

**GREATER NOTTINGHAM**

**GROUNDWORK TRUST**

**COMPANY NUMBER**

02556957

**CHARITY REGISTRATION NUMBER**

1003426

**REGISTERED OFFICE**

Unit A  
Tennyson Hall  
Forest Road West  
Nottingham  
NG7 4EP

**GREATER NOTTINGHAM GROUNDWORK (GGN) TRUST**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

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**MISSION**

GGN transforms lives in the most disadvantaged communities by:

- Improving people's prospects
- Creating better places, and
- Promoting greener living and working.

In working towards our mission, the Trust is governed by its Memorandum and Articles of Association adopted on November 12<sup>th</sup> 1990 (as amended by special resolution on 15<sup>th</sup> September 2010 and special resolution on 22<sup>nd</sup> June 2016), which outline its purpose. Our objectives are to:

- Promote the conservation, protection and improvement of the physical and natural environment anywhere in the areas of Nottinghamshire, Derbyshire and the surrounding areas and
- Provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for those living in or working in or resorting to the areas of Nottinghamshire, Derbyshire and the surrounding areas and
- Advance public education in environmental matters and of the ways of better conserving, protecting and improving the same whosoever and
- Promote, for the public benefit, urban and rural regeneration in areas of social and economic deprivation in the areas of Nottinghamshire, Derbyshire and the surrounding areas by:
  - i.) the relief of poverty in such ways as may be thought fit;
  - ii.) the relief of unemployment in such ways as may thought to be fit including assistance to find employment;
  - iii.) the advancement of education, training or re-training, particularly amongst the unemployed, and providing unemployed people with work experience;
  - iv.) the creation of training and employment opportunities by the provision of work space and/or land for use on favourable terms;
  - v.) the provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that such power shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing;
  - vi.) the maintenance, improvement or provision of public amenities;
  - vii.) the preservation of buildings or sites of historical or architectural importance;
  - viii.) the provision or assistance in the provision of recreational facilities for the public at large and/or those who, by reasons of their youth, age, infirmity or disablement, poverty, social or economic circumstances, have need of such facilities;
  - ix.) the protection or conservation of the environment, and
  - x.) the promotion of public safety and prevention of crime.

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In the context of its charitable objectives, 'environment' is defined to encompass all 'quality of life' factors that impact on the well-being of people including, for example, health, housing, employment, learning, citizenship, inclusion as well as the physical and global environment.

**Groundwork Greater Nottingham's Operational Area**

Currently the Trust is delivering and/or managing programmes across the D2N2 Local Enterprise Partnership (LEP) area which includes Nottingham City, Nottinghamshire, Derby City and Derbyshire.

Groundwork Greater Nottingham is a participating member of the umbrella body, the Federation of Groundwork Trusts, which comprises eighteen independent Groundwork Trusts across England, Wales and Northern Ireland.

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**CHAIR'S STATEMENT**

During the last year, Carole Harvey has stood down from the Board and I would like to place on record my thanks for her contribution to the successful running of the Trust. I would also like to thank all my fellow Board members who have served and continue to serve the Trust.

This year also saw Martyn Poessinouw join as the new Chief Executive Officer of the Trust. Martyn is tasked with introducing a new five- year strategy for the Trust, from April 2018.

This year has seen the opportunity to rationalise our operating geography and unite Nottinghamshire within a single Groundwork Trust. A possible merger in 2018/ 19 is being considered and would position the Trust as a major provider of services across most of the East Midlands (excluding Northamptonshire). This possible merger is part of an ongoing Federation review of how Trust performance could be enhanced by further mergers or the development of a network of Service Support Hubs.

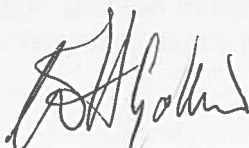
The National Lottery continues to be a significant supporter, funding our "Talent Match" programme which is now entering its final year of helping 18- 24 year- olds gain employment. In addition, we have now completed the first year of the National Lottery funded programme "Building Better Opportunities" – our Towards Work programme. This is a three-year programme that aims to support about two and a half thousand people on their journey towards employment. The Trust continues to be grateful to all its funders, whose backing enables us to work alongside our beneficiaries to bring about change in their lives and their communities.

Securing funding for our work continues to be the number one challenge for the Trust. While funding opportunities continue to shrink, the last year has also seen a move away from funders providing funding at full cost recovery. Additionally, there also seems to be a growing trend amongst funders insisting that all the risk related to the funding sits with the Trust while offering no upside to potentially mitigate this risk. Recognising that these issues need addressing for the Trust to have a viable future, its Board and management agreed on several priorities for reshaping the Trust in the coming year to ensure its future sustainability. These are: refocusing on what makes us unique; boosting the Trust's environmental agenda; improving the way the Trust captures and measures its impact to help us improve what we do a; changing the culture of the organisation to ensure that its staff have the necessary skills to meet future challenges; and developing its unrestricted income.

Finally, in what has been another challenging but ultimately successful year for the Trust, I would like to thank all our amazing and talented staff and volunteers for their continued enthusiasm, commitment and dedication to the work that they carry out on behalf of our communities across Nottinghamshire and Derbyshire.

**Wendy Golland**  
(Chair)

Date:

  
6.8.18

**REVIEW OF THE YEAR**

**What we achieved**

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Highlights of our achievements for 2017/ 2018 include: supporting over 400 community organisations; 15,000 people benefitted from improvements to public spaces with one million square metres of land improved; over 150 businesses supported; 15,000 hours of volunteers engaged in projects equating to a value of £275,000; over 1,500 young people have been supported of whom almost 250 gained a formal qualification, over 900 achieved a positive outcome (in terms of overcoming barriers to employment) and over 1,300 were supported into education, training or employment.

**Environment**

Our Land team continued to provide a full range of landscape architecture services with key emphasis on community consultation.

Project delivery focused on the Tesco Bags of Help programme enabling small community groups, schools and charities to access funding for land improvement projects with advice and support. Several capital works grounds improvements projects were completed including St Augustine's school, Cedar Falls care home for dementia sufferers, Cookies Pond and Arnot Hill Park. Delivery of a week of team building activities for Mars Pet Care Ltd which resulted in the creation of a permanent dog agility trail at Melton Country Park.

**Employment**

Our Employment team continued to deliver the DWP Step into Work Plus programme, a community-based mentoring, work readiness training and employment activity for 18-29 year olds for which we delivered activity in Nottingham's Area 3 (Aspley, Bilborough and Leen Valley). Outstanding performance by the team resulted in achievement of 146% against targets for supporting participants into work, training or education.

Our Talent Match programme is now in its fifth year of operations and has so far reached over one thousand young people, with up to 200 (and rising) of these finding sustained employment of over 6 months.

The Youth Participation team were responsible for organising the 2017 Talent Match Awards, which in the spirit of Talent Match, was designed and led by the young people. The event was a huge success, with guest speakers including our new patron Sharon Roberts and Stephanie Millward, British Paralympic swimmer and MBE.

The new Experience Works commercial recruitment service, is in its beta testing phase with major employers now seeking to be part of this initiative. This ambitious programme seeks to find over one hundred work placements for young people across D2N2, with the intention that eighty of these will find employment.

Building Better Opportunities is now into its second year of delivery, supporting almost 1,000 unemployed people to retrain and re-skill with the intention of finding a new career path within one year of joining the programme.

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**Community**

Our Small Steps Big Changes (SSBC) team managed the third year of the City Care contract for the Family Learning programme as lead of a consortium including: Home-Start Nottingham and Bulwell Community Toy Library. The programme provides a family mentoring service to better the lives of Bulwell and Aspley's 0 to 3 year olds by employing local parents and grandparents as family mentors along with volunteer support to deliver early intervention sessions about nutrition, language skills and the social and emotional development of babies.

As Lead Organisation in Nottingham City's Area 3 for the delivery of: employment and skills; targeted and diversionary youth work; support for older people; support for community centres; and support for the voluntary sector generally, we continue to deliver, manage, monitor and distribute funding to local organisations to achieve against targeted priorities for the area. We also contribute to employment and youth meetings and forums to best meet the needs of the local community.



