



**TRUSTEES
REPORT &
FINANCIAL
STATEMENTS
2014-15**



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Completion of over 50,000 Green Doctor visits...

...our first ever contract to manage a Business Improvement District

Green Doctor visits will save up to £324k per year in householders energy bills

...our first ever contract to manage a Business Improvement District

...over 300 Green Doctor visits as part of an ongoing programme aimed at households with very young or very elderly

p10 YOUTH & EMPLOYMENT

All our apprentices gained a Level 2 NVQ in Waste Management Operations in 2014

Gravesham are extremely pleased with these outcomes and have agreed to fund the programme again in 2015/16

200 qualifications were gained by young people

We worked with 377 schools

The response of individuals working in the Green Teams and the recipients of the work has been universally positive and this delivery will continue

p12 PARKS & OPEN SPACES

...revitalize this important community asset using S106 funding generated from local housing development.

...remedial work has been commenced to provide a high quality green space with open access for local residents

...deliver distinctive, high quality, series of public artworks for a major new housing development

Colne Valley Regional Park ...the park is 43 square miles in size and regularly receives millions of visits

...we have developed plans to revitalize this important community asset using S106 funding



Board of Trustees Report 2014/15

Chairman and Managing Director's introduction

What a great pleasure it is to share the successes of Groundwork South over the last year. We are especially pleased to have worked with such a breadth and number of different partners which is integral to this success. Whether it is supporting young people to develop their potential and become more employable or whether it is protecting and improving local open spaces with communities, our partners are critical to achieving our charitable outcomes.

The operating environment is becoming even more challenging for all charities and social enterprises and Groundwork South is no exception. It has been two years since the timely amalgamation of four trusts into Groundwork South. We now cover a geographical area of approximately 16,570 miles² (42,920 km²) with a population of 23,800 people. But we have been able to evolve rapidly and use our size and new skills to meet these new challenges and continue to deliver our charitable purpose.

2014/15 was a challenging but exciting and ultimately successful year. Although it was our first without a grant from central government, we increased our overall level of income and our charitable impact. We have opened new centres and operational

bases in several locations enabling us to link up with more communities to deliver our charitable activities. A notable example is the Goblin Combe Environment Centre in North Somerset which we are specially pleased to have acquired with the support of many local partners including the charity that previously owned the centre.

In 2014/15 we worked with new private sector organizations as well as more local authorities and housing associations, and continued to strengthen existing long term partnerships. So we are successfully delivering our strategy for growth, but making sure that we underpin this increased activity with a high level of quality in all aspects of our work. Last year we maintained our existing quality accreditations: ISO14001; Investors in People; and the Positive about Disabled People mark. This commitment to quality is a fundamental part of our business strategy and is proving to be a real benefit in gaining and maintaining contracts.

Looking forward, we know that the next few years will be very challenging for the charitable sector, but we are confident in our plans for further growth. We will build on the strong partnerships we have with local authorities and housing associations, and will evolve our programmes to meet their changing needs. We will build on and expand our newer client base, especially within the corporate sector. And we plan to broaden the scale of the

different contracts and commissions so that we secure more multi-year programmes of work.

We know that the passion and commitment of our own employees is key to delivering our charitable outcomes, and we are determined to recruit and retain good people. The next two years will be significant as we develop a new pay and benefits framework for our own team. Global economics and social changes have created a very different context for Groundwork since it was first formed over 30 years ago. But huge social and environmental challenges make our charitable purpose even more relevant. Our aim is to make a significant contribution to improving places and lives in the South. We are very aware that this is only possible with the help and support of our clients and partners, and for that we are very grateful.



Jenny Bradley
Chair of Groundwork South
Trustees



Lou Kizwini
Managing Director of
Groundwork South

INTRODUCTION & OVERVIEW

Groundwork South is passionate about helping to create a future where everywhere is vibrant and green, every community is strong and able to shape its own destiny and where everyone can reach their potential. That's why as part of the national Federation of Groundwork Trusts we've been working with partners for over 35 years, supporting local communities to tackle big social and environmental challenges

OBJECTIVES & ACTIVITIES

We have three overarching aims directly in support of our charitable objectives; Greener Living & Working, Youth & Employment and Parks & Open Spaces.

We work with partners and local communities to achieve these aims and help deliver the national 2020 targets for Groundwork UK below.

Three themes

GREENER LIVING & WORKING: To cut energy, save money and create less waste

Against a backdrop of climate change and rising energy prices we deliver environmental education and advice programmes to families, schools and businesses to help to cut energy, save money, and create less waste.

YOUTH & EMPLOYMENT: To support people furthest from the job market to develop their skills and find work.

Up to 1m young people may be NEET (not in education, employment or training) and the cost to society of young people who remain NEET has been calculated at £104k over their lifetime. We deliver programmes to provide advice, training and job opportunities for young people to develop their skills and find jobs.

PARKS & OPEN SPACES: To protect, improve and manage parks and open spaces for the benefit of local communities.

Access and use of parks and open spaces is vitally important for people's well-being. Yet there is increasing pressure on these spaces and the risk of neglect as funding becomes squeezed. We work directly with local communities, government, landowners and other partners to design and implement improvements in parks and open spaces, safeguarding them for future generations.

Groundwork UK national targets for 2020 that Groundwork South will help achieve

GROUNDWORK 2020

Groundwork is an environmental charity that provides training and creates jobs, reduces energy use and waste, re-connects people with nature and transforms whole neighbourhoods. We have set ourselves the following targets by 2020:



10,000
young people
more motivated to
learn and achieve.

15,000
people progressing
into training or employment



2,500
open spaces
improved or
looked after.



100,000
people helped
to reduce their energy
and water use.



1,000,000
days of voluntary
action to improve
local communities.

SOCIAL IMPACT

We worked with 377 schools

15,000 Green Doctor visits helped people save £3m

We created 150 jobs

We worked with 133 community organizations

More than 250 parks & open spaces protected and improved

Our volunteers gave us over 83,500 days of support (valued at c.£4.2m*)

We diverted 13,625 tonnes of waste away from landfill

200 qualifications were gained by young people



OUR STRATEGIC PRIORITIES TO ACHIEVE OUR AIMS

To ensure the growth of our operation and increase in our charitable impact, the Trustees and Executives have identified we will:

- Raise our profile with target audiences as a partner of choice
- Strengthen our balance sheet
- Diversify our sources of income to be resilient and sustainable
- Foster a culture to attract, develop and retain good people
- Ensure Health & Safety remains a key business priority

OUR MEASURE OF SUCCESS - HOW WE HELPED CHANGE PLACES & LIVES IN 2014/15

We measure our success by recording our charitable impact and tracking progress against our strategic priorities.

We are committed to improving life chances for young people across the region. Working with schools, local authorities and a range of organizations from the public and private sectors, we provide accredited opportunities that increase access to education, employment, training and citizenship. We are dedicated to developing projects that enable volunteers to benefit themselves and their communities.

