Support Fund	-	13,231	(13,231)	-	-
Go Green for Health	-	376,116	(376,116)	-	-
Greenteam	-	1,500	(1,500)	-	-
GW Wales (T3/T0/T10)	-	249,588	(249,588)	-	-
Healthy Rivers	-	36,204	(36,204)	-	-
Healthy Villages	-	1,000	(1,000)	-	-
Intercompany	-	59,257	(59,257)	-	-
Intercompany charges	-	72,829	(72,716)	(113)	-
Lottery	-	4,408	(4,408)	-	-
R2L Skills	-	57,180	(61,718)	4,538	-
Sewcedd	-	9,612	(9,612)	-	-
Sustainable Play	-	434,047	(434,047)	-	-
Tesco Greener Living Spaces	-	27,517	(27,517)	-	-
Ty Mynyddislwyn	-	11,834	(11,834)	-	-
We Can	-	(1,729)	-	1,729	-
Youth Environment	726	-	-	-	726
	<u>143,222</u>	<u>1,989,624</u>	<u>(1,998,028)</u>	<u>6,530</u>	<u>141,348</u>

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

17. RESTRICTED FUNDS (continued)

Previous year

	At 1 April 2015	Income	Expenditure	Transfers	At 31 March 2016
<u>Charity</u>	£	£	£	£	£
Bridgend LS (SLA)	-	20,000	(20,000)	-	-
British Gas Funding	-	14,835	(14,835)	-	-
CCW for trusts	-	51,874	(51,875)	1	-
Community Work Placements	-	323,391	(323,391)	-	-
Go Green for Health	-	376,116	(376,116)	-	-
Greenteam	-	1,500	(1,500)	-	-
GW Wales (T3/T0/T10)	-	249,588	(249,588)	-	-
Intercompany	-	59,257	(59,257)	-	-
Sustainable Play	-	434,047	(434,047)	-	-
Tesco Greener Living Spaces	-	27,517	(27,517)	-	-
We Can	-	(1,729)	-	1,729	-
	-	<u>1,556,396</u>	<u>(1,558,126)</u>	<u>1,730</u>	-

Restricted funds are provided from various funders to carry out the objects of the charity.

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

18. DESIGNATED FUNDS – GROUP ONLY – Current and previous year

The income funds of the company included the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2016 £	Transfers £	At 31 March 2017 £
Future operating costs	47,000	(47,000)	-
	<u>47,000</u>	<u>(47,000)</u>	<u>-</u>

Transfer relates to the trustees no longer deciding the designated funds were required.

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

19. UNRESTRICTED FUNDS

	At 1 April 2016 £	Income £	Expenditure £	Transfers £	At 31 March 2017 £
<u>Group</u>					
General funds	483,897	846,554	(809,578)	47,000	567,873
Designated funds	47,000	-	-	(47,000)	-
	<u>530,897</u>	<u>846,554</u>	<u>(809,578)</u>	<u>-</u>	<u>567,873</u>

Charity

General funds	6,287	916,735	(396,670)	-	526,352
	<u>6,287</u>	<u>916,735</u>	<u>(396,670)</u>	<u>-</u>	<u>526,352</u>

Previous year

	At 1 April 2015 £	Income £	Expenditure £	Transfers £	At 31 March 2016 £
<u>Group</u>					
General funds	468,519	595,347	(573,439)	(6,530)	483,897
Designated funds	47,000	-	-	-	47,000
	<u>515,519</u>	<u>595,347</u>	<u>(573,439)</u>	<u>(6,530)</u>	<u>530,897</u>

Charity

General funds	21,615	87,338	(100,936)	(1,730)	6,287
	<u>21,615</u>	<u>87,338</u>	<u>(100,936)</u>	<u>(1,730)</u>	<u>6,287</u>

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

20. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

<u>Group</u>	Unrestricted fund £	Restricted fund £	Total £
Tangible fixed assets	35,932	138,747	174,679
Net current assets	531,941	-	531,941
	<u>567,873</u>	<u>138,747</u>	<u>706,620</u>

Charity

Net current Assets	526,352	-	526,352
	<u>526,352</u>	<u>-</u>	<u>526,352</u>

Previous year

<u>Group</u>	Unrestricted fund £	Restricted fund £	Total £
Tangible fixed assets	47,873	140,622	188,495
Net current assets	483,024	726	483,750
	<u>530,897</u>	<u>141,348</u>	<u>672,245</u>

Charity

Net current assets	6,287	-	6,287
	<u>6,287</u>	<u>-</u>	<u>6,287</u>

21. STATUS

Groundwork Wales is a company limited by guarantee, not having a share capital, exempt from the requirement to use the word 'limited' and is a registered charity. The liability of each member under the guarantee is limited to £1.