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**2018/ 19 PLAN**

The Trust completed a Strategic Review at the end of March 2018. This Review identified four primary objectives:

- Develop a more sustainable business model by mitigating the current “boom & bust” model of major grant funding
- Diversify funding streams through more commercial activities to create more unrestricted funds
- Rebalance activities to strengthen our “green” offer by developing a portfolio of standard products
- Increase our community impact and measurement of community benefits, through wider engagement, better information and more frequent communications.

These objectives inform the Trust strategy for the next five years. The plan for this year is:

**Operations**

- Deliver the lottery funded Talent Match programme until 2019, monitor the development of the suggested Talent Match (2) programme and continue to develop our “Experience Works” ethical recruitment service
- Develop the Building Better Opportunities programme (due to run until the end of 2019- subject to any agreement about extending the programme) by developing our own delivery hub and team of work coaches
- Look to further develop our role in the Small Steps Big Changes programme, which runs until Sep 2020 (with a further potential two years roll-over period to follow).
- Continue to deliver the Youth Employment Initiative programme in Nottingham City in its existing format (to Aug 2018) and then as part of the new five- year European-funded “Step into Work” programme (Sep 2019 onwards)
- Continue to act as an Area Base Lead in Nottingham until Mar 2019 (when funding ends) and look to be part of the new Area- Based programme (whatever that may look like) from Apr 2019

**Finance**

- Break even budget on a total turnover of just under £5m
- Generate £100k of new income through bids and grants for community- based and capacity building activities
- Diversify revenues streams (as above) to reduce Trust dependency on major grants and create unrestricted funds that can be used as matched funding for future projects
- Maintain reserves at approximately £500k (see Reserves policy)



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**Structure**

- Explore the potential for Trust merger to unite the Groundwork "Nottingham/ Nottinghamshire" offer in 2018/ 19 and to extend it to the broader East Midlands in 2019/ 20
- Continue dialogue with Groundwork Trusts in the Central region to explore shared services and contribution to future cost savings
- Work more closely with Groundwork UK to develop national funding and marketing opportunities.

**Green Agenda**

- Extend our "green" product offerings beyond landscaping and into a new joint "Design and Build" model by working closely with the Groundwork Cresswell, Ashfield and Mansfield Trust
- Extend the range of green products/ services that we can offer by working closely with Groundwork Trusts in the East of England and the West Midlands
- Closer alignment of Trust products/ services with sustainable communities' agenda, corporate social responsibility agenda and with Government's 25- year Environmental Plan
- Secure at least one green space (through investment or donation) that showcases the Trust's green services and credentials and provides at least one base for launching new green activities
- Lead into 2019 Year of the Environment by developing a youth volunteer offer and network, starting with a "Week of Action" during the Summer

**Development**

- Add to the asset base and unrestricted income of the Trust by exploring "Bricks and Mortar" and "green place/ space" investments via reserves
- New engagement with employers under the Corporate Social Responsibility agenda to provide £100k (or equivalent value) in corporate giving and corporate volunteering to support new community- based/ green services
- One additional D2N2 bid as part of the employment thread of the regional Social Inclusion strategy

**Volunteering**

- Create a programme of volunteering events and activities that are available to both corporate and student volunteers
- Create an increasing number of student and volunteer placements that can contribute to the development of new ideas, research and opportunities for the Trust

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**Systems**

- Achieve and maintain the Platinum Talent Match kitemark as a youth-friendly organisation
- Reinforce Trust credentials for corporate social responsibility by adopting ISO 26000
- Address pay policy and procedures to accommodate new commercial activities
- Review financial systems to accommodate cash flow forecasting and management for potential commercial activities
- Review staffing structures to create more promotion/ development opportunities for operational staff.
- Review of governance policies and procedures to reflect best practice in the charity sector
- Introduce new Trust- wide Client Relationship Management system that reflects the new stakeholders that we need to be successful i.e. businesses and charity partners
- Introduce "Green GGN" to improve our environmental credentials and to create a platform for developing future "Green" service for corporate clients.

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**DEFINED BENEFIT PENSION SCHEME**

The Directors of the Greater Nottingham Groundwork Trust would like to draw your attention to the impact of its defined benefit pension scheme on its financial viability.

The Trust is a member of a multi-employer Local Government Pension Scheme (LGPS) administered by Nottinghamshire County Council, which is a defined benefit pension scheme. This scheme has been closed to new members since 2008 and now has only two active members.

Under a methodology prescribed in Section 28 Employee Benefits of Financial Reporting Standard 102 (FRS 102) an annual valuation of the scheme must be made. Any deficit in the scheme's assets compared to its future obligations (liabilities) must be included on the Trust's Balance Sheet as a long-term liability. Following a valuation of the scheme (under FRS102) at 31 March 2018 a pension scheme liability of £930,000 has been included on the Balance Sheet as a long-term liability.

Because of the way this LGPS scheme is structured, this pension scheme liability can only be called-in in special circumstances, over which the Trust has control. If the Trust continues to operate and has actively contributing members (i.e. employees who are current members of the scheme and for whom contributions are actively being paid into the scheme), which it has, then the scheme's liability cannot be called-in.

While the Trust does have control over the circumstances whereby this long-term liability becomes payable, the scheme's administrators are compelled to address this liability and put in place a plan for the Trust to eliminate it over time. This is done as part of the triennial valuation of the Fund in accordance with the regulations governing the LGPS. In doing this, the actuaries must have regard to the desirability of maintaining as nearly constant a rate as possible and the requirement to secure the solvency of the pension fund and the long-term cost efficiency of the Scheme. The methodology adopted at the triennial valuation is slightly different from FRS102 and currently produces a valuation lower than the FRS102 valuation. As a result of the triennial valuation that took place at the 31<sup>st</sup> March 2016, the Trust had to make an additional contribution in 2018 of £3,902 (2017; £5,060). This triennial valuation also requires the Trust to make additional contributions of: £3,995 in 2019; and £4,091 in 2020. Further payments are expected to be made in subsequent years although the exact amounts in those years will only be known following the relevant valuation taking place.

Given the level of the Trust's unrestricted cash and unrestricted reserves the Directors are confident that it can meet all foreseeable calls on it by the pension scheme while meeting all our other known financial obligations.

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**FINANCIAL REPORT**

The accounts have been prepared in accordance with the requirements of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 (FRS102) (effective 1 January 2015; updated for accounting periods on or after 1 January 2016).

**2018 Performance**

Net expenditure for 2018 was £47,078 (2017; expenditure of £22,254). This net expenditure amount was after charging an additional £42,000 (2017; £29,000) in relation to the Trust's defined benefit pension scheme identified in the latest FRS102 actuarial valuation of the scheme.

Also, included in this amount was £10,283 (2017; £7,898) of grants taken as income for which expenditure will occur in future financial years as well as expenditure of £10,719 (2017; £14,978) charged against income taken in earlier financial years. This net effect of this income and expenditure is included in the £60,203 of restricted funds excluding pension liability at the year- end (2017; £39,495).

**Impact of the change in the actuarial valuation of the Trust's Local Government Pension Scheme**

As well as the £42,000 of additional costs (2017; £29,000) incurred before the net expenditure of £47,078 (2017; expenditure of £22,254), an additional £68,000 of actuarial gains (2017; an actuarial loss of £190,000) have been included after the net expenditure figure because of the latest FRS102 actuarial valuation of the Local Government Pension Scheme (LGPS) defined benefit pension scheme.

Actuarial gains (or losses) reflect the extent to which the movements of the scheme's assets and liabilities over the accounting year have not been as assumed at the previous valuation date. They also reflect the effect on the liabilities of changes to the assumptions used to value them.

While asset returns have been positive over the year, the return on assets less interest in the year of £28,000 were considerably lower than in the previous year (2017; £153,000). Additionally, there were no other actuarial gains on the value of the Fund assets (2017; £76,000).