*The voluntary contribution to Groundwork South's work is valued at £4,175,000. In total 83,500 days of volunteer time were gifted at a value of £60/day for unskilled volunteer time, based on BIG Lottery Guidance.

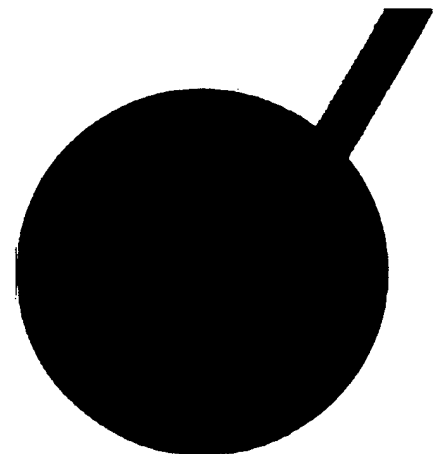
STRATEGIC REPORT: OUR ACHIEVEMENTS & PERFORMANCE

This section provides more background on our charitable activities and what has been achieved. All of our activities have been delivered by working closely with clients, partners and local communities. We operate across our charitable area from a range of centres that are central to achieving our impact as they provide the bases from which we manage and deliver our activities with partners and communities.

The centres include community venues, charity retail outlets (community cafes and charity stores), education and environment centres.

On the following pages are just some of the programmes and outcomes delivered from these centres.

- Lockleaze Youth & Community Centre, Bristol
- Goblin Combe Environment Centre, Cleeve, North Somerset
- Saltmill Park, Saltash, Cornwall
- St Austell Delivery Centre, St Austell, Cornwall
- Twice as Nice Charity Store, Weymouth, Dorset
- Energy Youth Centre, Eastleigh, Hampshire
- Velmore Community Café, Chandlers Ford, Hampshire
- Gosport Delivery Centre, Gosport, Hampshire
- Netley Community Café, Netley, Hampshire
- Eastney Community Café, Portsmouth, Hampshire
- Braywick Environmental and Conservation Centre, Maidenhead. Berkshire
- Tilgate Walled Garden, Crawley East Sussex
- Changing Gears Training & Charity Store, Brighton
- Iver Environment Centre, Iver, Berkshire
- Slough Bike Hub, Slough, Berkshire
- Chalvey Community Café, Slough Berkshire
- Auto Skills Training Centre, Reading, Berkshire
- Yiewsley Charity Shop, Uxbridge, West London
- Dot Com Café, Hillingdon, West London
- West London Floating Classroom Grand Union Canal, Uxbridge
- Colne Valley Park Visitor's Centre, Denham, Buckinghamshire
- Riverside Community Centre, Gravesend, Kent
- Spark IT, Swanscombe, Kent



Legend

△ Groundwork Bases

— Counties

Groundwork South Operational Area

Devon & Cornwall

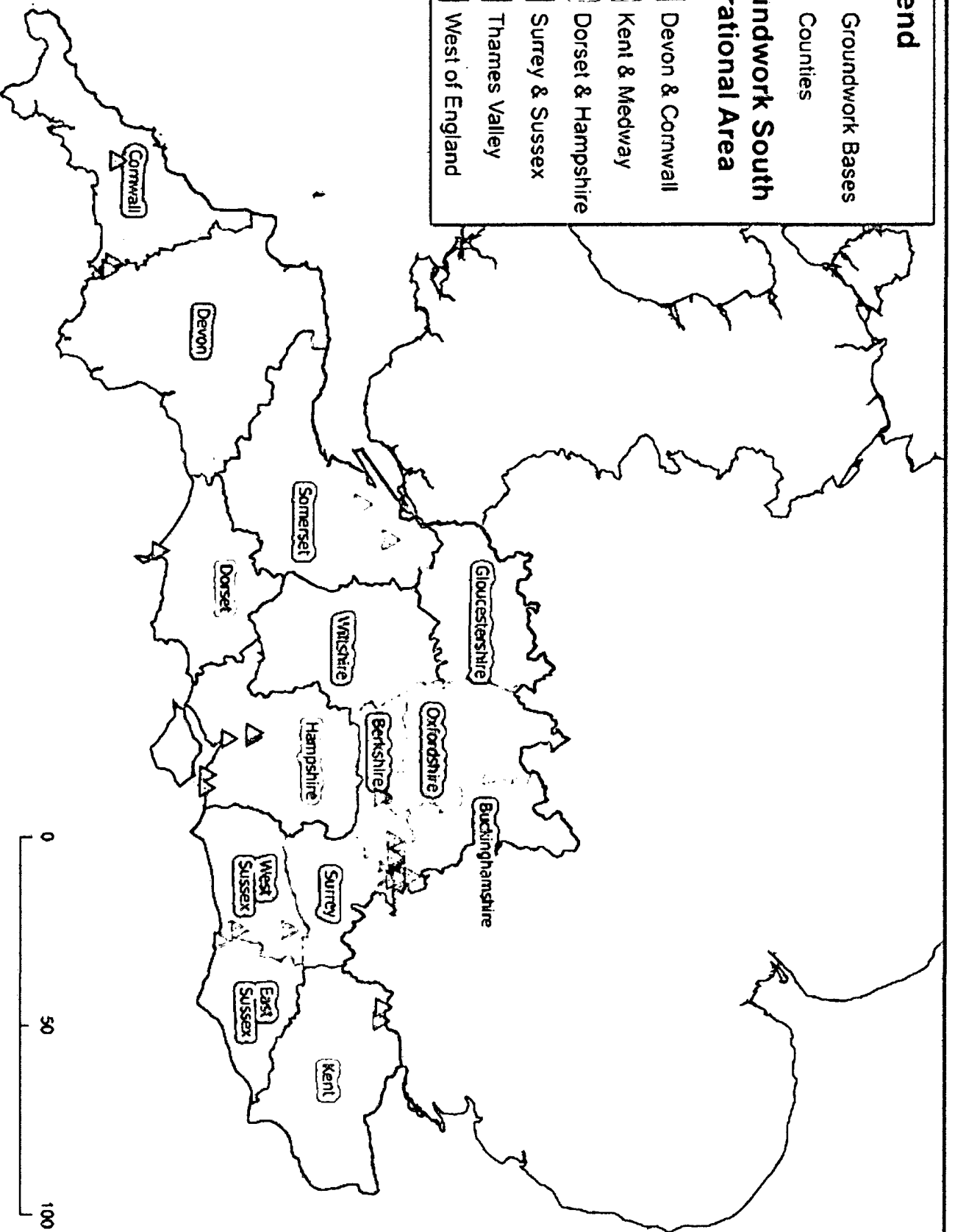
Kent & Medway

Dorset & Hampshire

Surrey & Sussex

Thames Valley

West of England



GREENER LIVING & WORKING

Against a backdrop of climate change, increasing pressure on natural resources and high energy prices our Greener Living and Working programmes raise awareness amongst individuals and communities on how to manage their environmental impact and to support them to cut energy and water save money, and create less waste.