From 1 February 2015 Groundwork Caerphilly became a subsidiary of Groundwork Wales, that in turn owns 100% of the issued share capital of GC Enterprises (Wales) Limited.

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

22. PENSION SCHEMES – GROUP

The group contributes to employee's own personal pension schemes. The pension cost charge represents contributions paid by the group to the individual schemes and amounted to £36,055 (2016: £40,161) during the year. At the year end £7,101 (2016: £4,907) was accrued in respect to contributions to the scheme.

PENSION SCHEMES – CHARITY

The Charity contributes to employee's own personal pension schemes. The pension cost charge represents contributions paid by the Charity to the individual schemes and amounted to £32,738 (2016: £26,911) during the year. At the year end £10,756 (2016: £4,907) was accrued in respect to contributions to the scheme.

23. RELATED PARTY TRANSACTIONS

From 1 February 2015 Groundwork Caerphilly became a subsidiary of Groundwork Wales. Groundwork Caerphilly owns 100% of the issued share capital of its trading subsidiary GC Enterprises (Wales) Limited.

The charity was owed £577,943 (2016: £79,876) by Groundwork Caerphilly at 31 March 2017, and owed £487,151 (2016: £450,130) to Groundwork Caerphilly at this date.

The charity also owed £8,281 (2016: £6,347) to GC Enterprises (Wales) Limited at 31 March 2017 and was owed £3,802 (2016: £7,710) from G C Enterprises (Wales) Ltd.

At 31 March 2017 GC Enterprises (Wales) Limited owed Groundwork Caerphilly £42,345 (2016: £48,433). Of this balance £28,604 (2016: £42,402) is considered to be due after more than one year.

As at 31 March 2017 Groundwork Wales received a gift of £435,500 from Groundwork Caerphilly (2016: £nil).

As at 31 March 2017 Groundwork Caerphilly owed G C Enterprises (Wales) Ltd £6,265 (2016: £100).

During the year the charity was re-charged £186,749 (2016: £82,578) by Groundwork Caerphilly for expenditure made on its behalf. Groundwork Wales during the year has re-charged Groundwork Caerphilly for its share of expenditure £172,495 (2016: £54,209).

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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

<u>Group</u>	2017	2016
	£	£
Net income/(expenditure) for the reporting period	34,375	13,504
<i>Adjustments for:</i>		
Depreciation charges	17,422	17,323
Increase in stocks	(285)	127
Decrease in debtors	131,384	93,637
Decrease in creditors	(97,839)	(36,843)
Net cash provided by/(used in) operating activities	85,057	87,748
 <u>Analysis of Cash and Cash Equivalents</u>		
Cash in hand	731,399	649,948
Total Cash and Cash Equivalents	731,399	649,948

GROUNDWORK WALES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

25. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

Group	Unrestricted funds £	Restricted funds £	Total funds 2016 £
Income and endowments from:			
Charitable activities	413,001	1,975,604	2,388,605
Trading company income	182,346	14,020	196,366
Total income and endowments	595,347	1,989,624	2,584,971
Expenditure on:			
Raising funds	181,277	14,020	195,297
Charitable activities	392,162	1,984,008	2,376,170
Total expenditure	573,439	1,998,028	2,571,467
Net income/(expenditure)	21,908	(8,404)	13,504
Transfers between funds	(6,530)	6,530	-
Net movement in funds	15,378	(1,874)	13,504
Reconciliation of Funds			
Total funds brought forward	515,519	143,222	658,741
Total funds carried forward	530,897	141,348	672,245
Charity			
Income and endowments from:			
Charitable activities	87,338	1,556,396	1,643,734
Total income and endowments	87,338	1,556,396	1,643,734
Expenditure on:			
Charitable activities	100,936	1,558,126	1,659,062
Total expenditure	100,936	1,558,126	1,659,062
Net income/(expenditure)	(13,598)	(1,730)	(15,328)
Transfers between funds	(1,730)	1,730	-
Net movement in funds	(15,328)	-	(15,328)
Reconciliation of Funds			
Total funds brought forward	21,615	-	21,615
Total funds carried forward	6,287	-	6,287