The key financial assumptions used to determine the defined benefit obligation are the discount rate linked to corporate bond yields and the rate of future inflation. The value of liabilities is calculated using a prescribed discount rate; that on AA rated Corporate Bonds at the valuation date. At the year end this rate was 2.55% compared to 2.80% a year earlier. The rate of future inflation is important as this is used to determine the rate of salary increases for active members of the scheme as well as the rate at which pensions are increased for other scheme members. At the year end, inflation as measured by the Retail Prices Index (RPI) was assumed to be 3.3% compared to 3.6% a year earlier. The impact of these changes is an actuarial gain of £70,000 compared to an actuarial loss of £451,000 a year earlier. In addition, there was no actuarial loss (2017; loss of £6,000) in relation to changes in the assumptions on life expectancy and no experience gain on the defined benefit obligation (2017; gain of £38,000).

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As a result of the above changes to the defined benefit pension scheme's valuation, the Trust recorded a net positive movement in funds of £20,922 in 2018. This compared to a net negative movement in funds of £212,254 a year earlier.

**Income**

In 2018 income increased to £4,659,361 compared to £3,348,143 in 2017 with all except £20,613 (2017: £22,378) coming from charitable activities. Income from People related charitable activity increased to £4,460,528 in 2018 from £3,126,788 in 2017. A small drop in funding for the Talent Match programme, where income decreased from £1,531,011 in 2017 to £1,485,832 in 2018, was offset by funding for the Building Better Opportunities programme of £1,887,154 which compared to £430,584 in the previous year (reflecting the impact of the programme's first complete year of operation). Funding from Nottingham City Care for the Small Steps, Big Changes programme again increased year-on-year; up from £700,712 in 2017 to £765,095 in 2018. Despite Mars Petcare UK providing £25,000 of new funding in 2018, Places income fell by £20,757 in the year from £198,977 in 2017 to £178,220 in 2018. This was partially because of receiving no income from either Nottingham City Council or Veolia in 2018 (2017: £35,247 and £39,949 respectively).

**Expenditure**

In 2018 expenditure on charitable activities was £4,555,169 (2017: £3,214,583); this equated to just under ninety-seven percent of the Trust's total expenditure, slightly up on last year (95%). The Trust's two largest areas of expenditure are works costs and salaries. In 2018 these two areas of expenditure accounted for just over ninety-five percent of total expenditure; up from just under ninety-three percent in 2017. This increase is due to works costs increasing significantly in the year to £3,253,870, from £2,024,997 in 2017 primarily because of the Building Better Opportunities programme. Salary expenditure increased to £1,221,297 in 2018, up from £1,099,417 in 2017. The primary driver of this increase was the need to employ more officers in the People team.

Expenditure on raising funds decreased marginally in 2018 to £151,270 in 2018 from £155,814 in 2017.

Support costs (before reallocation) fell to £287,687 from £327,818 in 2017. In 2018 they equated to just over six percent of the Trust's total expenditure compared to just under ten percent in 2017. Salary costs of £240,671 (2017: £267,837) were the primary driver of this reduction, primarily because of the Trust's new Chief Executive Officer only joining in November 2017. Key management personnel salaries increased from £203,729 in 2017 to £220,362 because of the full year impact of several roles which were included for only part of 2017.

**Cash at Bank and in Hand**

Total cash held at 31 March 2018 was £1,055,956 (2017: £964,928). Unrestricted cash was £724,226 at 31 March 2018 compared to £660,207 a year earlier. At the 31 March 2018 the Trust held restricted cash of £331,730 (2017: £304,721). As part of its arrangements to partners delivering the Building Better Opportunities, Talent Match and Small Steps, Big Changes programmes, the Trust makes advance payments to them of up to a quarter's worth of expenditure. At 31 March 2018 this advanced funding amounted to £193,893 compared to £246,943 a year earlier.



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## **Reserves**

At the 31 March 2018 the Trust had negative reserves of £310,770 (2017: negative reserves of £331,692). Of these reserves minus £930,000 relates to the pension scheme liability (2017: minus £956,000).

Excluding the LGPS pension scheme liability, the Trust's reserves were £619,230 (2017: £624,308) at 31 March 2018. Of these, £559,027 were unrestricted reserves (2017: £584,813) of which £7,682 were designated (2016: £7,682) to enable the Trust to carry out remedial activity, should it be needed, on a completed project. Additionally, the Trust had £60,203 of non-pension related restricted reserves (2017: £39,495). Of these, non-pension related restricted reserves, £37,067 (2017: £27,355) relates to surpluses on education and training activity which has been ring-fenced in accordance with HM Revenue & Customs' rules for maintaining the Trust's eligibility to treat education and training income as exempt from the need to charge Value Added Tax on it. The remainder of the restricted funds related to grant income which has been recognised in line with the practice set out in the Charities SORP for income recognition.

During the year the Trust's Board of Directors reviewed its Reserves Policy and identified their rationale for holding reserves, which are unchanged from previous years, which is to provide three months cover for all staff salaries and cash overheads (i.e. excluding depreciation and other non-cash items) as well as covering all liabilities on outstanding contracts. In addition, it was decided that a contingency of approximately £50,000 should be held to guard the Trust against unforeseen risks including: taking professional advice in relation to governance and compliance matters; and safeguarding against contract risks. Based on next year's business plan, three month's running costs equates to approximately £375,000 while the outstanding contract liabilities at the 1<sup>st</sup> April 2018 totalled approximately £75,000. Allowing £50,000 for contingencies would give a target reserves level of £500,000 compared to the current level of £559,027. In the coming year the Trust expects its reserves to reduce although they are likely to remain above the current target level.

## **Liquidity**

Excluding the long-term LGPS pension scheme liability the Trust had net assets of £619,230 (2017: £624,308) at the year end.

After including the FRS102 valuation of the LGPS defined benefit pension scheme assets and liabilities on the Balance Sheet, the Trust's total liabilities exceeded its total assets. Because of the way this LGPS scheme is structured, this pension scheme liability can only be called-in in special circumstances, over which the Trust has control. If the Trust continues to operate and has actively contributing members (i.e. employees who are current members of the scheme and for whom contributions are actively being paid into the scheme), which it has, then the scheme's liability cannot be called-in.

While the Trust does have control over the circumstances whereby this long-term liability becomes payable, the scheme's administrators are compelled to address this liability and put in place a plan for the Trust to eliminate it over time. This is done as part of the triennial valuation of the Fund in accordance with the regulations governing the LGPS. In doing this, the actuaries must have regard to the desirability of maintaining as nearly constant a rate as possible and the requirement to secure the solvency of the pension fund and the long-term cost efficiency of the Scheme. The methodology adopted at the triennial valuation is slightly different from FRS102 and currently produces a valuation lower than the FRS102 valuation.

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As a result of the triennial valuation that took place at the 31<sup>st</sup> March 2016, the Trust had to make an additional contribution in 2018 of £3,902 (2017; £5,060). This triennial valuation also requires the Trust to make additional contributions of: £3,995 in 2019; and £4,091 in 2020. Further payments are expected to be made in subsequent years although the exact amounts in those years will only be known following the relevant valuation taking place.

On an annual basis the Trust is confident that it can generate sufficient cash flow, in addition to that needed for its other commitments, to meet this obligation.

**Investment Policy and Performance**

The Trust utilises its current and deposit accounts to generate small levels of interest on the cash balances it holds. It does not have any managed investments. The Board of Directors' priority is to safeguard the funds it holds. It does this by, wherever possible, ensuring that any funding held by a financial institution is readily accessible and is fully protected by the Financial Services Compensation Scheme.



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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

Groundwork Greater Nottingham's Aims and Objectives are set out in its Memorandum and Articles of Association which are detailed at the beginning of this report.

**The Board**

The Trust is governed by a Board of unpaid Directors who are also the Trustees of the Charity. The Board are responsible for the overall governance of the Trust in accordance with Company and Charity Law. At the 31<sup>st</sup> March 2018, the Board had eight Directors.