*Our **Green Doctors** offer expert advice and guidance at road-shows, community events and in the home, often to those who are most vulnerable and at risk of fuel poverty. They help people to use energy and water more efficiently in their homes and safeguard against ill health by providing practical support that helps residents keep warm and stay well. Each Green Doctor service is designed as a tailored package of energy efficiency and money saving advice and support based on partners and priorities underpinned by our expertise in meeting the individual needs of residents. The high level of training our Green Doctors receive along with our unique multi-agency approach makes it possible for them to respond to a range of health and well-being issues during a home visit, making referrals to health or social care professionals when necessary.*

Across **Kent, Hampshire, East and West Sussex** we delivered the final year of the customer engagement programme for **Southern Water**. This marked the successful completion of an innovative and award winning five year programme which we were contracted to deliver for water company's 'Universal Metering Programme'. Some of the highlights we achieved for Southern Water and its customers are:

- Face to face engagement with over half a million customers
- Completion of over **50,000 Green Doctor visits** providing advice on water and energy consumption saving an average of £180/home/ year
- Generating over **£3m in additional benefit** entitlement income for the most disadvantaged of Southern Water's customers.

On the **Isle of Sheppey, Kent**, we delivered the **Sustainable Sheppey** programme with **Kent County Council** and **Amicus Horizon**. We worked in schools with over 1,000 young people to help them understand how climate change may impact on their island

community and what they can do to mitigate it. Alongside this our Green Doctors visited thousands of homes supporting some of the islands most disadvantaged residents to reduce their utility bills through simple behaviour changes. These Green Doctor visits will save up to £324k per year in householders' energy bills as well as reducing carbon emissions by 1620 tonnes per year.

Residential Social Landlords are key partners for us and the following are great examples where we're working with them to support their residents to save water, save energy and save money. **Hastings** has been the focus of another programme with **Amicus Horizon** where we have delivered over 1000 Green Doctor visits over the past 3 years. In **North Devon**, our Green Doctors worked with **Hastoe Housing** residents to deliver over 300 visits as part of an ongoing programme aimed at households with very young or very elderly residents, the most vulnerable in society. And with **Orbit Housing** we delivered a similar volume of visits across their housing stock in Kent.

At **Iver Environment Centre**, sponsored by **National Grid**, school children continue to visit the centre to build their knowledge and understanding of the natural world. Our horticultural therapy programme has been running for the past 20 years providing opportunities for adults with physical and learning disabilities to grow and care for plants in the centre's sensory allotments.

The **Elsdale** is the largest electric-powered canal boat in London. It connects 5,000 people a year to the habitats and heritage of the **Grand Union Canal**. Working mainly with schools, our canal experiences offer a unique way to take learning outside the classroom. On-board programmes for schools are very diverse including cooking and healthy eating, science and art alongside high quality environmental education. The boat is funded by the **Heritage Lottery Fund** and **General Mills**.

IN 2015/16 & BEYOND THESE ARE OUR PLANS FOR GREENER LIVING & WORKING



2015 -16 AND BEYOND

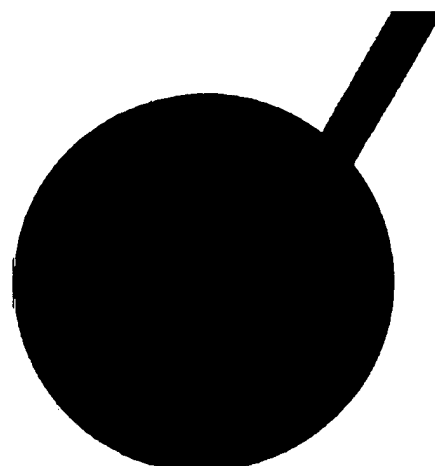
Our plan is to continue customer engagement work with **Southern Water** to support further meter installation over the first three months of this financial year across **Kent, Hampshire, East and West Sussex**.

With **Groundwork London** we are contracted to deliver a programme for **Thames Water**. In the immediate future Thames Water's programme is based mainly in London with Green Doctor visits part of a customer engagement. However, Thames Water have also requested that we engage customers already metered to provide advice and support this winter to 3500 householders in **Oxford**.

We plan to continue to delivery of a two year Green Doctor programme for **Orbit Housing** to build on the work carried out in the **Kent and West Midlands** in 2014/15.

With colleagues from **Groundwork Cheshire** we bid and won our first ever contract to manage a **Business Improvement District (BID)** at the **Globe & Marlow** industrial estates in **High Wycombe**. We will continue this initiative that improves the local environment in business areas to provide a more enjoyable and attractive working environment, supporting business growth and staff retention. Our Programme Manager for the BID oversees the landscaping improvements and high quality green space work funded by the agreed precept levied on the occupants.

In addition we are actively engaging with other housing associations and local authorities across our area to develop new Green Doctor programmes.



YOUTH & EMPLOYMENT

At a time when the level of youth unemployment remains stubbornly high, we support people furthest from the job market to develop their skills and find work. Our work includes a range of training and employment programmes that provide niche services predominately for young people who are not in mainstream education or employment.



*Our **Green Teams** are made up of 8-10 young people working outdoors to protect and improve the environment. The team members are often young, unemployed and lacking experience and qualifications. Some of these young people will be in very challenging situations including being in trouble with the police and being the criminal justice system. Green Teams offer them the opportunity of obtaining formal training and becoming paid apprentices. From grass cutting to woodland management, play equipment inspections to recycling, the teams respond directly to issues identified by local people swiftly and professionally. The programme helps develop individuals' skills and knowledge and increases their employment opportunities ideally in the local area.*

Green Teams were placed in Plymouth at **Weston Mill Household Waste Recycling Centre** where they manage the facility for **Plymouth City Council (PCC)**. All our apprentices gained a Level 2 NVQ in Waste Management Operations in 2014 as well as direct work experience. Our Green Teams handled over 185,000 car loads of waste from the public, and diverted around 7,500 tonnes of waste away from landfill. Through their work at Weston Mill the Green Team's assisted the council to achieve demanding targets of 72% of all waste by weight must be recycled.

Across **Somerset, Bristol and Cornwall** we recruited Green Teams **sponsored by DWP**. The programme was aimed at circa **50 long term unemployed** people ranging from short four week work experience packages to three month programmes. The response of individuals working in the Green Teams and the recipients of the work has been universally positive and this delivery will continue in 2015/16.

Our Green Teams were active across **Kent & Medway** improving local environments. With Kent County Council and the DWP we

recruited Green Teams funded by the **Community Covenant** to employ and train ex-military personnel as supervisors. Also in **Gravesham**, our Green Teams of apprentices drawn from local unemployed young people from the local area delivered the second year of a successful programme for **Gravesham Borough Council**. The apprentices delivered improvements to green spaces across the council area leading to an NVQ in horticulture and all the apprentices from year one went on to secure further employment along with 5 out of 8 in year two. Gravesham are extremely pleased with these outcomes and have agreed to fund the programme again in 2015/16.

In **Hampshire** our work with young people has been focussed on delivering **Youth Services in Eastleigh, East Hampshire, and the New Forest** as part of a contract with **Hampshire County Council**. In 2014/15 our detached and centre based youth provision engaged circa 7500 young people, aged 11-25. The service helped them to access a wide range of support including advice on employability, healthy eating, sexual health, alcohol awareness, substance misuse, mental health

awareness and conflict management.

Our **Achievement Coaches** in **Hillingdon** delivered a scheme focusing on preventing young people (14-19 year old) from becoming NEET. We achieved our target to engage and successfully support **80 young people** with complex needs into further education or training programmes to enhance their prospects of employment. This is a 'payment by results' programme and GS is on target to deliver the required outcomes by 2016.

In 2014/15 we completed a second successful year of the **National Citizen Service (NCS)** which is a government sponsored personal and social development programme. 500 young people from West London & Berkshire participated in our programme over the past two years giving them the opportunity to meet new people, learn new skills and make a real difference in their local community through social action. We were delighted with the feedback with 96% of participants reporting that they have increased confidence as a result.

IN 2015/16 AND BEYOND FOR YOUTH & EMPLOYMENT



2015 -16 AND BEYOND

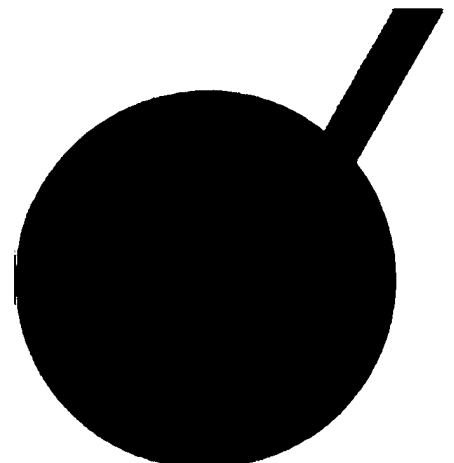
Building on our successful delivery of the **National Citizen Service programme** since 2013 we aim to expand our activity in 2015/16 and subsequent years to initially deliver in **Bristol and Sussex**, working with at least 1000 young people. This programme is scheduled to continue for a further two years with significant growth in numbers, depending on the quality of our performance. In addition, every school holiday over the next two years Groundwork's Environment Centre at Goblin Combe in North Somerset is hosting NCS participants where we hope they will thrive in the amazing surroundings of this beautiful valley.

In 2015/16 we aim to continue our programme at **Weston Mill** and build on our success and strong relationship with the council by delivering more charitable outcomes through our Green Teams at **Chelsea Meadow Household Waste Recycling Centre**, a larger recycling facility in Plymouth.

In 2015/16 we plan to continue to deploy Green Teams with **Kent County Council** using the Community Covenant and to operate Green Teams in **Gravesham**.

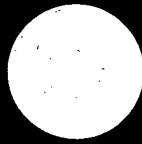
As with all local authorities **Hampshire County Council** is under severe pressure to make further cuts but we are delighted that the council wishes to continue funding the youth work that we deliver on their behalf. Although the funding is at a lower level we are committed to work with other partners to build the service's reach and capacity over the next year.

We will continue to work with our local authority partners who are seeking innovative ways to maintain continued delivery of programmes and services as they come under further budgetary pressures. We aspire to expand our work through securing more contracts to manage local authority assets on their behalf including community venues, environment centres and youth centres. We are also proactively working with many partners in all our **LEP areas** to lead where appropriate or support others to develop plans and bids for the Building Better Opportunities programme.



PARKS & OPEN SPACES

We protect, improve and manage parks and open spaces for the benefit of local communities. The local environment matters and experience tells us that people living in places that are greener, cleaner and safer live healthier and happier lives. This is why parks and open spaces continue to be such a critical aspect of our work delivered with partners and local communities.



*Our qualified **Landscape Architects and Community Teams** work with local authorities, housing associations, community groups and local businesses. Together they design and create innovative and sustainable places that can transform local environments and improve people's lives. Our portfolio includes community gardens, school grounds, play areas, allotments, informal open spaces and parks.*

In **Cornwall** we have been assigned a thirty year lease by **Plymouth City Council** to manage the community sports facilities at **Saltmill Park** in **Saltash**.

Groundwork has been involved in the park since the early 90's and we have been instrumental in supporting the community to reclaim and transform what was an old landfill site into a 17 acre park. The facilities comprise a full size, floodlit, all weather pitch and a sports pavilion and in 2014/15 the installation of a training centre was completed.

To the west of London, we continue to be an active partner in the **Colne Valley Regional Park (CVRP)**. The park is 43 square miles in size and regularly receives millions of visits each year from neighbouring areas such as **Slough, Hillingdon and Hounslow**. We are the managing agent for the **Colne Valley Community Interest Company (CIC)** which leads on developing plans to enhance and protect the future of the park. Within the CVRP we manage the Visitor Centre in **Denham Country Park** which attracts **30,000 visitors** each year and manage land owned by the CIC. In 2014/15 we also supported the Colne Valley CIC to engage with the HS2 project and secure investment for the park to

mitigate the impact as the rail scheme progresses.

In **Ebbfleet, Kent** we completed a programme of work commissioned by **Camland Developments** in 2014/15 to deliver distinctive, high quality, series of public artworks for a major new housing development. Our role was to engage with local people to generate themes for the public art, reflective of local culture. This element of the development concluded at an exhibition of the proposals attended by our partners at **Land Securities** and **Ward Homes** and representatives from the local community.

Go with the Flow is a three year programme funded by the **Heritage Lottery Fund** that we are delivering in **Havant and Waterlooville in Hampshire**. In 2014/15 our focus was aimed at increasing community understanding and participation in the heritage of the Hermitage River. We also concluded the bulk of the community consultation on proposals for physical improvements to the stream corridor to increase community use.

In **Lockleaze, Bristol** we were delighted to be awarded the lease and management of the **Vench**, a Youth and Community centre with

a large adventure play structure. Working closely with **Bristol City Council** and the **Horfield Lockleaze Neighbourhood Partnership** we have developed plans to revitalize this important community asset using S106 funding generated from local housing development.

In **Hastings**, we worked with **Hastings Borough Council** and **Amicus Horizon** to submit proposals to design and build a visitor centre for the **Hastings Country Park**. The visitor centre will include a community cafe and is planned to be an eco-design, sensitive in scale and sympathetic to local landscape but deliver a high quality visitor experience. Also nearby in Hastings we have agreed a programme of activities with the **Combe Valley Countryside Park (CVCP)** Management Board to develop and manage the Park in the future. The park has been subject to a range of uses not always complimentary to a public access park, so remedial work has been commenced to provide a high quality green space with open access for local residents.