In accordance with its Memorandum and Articles there are two types of Directors. Nominated Directors who are nominated to serve on the board by their member organisations or Co-opted Directors who are brought onto the board for their particular skills and experience through an open recruitment process. The Board is fully committed to the furtherance of the local communities that it serves.

All new Directors undergo an induction process to acquaint them with the Trust's Charitable Objects; policies and practise; aims and objectives; management and governance; and what is expected of them under legislation, with particular reference to Charity Commission guidance. Governance Training is provided and all Directors are expected to commit to the Principles of Public Office.

The Board operates in an open and transparent manner, balancing opportunity against risk with the objective of ensuring the long-term sustainability of the Trust. It delegates certain powers in connection with the management and administration of the Trust as set out below. This is controlled by regular reporting back to the Board so that all decisions made under delegated powers can be ratified by the full Board in due course.

**Committees of the Board**

The Board has four sub-committees who work within parameters defined by their respective approved Terms of Reference. As directed by the Board, all Committees regularly report back to and provide recommendations to the Board. The overall purpose of each committee is set out below:

Audit and Finance Committee – to ensure that there is a framework for accountability; for examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management; and for ensuring the Trust is complying with all aspects of the law, relevant regulations and good practice. The Committee is supported by the Chief Financial Officer.

Human Resources Committee – to assist the Board in the discharge of their responsibilities for agreeing the staff plan, remunerating employees, reviewing HR systems and policies, ensuring that the Board has a full complement of members and ensuring the Trust is complying with all aspects of the law, relevant regulations and good practice. The Committee is supported by the Chief Executive and the Support Services Manager.

Compliance Committee – to assist the Board in the discharge of their compliance responsibilities which includes quality management, health & safety management and contract compliance and ensuring that the Trust is complying with all aspects of the law, relevant

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regulations and good practice. The Committee is supported by Head of Contracts, Quality and Performance.

Strategic Committee - to assist the board to develop short, medium and long-term aims for the organisation, to review the short, medium and long-term aims and where appropriate make recommendations for change, to ensure the Trust remains sustainable and operates within its Charitable Objectives, to review the Trust's vision and mission on a regular basis to ensure it is relevant to the business, to review the aims and objectives of the annual business plan to ensure that the organisation remains on track to deliver its targets. The Committee is supported by the Chief Executive.

### **Chief Executive**

The Chief Executive is responsible for the day to day management of the Trust's affairs and for implementing the policies agreed by the Board of Directors. The Chief Executive is assisted by a team of Senior Managers.

### **Statement of Directors' Responsibilities and Corporate Governance**

Company and Charity law requires the Directors to be responsible for their Annual Report and for the preparation of the financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the surplus or deficit of the Trust for that period.

In preparing those statements, the Directors have:

- Selected suitable accounting policies and then applied them consistently;
- Observed the methods and principles of the Charities Statement of Recommended Practice;
- Made judgements and estimates that are reasonable and prudent;
- Stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepared the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Directors have overall responsibility for ensuring that the Trust has an appropriate system of controls, financial or otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- The Trust is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposition and are properly applied; and
- The Trust complies with relevant laws and regulations.

### **Audit Information**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's

**GREATER NOTTINGHAM GROUNDWORK (GGN) TRUST**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

### **Corporate Governance**

The Trust is committed to continuous improvement. Internal controls over all forms of commitment and expenditure continue to be improved. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the executive management and the Board of Directors.

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- A strategic business plan and annual budget approved by the Directors;
- Regular consideration by the Directors of financial results, variances from budgets and benchmarking reviews;
- Restricted and unrestricted cost control;
- Delegation of day-to-day management authority and segregation of duties; and
- Identification and management of risks.

### **Risk Management**

The Trust's Audit and Finance Committee provides, on behalf of the Board, a lead in assessing potential business risks facing the Trust. It works with the Senior Management team to minimise those risks. During the year, under the guidance of the Audit Committee, the Board was able to consider how the Trust might respond to identified risk.

In terms of overall risks, the biggest risk to the Trust stems from the funding it seeks to fund its activity. This risk manifests itself in a number of ways:

- The changing face of the funding landscape, which has resulted in a much more competitive environment for securing funding as a result of reduced funding from Government at both a local and national level;
- The need to ensure that funding is secured from a variety of sources to minimise the reliance on any one funder or any single award of funding;
- The cost incurred in developing bids and securing funding from multiple sources in a highly competitive market;
- Ensuring that funding covers not only the costs of directly delivering the activity being funded but also an equitable share of organisation costs plus a contribution to reserves; and
- The need for unrestricted income to offset the above risks where they are not fully eliminated in secured funding.

Outside of the risks associated with securing income, the Trust recognises that the following major risks exist:

- In terms of its people, where because of its size there is a danger that key skills and knowledge are held by a single person;
- In terms of its systems, where a key part of the Trust's success is based upon its systems which if disrupted would have a significant ability on the Trust to operate; and
- The liability on its defined benefit pension scheme.

**GREATER NOTTINGHAM GROUNDWORK (GGN) TRUST**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

In recognising the above risks, the Trust's Directors and Senior Management have put in place actions to mitigate against these risks as well as regular review of both the risks and mitigating actions.

**Training and Communications**

The Trust recognises the value of its people and is committed to the training and career development of all employees. The Trust is an 'Investor in People' with a robust appraisal and staff development system in place ensuring the appropriateness and timeliness of all training.

Employees are kept fully informed of (and contribute to) development of strategy, objectives and delivery of stretching targets as well as news of day to day activities and events. Regular information about the organisation is available through meetings, briefings and the Trust's IT databases. All employees are encouraged to contribute their suggestions for improving the organisation.

The Trust has comprehensive Human Resources policies and procedures, with particular attention paid to Health, Safety and Welfare. The Trust supports equal opportunities and diversity and has a policy of recruitment and promotion at all levels on the basis of aptitude and ability.

The Trust Health, Safety and Welfare policy, supported by the staff training plan, sets out minimum standards of Health and Safety training for all staff. This includes Health and Safety Overview, Risk Assessment, Manual Handling and Fire Training components. The policy is reviewed regularly in order to ensure compliance with latest guidance.

The Trust has an approved Equality and Diversity Policy. Staff and subcontractors are expected not to discriminate on the grounds of race, gender, ethnicity, nationality, religious belief, disability, and marital status, and sexual orientation, responsibilities for dependants or unrelated criminal convictions. Induction training and supplementary consideration, within the context of Trust meetings, provides a vehicle for ensuring that diversity is valued by all staff. Diversity training forms a compulsory element of the Trust's induction programme, ensuring that all staff are appropriately informed and act accordingly. The Trust is committed to ensuring that both equal opportunity and diversity agendas are reflected in all of its activities.


**Pensions**

All employees are encouraged to join the Trust's pension plan. For those who joined the Trust after April 2008 this is a money purchase scheme provided through AEGON Scottish Equitable and is a federation-wide scheme arranged by The Groundwork Federation.

Prior to this date, employees were eligible to join a defined benefit scheme provided by Nottinghamshire County Council. This scheme was closed to new employees following detailed consideration by the Board who concluded that on the grounds of affordability, and in order to enable better forward planning, the scheme should no longer be offered to new staff.