PLANS FOR 2015/16 PARKS AND OPEN SPACES



2015 -16 AND BEYOND

We are committed to working with our partners and building on the work at **Localize Youth & Play Space** in Bristol to secure further funding and engage with the local community to further enhance the facilities at The Vench with further improvements planned thereafter.

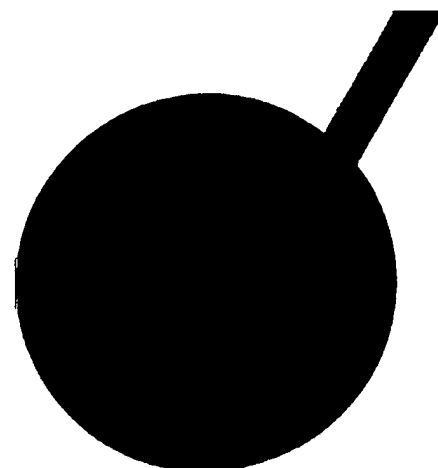
In 2015/16 we are planning with our partners the delivery of a £300,000 programme to improve the **Colne Valley Park** and continue to deliver several well-loved events, the highlights being the Colne Valley Festival and the Colne Valley Food & Music Festival attended by 1500 people.

We will be working closely with our partners to progress the proposals for the **Hastings Country Park** and **Combe Valley Park**, both in Sussex.

At the **Saltmill Pitch and Pavilion** in Cornwall we will commence a new training programme of sports related courses such as coaching qualifications, child protection and safeguarding workshops.

At the **Tilgate Walled Garden** in Sussex we aim to restore the original glasshouses and bring them back into active use. This will enable us to deliver more training schemes from the garden and provide opportunities to work with the local community to introduce food growing and healthy eating programmes as well as providing the produce for the community cafe we manage for Crawley Borough Council.

In addition to all the above we are consulting closely with partners on several other sites such as the **Swanscombe Heritage Park** in north Kent and **Tumbledown Farm** in Weymouth which offer the potential for improvements in the local environment and the development of facilities to support delivery of our charitable outcomes.



FEEDBACK

- 17% 'very likely to use Groundwork again'
- 80% indicating they are 'likely to use Groundwork again'
- Remaining 3% (one client) indicated 'Possibly' with no negative responses in this category
- 100% of clients indicating that the 'Helpfulness of Groundwork South staff' was either excellent or good.



WHAT OUR PARTNERS SAY

"Our partnership with Groundwork will allow PwC to increase our social impact and environmental impact, while supporting young people to gain the skills and experience needed to find employment"

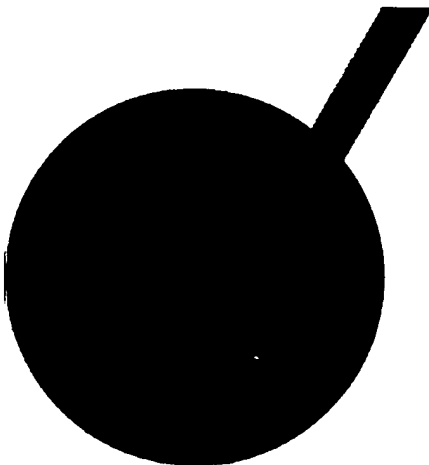
David Adair, Head of Community Affairs, PwC

"We are proud to announce our partnership with Groundwork. Sustainability is part of who we are at Skanska and the fantastic support Groundwork provides to so many people and communities fits perfectly with our aspiration to make a difference wherever we work. Through our relationship with Groundwork our employees will have lots of opportunities to give something back to local communities where we work"

Jennifer Clarke, Director of Environment, Skanska

"Kier strives to meet its pledge to 'deliver a brighter future for our communities' – by getting involved in the places we call home. Whether we are building new spaces or providing essential services, we are mindful of our role in communities throughout the UK. Wherever possible, we aim to make a positive difference to the people and places that welcome us, which is why we have chosen to work with Groundwork South"

Jamie Edmonds, Business Stream Environmental Manager, Kier



PLANS FOR 2015/16 & BEYOND

In 2015/16 we will review our existing Pay & Benefits package. It is widely recognized in most sectors that pay is only one of the important factors considered important by employees and not the only factor that maintains employee morale, motivation and good performance. Our intention is to develop and implement a new Pay & Benefits package that enables us to attract and retain good people and will be:

- Equitable internally and competitive externally
- Cost effective
- Practical
- Supports performance management

OUR PEOPLE AND CULTURE

A strategic priority for Groundwork South is to **foster a culture to attract, develop and retain highly motivated people**. We know that it is the passion, hard work and commitment of our employees and volunteers that is critical to achieve our charitable outcomes. We also understand our quality of delivery is dependent on various factors such as IT systems, technology and materials, but the over-riding factor is the people we employ carrying out the work. In straightforward terms, we want to attract and keep good people as they will deliver our charitable outcomes to the level of quality required to satisfy clients, partners and beneficiaries.

Having carried out significant consolidation of previous Groundwork Trusts and business units into Groundwork South in 2012/13, 2014/15 has been an important year of integration. We have reviewed our structure to ensure we have a good level of internal equity and consistency.



INVESTORS IN PEOPLE

Groundwork South has continued to maintain its Investors In People status since March 2004. This achievement demonstrates our commitment to achieve our business objectives by developing and harnessing the skills of our people and reflects our commitment to being an employer of choice for current and prospective staff. As part of our commitment to a diverse workforce, we hold 'Positive About Disabled People' status with the Disability Two Ticks mark.

EQUALITY & DIVERSITY

We celebrate diversity and aim to promote a culture where differences between people are respected and valued. We deal with people internally as individuals, whilst recognizing that many people share common experiences based on their background. We will continue to create and maintain an environment that meets the needs and aspirations of our own people, clients, partners and beneficiaries irrespective of race, gender, disability, sexual orientation, religion or age. Furthermore, our policies and procedures are continually reviewed in line with best practice and legislation and will continue to reflect GS's commitment to equal opportunities.

PLANS FOR 2015/16 & BEYOND

We plan to maintain existing standards and accreditations and achieve OHSAS 18001 and ISO 9001 in order to work towards an Integrated Management System. We will also work towards new accreditations, Investors In Volunteers and Best Companies to Work For.

These new standards and accreditations will reflect our commitment to the health and safety of all people associated with our work as well as our passion for quality of delivery to clients and partners.

QUALITY MANAGEMENT & ACCREDITATIONS

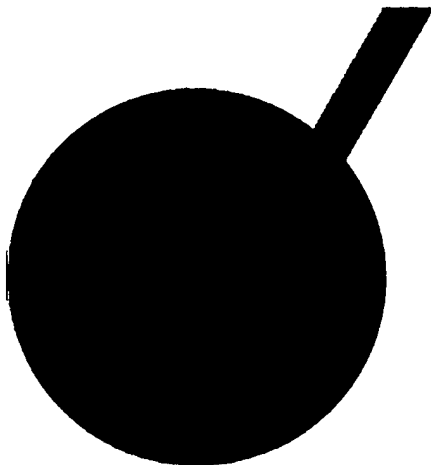
We have established a strong quality ethos supported by systems and processes that we believe are effective and adaptable to respond to changes in our operating environment. Our approach is underpinned by external verification and we have the following accreditations.