**Wendy Golland**  
(Chair)

Date:

  
6.8.18

**GREATER NOTTINGHAM GROUNDWORK TRUST**  
**CHARITY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**COMPOSITION OF THE BOARD**

Wendy Golland (Chair)  
Roscoe Fernandes (Deputy Chair)  
Cllr Jim Creamer  
Cllr Ron Hetherington  
Cllr Sally Longford  
Susan Clarson  
Mike Hill  
Martin Plackett (appointed 24<sup>th</sup> July 2017)  
Carole Harvey (resigned 2<sup>nd</sup> January 2018)  
Eileen Atherton (resigned 5<sup>th</sup> June 2017)

**COMPOSITION OF BOARD COMMITTEES (as at 31st March 2018)**

**Audit & Finance Committee**

S. Clarson (Chair)  
Mike Hill  
Wendy Golland

**Human Resources**

R. Fernandes (Chair)  
W. Golland  
S. Longford

**Compliance**

R. Hetherington (Chair)  
J. Creamer  
Sally Longford  
Wendy Golland

**Strategic**

R. Hetherington (Chair)  
Wendy Golland  
Roscoe Fernandes  
Sue Clarson  
Sally Longford

**ADVISERS TO THE BOARD (as at 31 March 2018)**

**Executive Officers:**

Chief Executive  
Chief Financial Officer  
Head of Development  
Head of Operations  
Head of D2N2  
Head of Quality, Compliance and Performance  
Company Secretary

Martyn Poessinouw (since Nov 2017)  
P Shaw  
L Thompson (left and not replaced)  
J Phelan  
Colin Bradley  
C Hale  
Sue Clarson

**Solicitors**

Browne Jacobson  
44 Castle Gate  
Nottingham NG1 6EA

**Insurance Adviser**

Cooke and Mason plc  
Crown House, West Carr Road  
Retford DN22 7SW



**GREATER NOTTINGHAM GROUNDWORK TRUST**  
**CHARITY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**External Auditor**

Smith Cooper Limited  
2 Lace Market Square  
Nottingham  
NG1 1PB

**Value Added Tax Adviser**

County VAT Consultancy  
Pippin Cottage  
Broadlane  
Bishampton  
Worcestershire  
WR10 2LY

**Health and Safety Adviser**

Sigerson Associates Ltd  
Rossington Business Park  
West Carr Road  
Notts DN22 7SW

**Bankers**

National Westminster  
Nottingham Smiths Branch  
Nottingham

Lloyds TSB  
St James Street  
Nottingham

Barclays  
Sir Frank Whittle Road  
Derby

HSBC  
Long Row  
Nottingham

Nottingham Building Society  
Upper Parliament Street  
Nottingham

CAF Bank  
Kings Hill Avenue  
West Malling, Kent

Yorkshire Bank  
Lock House  
Castle Meadow Road  
Nottingham

Virgin Money  
Jubilee House  
Gosforth  
Newcastle Upon Tyne NE3

# **GREATER NOTTINGHAM GROUNDWORK TRUST**

## **INDEPENDENT AUDITORS' REPORT**

### **AUDITORS' REPORT**

We have audited the financial statements of Greater Nottingham Groundwork Trust (the 'charity') for the year ended 31 March 2018 set out on pages 22 to 44. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its incoming resources and application of resources 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 and the Charities Act 2011.

### **BASIS FOR OPINION**

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

### **CONCLUSIONS RELATING TO GOING CONCERN**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



## **GREATER NOTTINGHAM GROUNDWORK TRUST** **INDEPENDENT AUDITORS' 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 Auditors' report thereon. Our opinion on the financial statements does not cover the other information and 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.

We have nothing to report in this regard.

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of financial statements which 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.

### **AUDITORS' 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 Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these

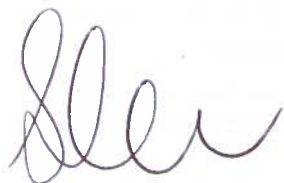
**GREATER NOTTINGHAM GROUNDWORK TRUST**  
**INDEPENDENT AUDITORS' REPORT**

financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**USE OF OUR REPORT**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Sarah Flear (Senior statutory auditor)  
for and on behalf of  
**Smith Cooper Limited**  
Chartered Accountants & Statutory Auditor  
2 Lace Market Square  
Nottingham  
NG1 1PB  
Date: 9 August 2012

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING SUMMARY INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2018

	<u>Note</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2018</u> £	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2017</u> £
<b>Income and endowments</b>							
Donations and legacies	2	8,038	-	8,038	8,853	-	8,853
Charitable Activities - People	5	-	4,460,528	4,460,528	-	3,126,788	3,126,788
Charitable Activities - Places	5	-	178,220	178,220	-	198,977	198,977
Other trading activities	3	10,579	-	10,579	10,429	-	10,429
Investment Income	4	1,996	-	1,996	3,096	-	3,096
<b>TOTAL</b>		<b>20,613</b>	<b>4,638,748</b>	<b>4,659,361</b>	<b>22,378</b>	<b>3,325,765</b>	<b>3,348,143</b>
<b>Expenditure on:</b>							
Raising funds	6	-	151,270	151,270	-	155,814	155,814
Charitable Activities - People		-	4,419,157	4,419,157	-	3,019,159	3,019,159
Charitable Activities - Places		-	136,012	136,012	-	195,424	195,424
<b>TOTAL</b>	8	-	4,706,439	4,706,439	-	3,370,397	3,370,397
<b>NET INCOME / (EXPENDITURE)</b>	7	<b>20,613</b>	<b>(67,691)</b>	<b>(47,078)</b>	<b>22,378</b>	<b>(44,632)</b>	<b>(22,254)</b>
Transfers between funds		(46,399)	46,399	-	(18,281)	18,281	
<b>TOTAL BEFORE OTHER RECOGNISED GAINS / (LOSSES)</b>		<b>(25,786)</b>	<b>(21,292)</b>	<b>(47,078)</b>	<b>4,097</b>	<b>(26,351)</b>	<b>(22,254)</b>

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING SUMMARY INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2018

<u>Note</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 2018</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 2017</u>
	£	£	£	£	£	£
<b>TOTAL BEFORE OTHER RECOGNISED GAINS / (LOSSES)</b>	(25,786)	(21,292)	(47,078)	4,097	(26,351)	(22,254)
<b>Other recognised gains / (losses):</b>						
Actuarial Gains and Losses in Defined Benefit Pension Scheme	-	68,000	68,000	-	(190,000)	(190,000)
<b>NET MOVEMENT IN FUNDS</b>	(25,786)	46,708	20,922	4,097	(216,351)	(212,254)
<b>Reconciliation of funds:</b>						
<b>Fund balances brought forward</b>	584,813	(916,505)	(331,692)	580,716	(700,154)	(119,438)
Fund balances carried forward	559,027	(869,797)	(310,770)	584,813	(916,505)	(331,692)

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. Note 14 details changes in resources applied for fixed assets for charity use.

**GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED**

**COMPANY NUMBER: 02556957**

**BALANCE SHEET AS AT 31 MARCH 2018**

	<b>Note</b>	<b>£</b>	<b>2018 £</b>	<b>£</b>	<b>2017 £</b>
<b>FIXED ASSETS</b>					
Tangible Assets	<b>14</b>		12,536		11,889
<b>CURRENT ASSETS</b>					
Debtors	<b>15</b>	264,362		551,456	
Cash at Bank and in Hand		1,055,956		964,928	
		1,320,318		1,516,384	
<b>CREDITORS: Amounts falling due within one year</b>					
	<b>16</b>	(713,624)		(903,965)	
<b>NET CURRENT ASSETS</b>					
			606,694		612,419
<b>NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES</b>					
			619,230		624,308
Defined benefit pension scheme liability	<b>11</b>		(930,000)		(956,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>					
	<b>18</b>		(310,770)		(331,692)
<b>FUNDS</b>					
Unrestricted Funds - general		551,345		577,131	
Unrestricted Funds - designated		7,682		7,682	
Total Unrestricted Funds	<b>18</b>		559,027		584,813
Restricted Funds excluding pension liability		60,203		39,495	
Pension Reserve		(930,000)		(956,000)	
Total Restricted Funds	<b>18</b>		(869,797)		(916,505)
<b>TOTAL FUNDS</b>	<b>18</b>		(310,770)		(331,692)

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

COMPANY NUMBER: 02556957

BALANCE SHEET AS AT 31 MARCH 2018

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) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements were approved by the Board and signed on its behalf by:



**W Golland**

Director

Date:

6-8-18

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

<u>Note</u>	<u>Unrestricted Funds £</u>	<u>Restricted Funds £</u>	<u>Total 2018 £</u>	<u>Unrestricted Funds £</u>	<u>Restricted Funds £</u>	<u>Total 2017 £</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net cash provided by / (used in) operating activities	21	70,177	27,009	97,186	69,155	59,357
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Dividends, interest and rents from investments		1,996	-	1,996	3,096	3,096
Purchase of property, plant and equipment		(8,154)	-	(8,154)	(11,798)	(11,798)
Net cash provided by / (used in) investing activities		(6,158)		(6,158)	(8,702)	(8,702)
Increase / (decrease) in cash and cash equivalents in the year		64,019	27,009	91,028	60,453	119,809
Cash and cash equivalents at the 1 <sup>st</sup> April 2017		660,207	304,721	964,928	599,754	845,118
Cash and cash equivalents at the 31 <sup>st</sup> March 2018	22	724,226	331,730	1,055,956	660,207	964,928



GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

**1. ACCOUNTING POLICIES**

**Basis of Accounting**

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same financial statements.