INVESTORS
IN PEOPLE



In 2013/14 Groundwork South achieved ISO14001 for all its operational areas. This was maintained in 2014/15. This ensures compliance with legislative and other requirements by providing a systematic approach for meeting current and identifying future legislation. It helps us demonstrate conformance and that we are fulfilling policy commitments and making continual improvement against specific targets to meet overall objectives.

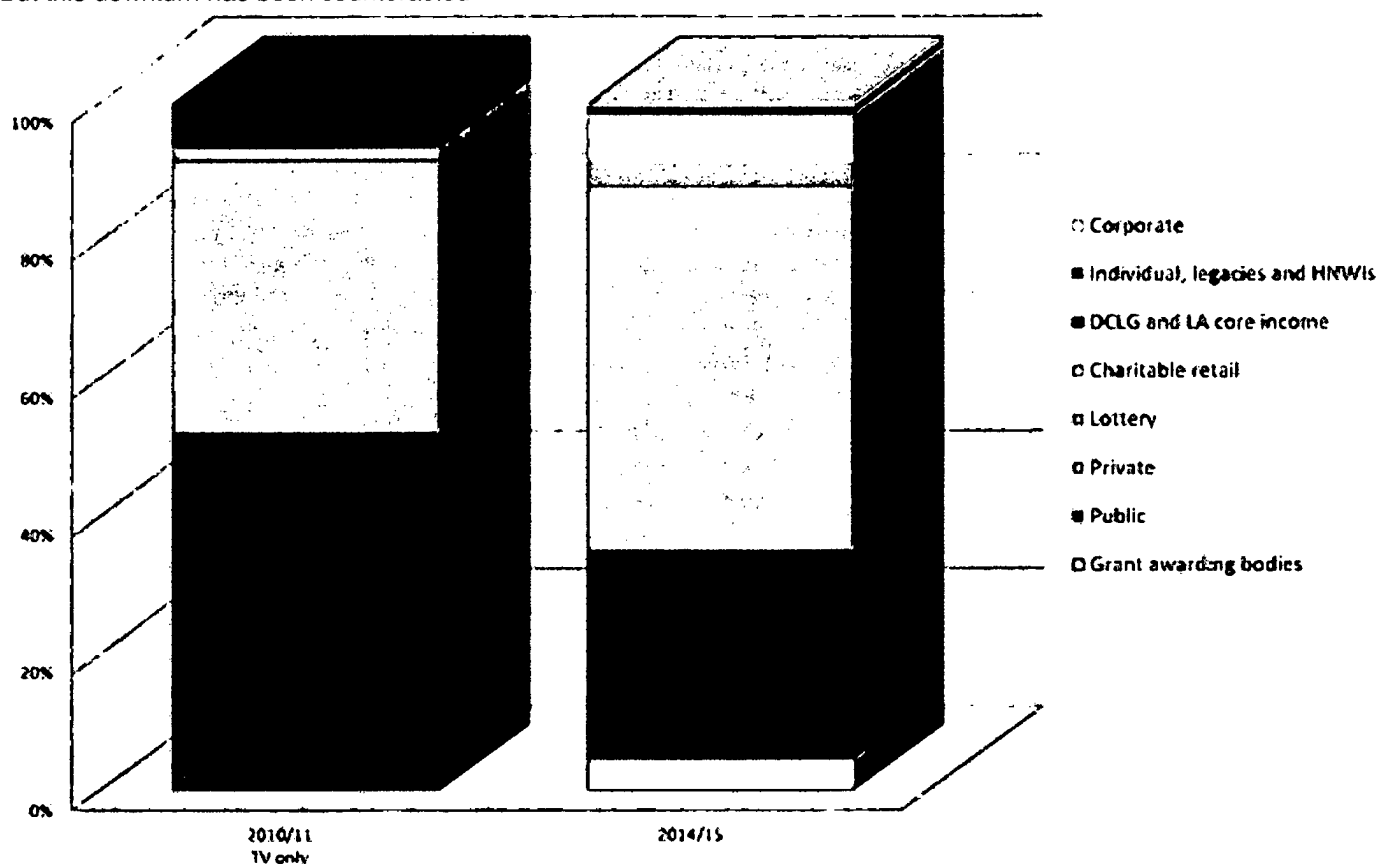


OUR FINANCES IN BRIEF

HOW WE RAISED OUR MONEY Although income from our key clients and partners remains strong, the funding type has changed dramatically. Central government grant has ceased completely and we receive much less grant income overall. But this downturn has been counteracted

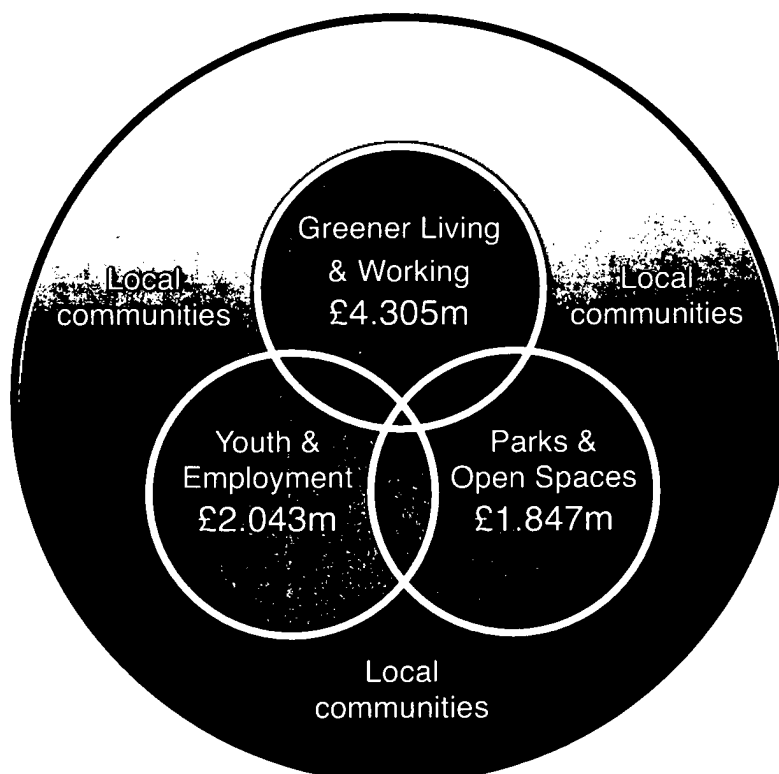
by an increase in contract income from both public and private sector sources.

The graph demonstrates this change as well as a diversification in the overall sources of income stream which we believe is a very positive element for our ongoing sustainability.



HOW WE SPENT OUR MONEY

The money we raise from our clients and partners is entirely focused on building our capability with local communities to deliver our three charitable outcomes. The diagram below is an overview of the split of expenditure against our different outcomes.



DETAILED FINANCIAL REVIEW

THE OUTTURN IN 2014/15

A detailed set of accounts is provided in the financial statements that follow the strategic report. This section focuses solely on the finances and operation related to Groundwork South's charitable activity and not the consolidated accounts which include activity of a previously wholly owned charitable subsidiary.

The income to Groundwork South showed an increase to £9,098,367 from £7,669,250 in 2013/14 with a surplus of £883,783 against £260,084. This surplus includes the donation of Goblin Combe Environment Centre without which the company results would show a small deficit.

Although this is a modest surplus on a relatively large turnover, 2014/15 was always predicted to be an extremely challenging year being the first without central government grant funding. Taking this into account in addition to the growth in overall income, the trustees believe that financially this has been a positive year for the trust and has met the growth strategy. As well as the income

and expenditure outturn, the balance sheet continues to be strong with sufficient unrestricted reserves to meet the Trustees' Reserve Policy, £1,793,415 at 31 March 2015 compared with £909,632 in 2014.

The reserves were strengthened significantly by the acquisition of the Goblin Combe Environment Centre which in addition to its potential for expanding charitable activity is also a considerable fixed asset for the Trust.

OUR BUSINESS MODEL AND PLANS FOR THE FUTURE

Our business model is predominately based on a straightforward service delivery of activities that deliver our charitable objectives. Its success is dependent on the ability to secure contracts (grants, commissions etc.) that cover all delivery costs, provide an adequate margin and a surplus. The margin contributes to the cost of our overheads and the surplus supports our reserves to enable the Trust's ongoing delivery of its charitable objects. However, it is recognized that although this service delivery model has been successful for many years it demands a significant increase in scale of income from traditional

tenders and commissions work to secure income comparable with the core income previously provided by Central and Local Government.

To expect this increase in one or two years is believed to be overly ambitious and although we have a strategy for growth over the next five years, in the next two years, we are planning on achieving continued modest levels of surplus. Also, to help the trust become more resilient and reduce reliance on simply tenders and commissions from local authorities and the private sector, we have developed an income generation strategy. The strategy identifies other income sources that historically have not been significant for the trust such as European funding and corporate sponsorship. We also intend to increase the current level of funding we derive from trusts and foundations. In time this will lead to a more diverse and broader range of income streams to help the trust to deliver its growth strategy and maintain viability.



RESERVES POLICY

The Board and the Executive Management Team reviewed the Reserves Policy in July 2013 and the Board has agreed that a reasonable level of unrestricted reserves is required for the following reasons:

- To absorb short term set backs such as loss or delays in funding
- To finance working capital needs, such as delays in receipts and to fund the time delays between the development of projects, securing support, and the funds being received
- To provide the working capital required to manage the usual retrospective nature of the programme funding which can result in considerable timing difference between expenditure and receipt of income
- To cover the cost of investing in staff training and development to develop new and improved services for the Trust
- To set aside funds for other appropriate capital assets such as IT equipment and for properly equipping the Trust
- To provide funding to cover any unforeseen downturn in activity, allowing alternative activity to be generated and/or a planned downsizing of activity

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

- The need to be seen as a responsible charity by the Charity Commission; our partners; our member Trusts within Groundwork; and the communities we serve
- The need to avoid the creation or retention of unnecessary surpluses for which there are no future planned requirements or that bear no relation to the Trust's charitable aims



In order to provide sufficient working capital the Board shall aim to retain an amount of free reserves of net current assets equivalent to a minimum 3 month's management and support staff salary costs and office related expenditure, and 1 month's project officers' salary costs

However, it was recognized by the Board that future trading margins are likely to remain extremely tight and funding available to the public sector in particular may continue to decline. In addition, Groundwork South will no longer receive any central government development funding which necessitates investment into securing new sources of funding.

In order to balance our projected income downturns over the next two years without the necessity of reducing charitable activity, the Trustees consider that holding reserves at this level plus a further £100,000 is prudent and will enable us to operate in a sustainable manner and address the cyclical nature of funding receipts.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board fully accept its responsibilities under the Charity Commission's Statement of Recommended Practice (SORP) for ensuring that the major risks to which the charity is exposed are identified and reviewed, and that there are systems in place to mitigate them. Strategic risks are those that could have a severe impact on either operational performance or achievement of purposes, or could damage either the Trust's or the Groundwork Federation's reputation. These risks are identified and assessed by the Board and the Executive Management Team and are mitigated by planning and implementing appropriate management actions. The identified risks and the mitigating actions are incorporated into a risk register.

Each month the Executive Management team undertakes a review of the risks and progress against mitigating actions. This is reported on a quarterly basis in the first instance to the Staff, Finance and Audit Committee and then subsequently to the Board for its review and comment.

The Executive Management Team, Staff, Finance and Audit Committee and Board have therefore:

- Reviewed the main, high impact generic risks
- Established a risk register of all the significant risks which might impact on the Trust's core purposes and key objectives
- Established a bottom-up and top-down process of risk identification, assessment, mitigation and monitoring for all likely risks with the Trust
- Produced a quarterly report designed to eradicate or mitigate the risks identified

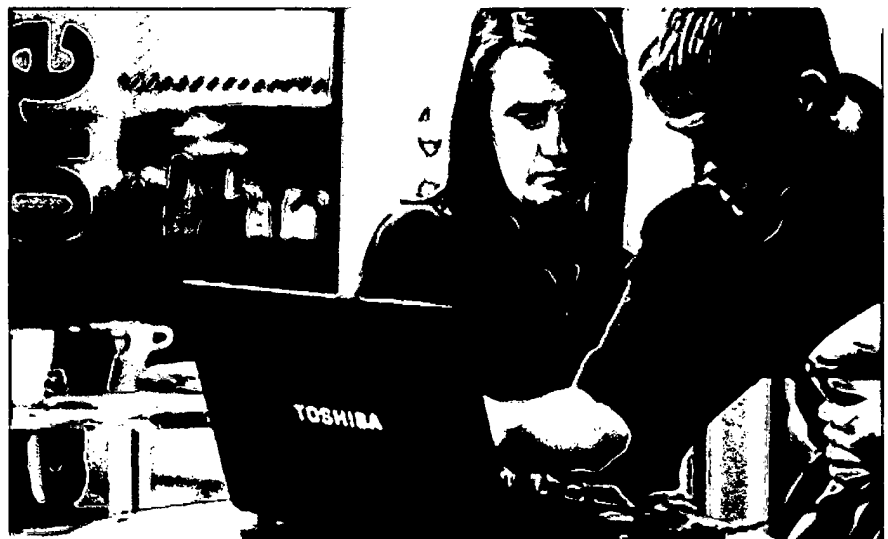
The major areas of risk identified and regularly reviewed are:

- Legal compliance. Groundwork South does not comply with minimum legal statutory requirements across in all areas of its business.
- Financial management. Groundwork South does not have adequate financial processes to ensure the appropriate level of management and control of finances.
- Operational processes. Groundwork South does not have adequate operational processes to ensure the appropriate level of management and scrutiny of operational activity.
- Staff management. Groundwork South does not have adequate staff management processes in place to ensure high performance.
- Business Development. Lack of investment and management focus applied to business development activity.
- Client management. Communications with clients are ineffective and as such Groundwork South does not have a good understanding of their level of satisfaction with Groundwork South as an organization and their satisfaction with the quality of our service.
- Disaster/pandemic. A disaster or pandemic destroys physical assets (e.g. through flood/fire)

and/or causes serious disruption to operational activity.