**Basis of preparation of financial statements**

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 102 published 16<sup>th</sup> July 2014 and the Charities Act 2011 and applicable regulations.

Greater Nottingham Groundwork Trust Limited meets the definition of a public benefit entity under FRS 102.

The principal office address is detailed on the cover page of these financial statements.

The financial statements are prepared in Sterling which is the functional currency of the company.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**Fund Accounting**

General Funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objective of the Trust and which have not been designated for other purposes.

Restricted funds are funds subject to specific restrictive conditions imposed by funders or by the purpose of a grant. Where permitted by the funder's conditions surpluses made on restricted funding are available to transfer to unrestricted funds otherwise they are taken to restricted reserves and treated in accordance with the funder's wishes. The costs of raising, governing and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

All income and expenditure is shown in the Statement of Financial Activities.

**Income**

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, sufficient certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Trust has unconditional entitlement.

# GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2018

Activities for generating funding and investment income are recognised on a receivable basis.

Incoming resources from charitable activities include grants for the specific provision of goods and services to be provided as part of the Trust's charitable activities to its beneficiaries. Upon invoicing, these resources are held in deferred income until the income has been earned. Income is earned as follows:

- Where measurable stages of work have been completed, income is recognised to the value of the completed work.
- Where measurable outputs are specified as a condition of the grant, income is recognised on the basis of the proportion of the outputs completed compared to the total outputs to be delivered.
- Where outputs are specified as a condition of the grant, but are not readily measurable, income is recognised on the basis of the staff time needed to deliver those outputs. Here income is recognised on the basis of the proportion of the staff time incurred to date compared to the total staff time necessary to deliver the outputs.
- Where the right to income does not arise until the occurrence of a critical event, income is not recognised until that event occurs.
- Where the grant allows for the Trust to make a surplus, the surplus is recognised in line with the proportion of the project completed.

#### **Gifts in Kind**

Gifts in kind are valued in the financial statements where an actual value can be ascribed to them.

#### **Resources Expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Costs of generating funds comprises of the costs associated with attracting voluntary income and the costs incurred in developing trading activities to raise funds that will be used for the furtherance of the Trust's charitable purpose.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

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.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

#### **Government Grants**

From 2012 grants that relate to specific capital expenditure are taken as income in the year they are received with any surplus being held as a restricted reserve. Over the life of

# GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2018

the asset, the cost of depreciation is taken as expenditure through the income and expenditure account and ultimately charged against the restricted reserve. Prior to 2012 grants that relate to specific capital expenditure were treated as deferred income and released to the credit of the income and expenditure account over the related asset's useful life.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of tangible fixed assets (less estimated residual value) in equal annual instalments over their useful lives as follows:

Computer Equipment	33.3%	Straight line basis
Fixtures and Fittings	20%	Straight line basis
Motor Vehicles	25%	Straight line basis

#### **Leasing Commitments**

Operating lease rentals are charged to the profit and loss account.

#### **Provisions**

Provisions are provided on the following basis:

- Dilapidations relate to premises rented by the Trust. They are provided in line with the maintenance and/or repair obligations stipulated in the rental agreement. The value to be provided is on the basis of a fully-costed schedule of the work to be undertaken.
- Redundancies relate to payments to be made to employees whose roles have been identified as redundant in the current financial year but whose role will not become redundant until a future financial year. Provision is only made when: redundant roles have been identified; the Trust's Board has approved that these roles are redundant; and the staff whose roles will become redundant have been informed that their role will become redundant.

#### **Pensions**

The company participates in two pension schemes.

##### **1. Defined Contribution Pension Scheme**

The Groundwork Federation Scheme is a money purchase scheme arranged by Groundwork UK with AEGON Scottish Equitable. Contributions to the scheme are charged against profits as they are paid and the only liability in respect of this scheme is any unpaid contributions at the year end.

##### **2. Defined Benefit Scheme**

Retirement benefits to some employees of the Trust are provided by the Local Government Pension Scheme (LGPS). The company is an admitted body of the LGPS, admitted by Nottinghamshire County Council.

The LGPS is a defined benefit funded scheme and the assets are held separately from those of the Company in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

The pension charge for the defined benefits pension scheme is based on a full actuarial valuation dated 31 March 2017.

**Irrecoverable Value Added Tax (VAT)**

The company is registered for VAT; because of the mixed nature of the supplies it makes, however, it has irrecoverable VAT arising due to partial exemption, which is included within resources expended.

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

**2. DONATIONS AND LEGACIES**

Donations and legacies can be analysed as being received from the following sources: -

	Unrestricted Funds 2018 £	Total 2018 £	Total 2017 £
Grants for core funding	6,000	6,000	6,000
Other grants	2,038	2,038	2,853
	<hr/>	<hr/>	<hr/>
	8,038	8,038	8,853
	<hr/>	<hr/>	<hr/>
	<hr/>	<hr/>	<hr/>
<i>Total 2017</i>	<i>8,853</i>	<i>8,853</i>	
	<hr/>	<hr/>	

**3. OTHER TRADING ACTIVITIES**

Other Trading Activities can be analysed as being received from the following sources: -

	Unrestricted Funds 2018 £	Total 2018 £	Total 2017 £
Other	10,579	10,579	10,429
	<hr/>	<hr/>	<hr/>
	10,579,	10,579	10,429
	<hr/>	<hr/>	<hr/>
	<hr/>	<hr/>	<hr/>
<i>Total 2017</i>	<i>10,429</i>	<i>10,429</i>	
	<hr/>	<hr/>	

**GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**4. INVESTMENT INCOME**

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

	Unrestricted Funds 2018 £	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Interest received	1,996	1,996	3,096
	<hr/>	<hr/>	<hr/>
	1,996	1,996	3,096
	<hr/>	<hr/>	<hr/>
<i>Total 2017</i>	<hr/> 3,096 <hr/>	<hr/> 3,096 <hr/>	

**5. CHARITABLE ACTIVITIES**

Income from charitable activities can be analysed as being received from the following sources: -

	Restricted Funds 2018 £	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Local Government	357,589	357,589	393,830
National Lottery	3,366,314	3,366,314	2,039,808
Other Public Sector	769,467	769,467	717,606
Voluntary Sector	17,169	17,169	19,440
Private Sector	100,316	100,316	90,890
Landfill Tax	6,969	6,969	45,999
Other income	20,924	20,924	18,192
	<hr/>	<hr/>	<hr/>
	4,638,748	4,638,748	3,325,765
	<hr/>	<hr/>	<hr/>
<i>Total 2017</i>	<hr/> 3,325,765 <hr/>	<hr/> 3,325,765 <hr/>	

**GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**6. RAISING FUNDS**

Costs of raising funds can be analysed into the following activities: -

	Restricted Funds 2018 £	Total 2018 £	Total 2017 £
Generating voluntary income	151,270	151,270	155,814
	<hr/>	<hr/>	<hr/>
	151,270	151,270	155,814
	<hr/>	<hr/>	<hr/>
<i>Total 2017</i>	<hr/>	<hr/>	
	155,814	155,814	
	<hr/>	<hr/>	

**7. NET RESOURCES EXPENDED BEFORE TRANSFERS**

	2018 £	2017 £
Net outgoing resources before transfers is after charging:		
Depreciation of owned assets	7,507	5,379
Auditors' remuneration	5,750	5,750
Operating lease payments - Leasehold property	13,356	13,356
Directors' expenses	284	2,048
	<hr/>	<hr/>



**GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**8. TOTAL RESOURCES EXPENDED**

	Costs of Generating Funds £	People £	Places £	Support Costs £	Governance £	Total 2018 £	Total 2017 £
Costs directly allocated to activities							
Salaries	103,601	796,042	47,635	240,671	33,348	1,221,297	1,099,417
Works and incidental costs	-	3,193,698	60,172	-	-	3,253,870	2,024,997
Director's Travel	-	-	-	-	284	284	2,048
Professional Fees	4,337	750	-	12,840	8,200	26,127	18,887
Bad debts written off / (Written Back)	-	-	-	-	-	-	405
Other direct costs	-	-	1,896	1,035	-	2,931	5,439
Other costs allocated to activities							
Office costs	3,381	33,443	2,054	7,845	1,086	47,809	52,120
Insurance	834	8,245	506	1,934	268	11,787	9,329
Depreciation	530	5,251	323	1,233	170	7,507	5,379
Printing, postage and stationery	328	3,245	199	761	105	4,638	5,723
Information technology	2,593	25,658	1,575	6,020	834	36,680	42,031
Recruitment	1,014	10,031	616	2,354	326	14,341	9,952
Training	714	7,064	434	1,657	230	10,099	10,226
Travel and motor expenses	395	3,910	240	917	127	5,589	3,134
Bank charges and other finance income	1,982	19,606	1,203	4,601	637	28,029	27,872
Equipment rental	69	685	42	161	22	979	979
Groundwork UK Membership Fee	354	3,497	215	820	114	5,000	5,000
Irrecoverable VAT on overheads	735	7,269	446	1,706	236	10,392	28,214
Sundry expenses	1,350	13,347	817	3,132	434	19,080	19,245
	122,217	4,131,741	118,373	287,687	46,421	4,706,439	3,370,397
Allocation of governance costs	4,036	39,934	2,451	-	(46,421)	-	-
Allocation of support costs	25,017	247,482	15,188	(287,687)	-	-	-
	151,270	4,419,157	136,012	-	-	4,706,439	3,370,397

Other costs allocated to activities are allocated on the basis of average headcount. Support costs of £287,687 relate to restricted funds (2017; £327,818, all restricted funds)

**GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**9. EMPLOYMENT COSTS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Salaries	1,070,177	967,988
Social Security costs	83,856	77,919
Pension costs	67,264	46,513
Temporary staff costs	-	6,997
	<hr/>	<hr/>
	1,221,297	1,099,417
	<hr/>	<hr/>

In 2018 no employees received emoluments (excluding pension contributions) of over £60,000 per annum (2017: none).

Total contributions under defined contribution schemes on behalf of these higher paid employees were £nil (2017 - £nil). At the year-end retirement benefits were accruing to no (2017 – none) higher paid employees under defined benefit scheme.

Included in the salaries figure is one (2017: none) ex-gratia payments of £1,424 (2017: £nil).

Key management personnel were paid a total of £220,362 (2017: £203,729).

The average number of persons employed by the company (excluding non-executive directors) during the year was:

	<b>2018</b>	<b>2017</b>
People	28	25
Places	2	3
Generating funds	3	2
Support and governance	10	11
Employment Programme participants	1	2
	<hr/>	<hr/>
	44	43
	<hr/>	<hr/>

**GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**10. OTHER FINANCE INCOME**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Net interest on the defined liability (asset)	(27,000)	(27,000)
	<hr/>	<hr/>
	(27,000)	(27,000)
	<hr/>	<hr/>

**11. PENSION SCHEMES**

Employees of the company are eligible for membership of either a defined contribution pension scheme or a defined benefit pension scheme.

**Defined Contribution Pension Scheme**

The Groundwork Federation Scheme is a money purchase scheme; its assets are held in a separately administered fund. Contributions are made by employees at a minimum rate of 1% of salary. Employer contributions are made at the rate of 2% where an employee contributes up to 4.5% of their salary (2017 – up to 4.5%). Where an employee contributes at least 4.5% of their salary, the employer contribution is 7.5% of salary (2017 - 7.5%). At 31 March 2018 £5,640 (2017 - £5,686) was outstanding in relation to these transactions and the Income and Expenditure charge for the year was £33,396 (2017 - £29,199).

**Defined Benefit Pension Scheme**

The Nottinghamshire County Council Pension Scheme is a defined benefit scheme; its assets are held in a separately administered fund. Contributions are made by employees at the rate of between 5% and 12.5% of salary. Employer contributions are made at the rate of 16.5% of salary (2017 - 13.1%) with a monthly payment of £325 (2016 - £422) in addition to the contributions based on salary. Additionally, under the FRS102 actuarial valuation of the scheme at year end an extra £15,000 of employer contributions were identified as being necessary (2017 - £2,000). At 31 March 2018 £1,414 (2017 - £1,787) was outstanding in relation to these transactions and the Income and Expenditure charge for the year was £32,172 (2017 - £14,753).

The amounts recognised in the balance sheet are as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Present value of funded obligations	(2,034,000)	(2,022,000)
Fair value of scheme assets	1,104,000	1,066,000
	<hr/>	<hr/>
Net liability	(930,000)	(956,000)
	<hr/>	<hr/>

**GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

The amounts recognised in the Statement of Financial Activities are as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Service cost	(32,000)	(14,000)
Net interest on the defined liability (asset)	(27,000)	(27,000)
	<u>(59,000)</u>	<u>(41,000)</u>
Actual return on scheme assets	<u>28,000</u>	<u>184,000</u>

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

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Opening defined benefit obligation	2,022,000	1,540,000
Current service cost	32,000	14,000
Interest cost	57,000	58,000
Contributions by scheme participants	5,000	4,000
Change in financial assumptions	(70,000)	451,000
Change in demographic assumptions	-	6,000
Experience loss / (gain) on defined benefit obligation	-	(38,000)
Benefits paid	(12,000)	(13,000)
Closing defined benefit obligation	<u>2,034,000</u>	<u>2,022,000</u>

Changes in the fair value of scheme assets were as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Opening fair value of scheme assets	1,066,000	803,000
Interest on assets	30,000	31,000
Return on assets less interest	(2,000)	153,000
Other actuarial gains (losses)	-	76,000
Contributions by employer	17,000	12,000
Contributions by scheme participants	5,000	4,000
Benefits paid	(12,000)	(13,000)
Closing fair value of scheme assets	<u>1,104,000</u>	<u>1,066,000</u>

**GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

The cumulative amount of actuarial losses recognised in the Statement of Financial Activities was £416,000 (2017 - £484,000).

The company expects to contribute £13,000 to its defined benefit pension scheme in 2019.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>2018</b>	<b>2017</b>
Equities	66%	70%
Gilts	2%	3%
Other bonds	12%	6%
Property	13%	11%
Cash	2%	5%
Inflation-linked pool fund	2%	2%
Infrastructure	3%	2%
	<hr/>	<hr/>
Total	100%	100%
	<hr/>	<hr/>

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

	<b>2018</b>	<b>2017</b>
Discount rate	2.55%	2.80%
Future salary increases	3.80%	4.20%
Future pension increases	2.30%	2.70%
RPI increases	3.30%	3.60%
CPI increases	2.30%	2.70%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	<b>2018</b>	<b>2017</b>
Retiring today		
Males	22.6	22.5
Females	25.6	25.5
Retiring in 20 years		
Males	24.8	24.7
Females	27.9	27.8

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2018 £	2017 £
Defined benefit obligation	(2,034,000)	(2,022,000)
Scheme assets	1,104,000	1,066,000
	<hr/>	<hr/>
Deficit	(930,000)	(956,000)
	<hr/>	<hr/>

**12. DIRECTORS' REMUNERATION, EXPENSES AND RELATED PARTY TRANSACTIONS**

The directors were not remunerated for any services in the current or prior year.

During the year one director incurred travel costs totalling £284 (2017 - two directors at a cost of £2,048). Other expenses incurred were: £nil for legal advice (2017 - £3,590); and £nil for no director to attend the Groundwork Federation AGM (2017 - one director at a cost of £180).

**13. TAXATION**

The company is a registered charity and as such is exempt from corporation tax.

GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

**14. FIXED ASSETS**

	<b>Computer equipment £</b>	<b>Office fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>COST</b>				
At 1 April 2017	46,141	16,125	13,225	75,491
Additions	7,512	642	-	8,154
Disposals	(5,773)	(2,848)	(9,995)	(18,616)
At 31 March 2018	47,880	13,919	3,230	65,029
<b>DEPRECIATION</b>				
At 1 April 2017	36,731	13,646	13,225	63,602
Charge for the year	6,838	669	-	7,507
Elimination on disposal	(5,773)	(2,848)	(9,995)	(18,616)
At 31 March 2018	37,796	11,467	3,230	52,493
<b>NET BOOK VALUE</b>				
At 31 March 2018	10,084	2,452	-	12,536
At 1 April 2017	9,410	2,479	-	11,889

All fixed assets are used for direct charitable purposes.

At 31<sup>st</sup> March 2018 the company had no capital commitments which were authorised and contracted for (2017 - £nil).



**GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**15. DEBTORS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade debtors	203,695	476,083
Amounts owed by Groundwork UK and other Groundwork Trusts	14,400	14,630
Accrued income	33,535	9,528
Prepayments	12,272	5,081
Other debtors	460	46,134
	<hr/>	<hr/>
	264,362	551,456
	<hr/>	<hr/>

**16. CREDITORS: Amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	32,660	75,153
Other taxes and social security	105,119	49,539
Grants received in advance and deferred grants	482,645	688,792
Other creditors	7,190	7,473
Accruals	86,010	83,008
	<hr/>	<hr/>
	713,624	903,965
	<hr/>	<hr/>

**GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**17. OBLIGATIONS UNDER OPERATING LEASES**

At 31<sup>st</sup> March 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:

	<b>Land &amp; Buildings</b>		<b>Other</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Restated</b>			
Under 1 year	34,886	32,553	939	939
Expiring between 2 and 5 years	64,267	73,357	469	1,408
Over 5 years	6,678	20,034	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	105,831	125,944	1,408	2,347
	<hr/>	<hr/>	<hr/>	<hr/>

**18. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS**

**CURRENT YEAR**

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total 2018</b>	<b>Total 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Assets	-	12,536	12,536	11,889
Current Assets excluding bank and cash in hand	183,857	80,505	264,362	551,456
Cash at bank and in hand	331,730	724,226	1,055,956	964,928
Creditors: amounts falling due within one year	(455,384)	(258,240)	(713,624)	(903,965)
Defined benefit pension scheme liability	(930,000)	-	(930,000)	(956,000)
	<hr/>	<hr/>	<hr/>	<hr/>
	(869,797)	559,027	(310,770)	(331,692)
	<hr/>	<hr/>	<hr/>	<hr/>

**GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**PRIOR YEAR**

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total 2017</b>	<b>Total 2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Assets	-	11,889	11,889	5,469
Current Assets excluding bank and cash in hand	392,032	159,424	551,456	627,987
Cash at bank and in hand	304,721	660,207	964,928	770,618
Creditors: amounts falling due within one year	(657,258)	(246,707)	(903,965)	(784,032)
Provisions for liabilities and charges	-	-	-	(2,480)
Defined benefit pension scheme liability	(956,000)	-	(956,000)	(737,000)
	(916,505)	584,813	(331,692)	(119,438)

**19. SHARE CAPITAL**

The company is limited by guarantee with no share capital. The equity in the company is owned by the members, each of whom has undertaken to contribute such amount not exceeding £1 as may be required under certain circumstances. At 31 March 2017 there were 4 members (2016 - 4).

**GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**20. ANALYSIS OF MOVEMENT OF FUNDS**

**CURRENT YEAR**

	<b>Balance 1.4.2017</b>	<b>Net resources (expended)</b>	<b>Transfers between funds</b>	<b>Actuarial gains and losses</b>	<b>Balance 31.3.2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Restricted funds					
excluding pension liability	39,495	(25,691)	46,399	-	60,203
Pension reserve	(956,000)	(42,000)	-	68,000	(930,000)
Unrestricted funds	584,813	20,613	(46,399)	-	559,027
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(331,692)	(47,078)	-	68,000	(310,770)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**PRIOR YEAR**

	<b>Balance 1.4.2016</b>	<b>Net resources (expended)</b>	<b>Transfers between funds</b>	<b>Actuarial gains and losses</b>	<b>Balance 31.3.2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Restricted funds					
excluding pension liability	36,846	(15,632)	18,281	-	39,495
Pension reserve	(737,000)	(29,000)	-	(190,000)	(956,000)
Unrestricted funds	580,716	22,378	(18,281)	-	584,813
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(119,438)	(22,254)	-	(190,000)	(331,692)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Incoming resources include amounts provided for running costs of the Trust. In the opinion of the directors this is appropriately disclosed as a transfer from restricted funds to cover the management costs of the Trust, which are charged out on projects.

**GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**21 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2018 £</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2017 £</b>
<b>Net movement in funds for the reporting period</b>	<b>(25,786)</b>	<b>46,708</b>	<b>20,922</b>	<b>4,097</b>	<b>(216,351)</b>	<b>(212,254)</b>
Adjustments for:						
Depreciation charges	7,507	-	7,507	5,379	-	5,379
Non-cash Pension charges	-	(26,000)	(26,000)	-	219,000	219,000
Dividends, interest and rents from investments	(1,996)	-	(1,996)	(3,096)	-	(3,096)
(Increase) / decrease in debtors	78,819	208,175	287,094	261,562	(185,031)	76,531
Increase / (decrease) in creditors	11,533	(201,874)	(190,341)	(196,307)	241,739	45,432
Increase / (decrease) in provisions	-	-	-	(2,480)	-	(2,480)
<b>Net cash provided by / (used in) operating activities</b>	<b>70,177</b>	<b>27,009</b>	<b>97,186</b>	<b>69,155</b>	<b>59,357</b>	<b>128,512</b>

**22 ANALYSIS OF CASH AND CASH EQUIVALENTS**

Cash at bank and in hand	724,226	331,730	1,055,956	660,207	304,721	964,928
<b>Total cash and cash equivalents</b>	<b>724,226</b>	<b>331,730</b>	<b>1,055,956</b>	<b>660,207</b>	<b>304,721</b>	<b>964,928</b>

**GREATER NOTTINGHAM GROUNDWORK TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

The grants shown below are required by the donor to be individually disclosed.

	<b>Cash Held/ (Due) at 1 April <u>2017</u> £</b>	<b>Cash Received/ (Returned) £</b>	<b>Cash Expended £</b>	<b>Cash Held/ (Due) at 31 March <u>2018</u> £</b>
<b><u>NATIONAL LOTTERY</u></b>				
<b>Big Lottery Grants</b>				
<b>Grant from Youth In Focus</b>				
Dig In Stay Out	6,975	-	(6,975)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	6,975	-	(6,975)	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Grant from Talent Match</b>				
Talent Match (Young & Successful)	118,938	1,545,749	(1,485,832)	178,855
	<hr/>	<hr/>	<hr/>	<hr/>
	118,938	1,545,749	(1,485,832)	178,855
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Grant from Building Better Opportunities</b>				
D2N2/1/3 – Towards Work People First – Programme	192,543	1,868,725	(1,887,154)	174,114
	<hr/>	<hr/>	<hr/>	<hr/>
	192,543	1,868,725	(1,887,154)	174,114
	<hr/>	<hr/>	<hr/>	<hr/>
<b><u>NOTTINGHAM CITY COUNCIL</u></b>				
Area Based Grant	39,109	215,183	(222,011)	32,281
Youth Employment - DWP	10,067	-	(10,067)	-
Youth Employment – ESF	(5,330)	53,095	(63,438)	(15,673)
	<hr/>	<hr/>	<hr/>	<hr/>
	43,846	268,278	(295,516)	16,608
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