- Global/national economy. Significant changes in global and national economies such as recession and financial crisis and the impact on the political environment.
- Client requirements change. Shifts and changes in clients' priorities and requirements lead to Groundwork's offer becoming less relevant or out of date.
- Competitor advantage. Competitors offer more relevant and cost effective services to our existing and potential clients.

As a result of the implementation of the Trust's Risk Management System, the Board has concluded that the major risks to which the Trust is exposed have been identified and have been reviewed, and that systems are established to mitigate those risks in accordance with the Charity Commission's Statement of Recommended Practice.



Principal Risks	Control Measures
Legal compliance. Groundwork South does not comply with minimum legal statutory requirements across all areas of its business.	Integrated Management System developed and in place including processes for ensuring Groundwork South remains up-to-date with any changes in legal requirements.
Financial management. GS does not have adequate financial processes to ensure the appropriate level of management and control of finances.	Detailed financial processes implemented with rigorous financial monitoring and reporting system supported by an integrated financial and project management system.
Operational processes. Groundwork South does not have adequate operational processes to ensure the appropriate level of management and scrutiny of operational activity.	Project development and management procedures implemented monitored and controlled through use of integrated financial and project management system.
Staff management. Groundwork South does not have adequate staff management processes in place to ensure high performance.	Recruitment and selection process to ensure the right blend of skills, qualifications, competencies, experience, knowledge and attitude. Formal performance management procedures implemented at all levels in the Trust.
Business Development. Lack of investment and management focus applied to business development activity.	Appropriate management time and financial investment in business development achieved through employment of specialised business development staff with investment into PR, marketing and communication activities.
Client management. Communications with clients are ineffective and as such Groundwork South does not have a good understanding of their level of satisfaction with Groundwork South as an organisation and their satisfaction with the quality of our service.	Project evaluation process in place including assessment of client satisfaction and internal procedure for communicating and implementing 'Lessons learnt'.
Disaster/pandemic. A disaster or pandemic destroys physical assets (e.g. through flood/fire) and/or causes serious disruption to operational activity.	Business continuity plan developed and tested.
Global/national economy. Significant changes in global and national economies such as recession and financial crisis and the impact on the political environment.	Market analysis conducted at a strategic level and analysis of central and government policy to ensure GS charitable activity remains relevant and viable.
Client requirements change. Shifts and changes in clients' priorities and requirements lead to Groundwork's offer becoming less relevant or out of date.	Stakeholder plan implemented to maintain understanding of key clients' and partners' needs.
Competitor advantage. Competitors offer more relevant and cost effective services to our existing and potential clients.	Assessment of services offered by competitors and review of bids lost carried out to maintain an understanding of competitor activity.

HEALTH, SAFETY & ENVIRONMENTAL ARRANGEMENTS

Our Health and Safety system adopts a tiered system as follows;

The **first tier** is the Health & Safety policy which addresses the company's responsibilities under the Health & Safety at Work Act, 1974. The policy sets out the strategy for Health and Safety applicable to the whole organization and assigns responsibilities at a senior level, including the requirement for responsible managers to instigate and maintain an effective H&S management system.

The **second tier** is specific to the operational activities of The Groundwork South Trust and assigns responsibilities to managers, team leaders and supervisors as well as establishing a management system that:

- Details local organization and arrangements
- Implements systems for identification and control of risks
- Maintains a monitoring strategy
- Provides effective communications



The **third tier** is a document that provides practical guidance around specific activities (e.g. CDM regulations, First Aid, Fire Precautions etc.). All these documents have been produced to provide a safety management system that complies with OHAS 18001.

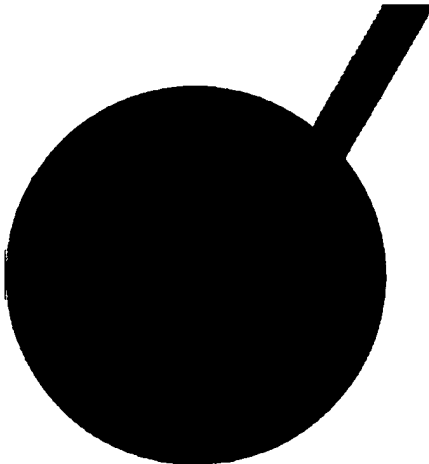
In addition to health and safety, we are committed to the environment, not only in our projects and programmes, but also in the way resources and energy are used within our own organization. Groundwork seeks to bring about sustainable improvements through partnerships, to local environmental, economic and social well being. We aim to make the environment a valued part of everyone's life.

In 2013/14 Groundwork South achieved ISO 14001 for all operating areas. This achievement demonstrates our commitment to managing our environmental impacts and it is identified within the GS Business Plan to maintain the ISO 14001 accreditation.

Our Environmental Management System (EMS) describes key environmental impacts, what we will do to minimize those impacts and provides links to all the procedures that underpin the EMS. This is supported by specific procedures which are written and implemented to ensure relevant environmental control and that the relevant objectives are being achieved. The procedures will communicate what activities need to be done; when these need to take place; and how they are completed.

The environmental management system is designed to ensure the following:

- Compliance with any relevant environmental legislation
- Awareness of the organizations significant environmental impacts
- Reduction of our impacts and continual improvement of our environmental performance

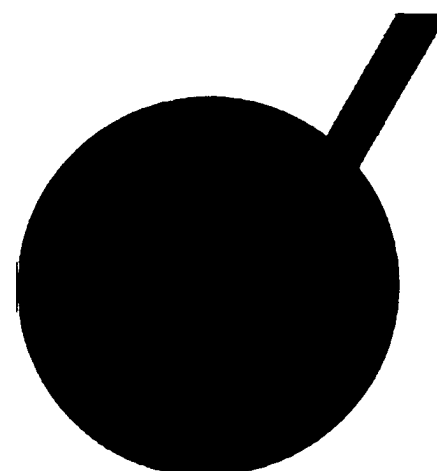
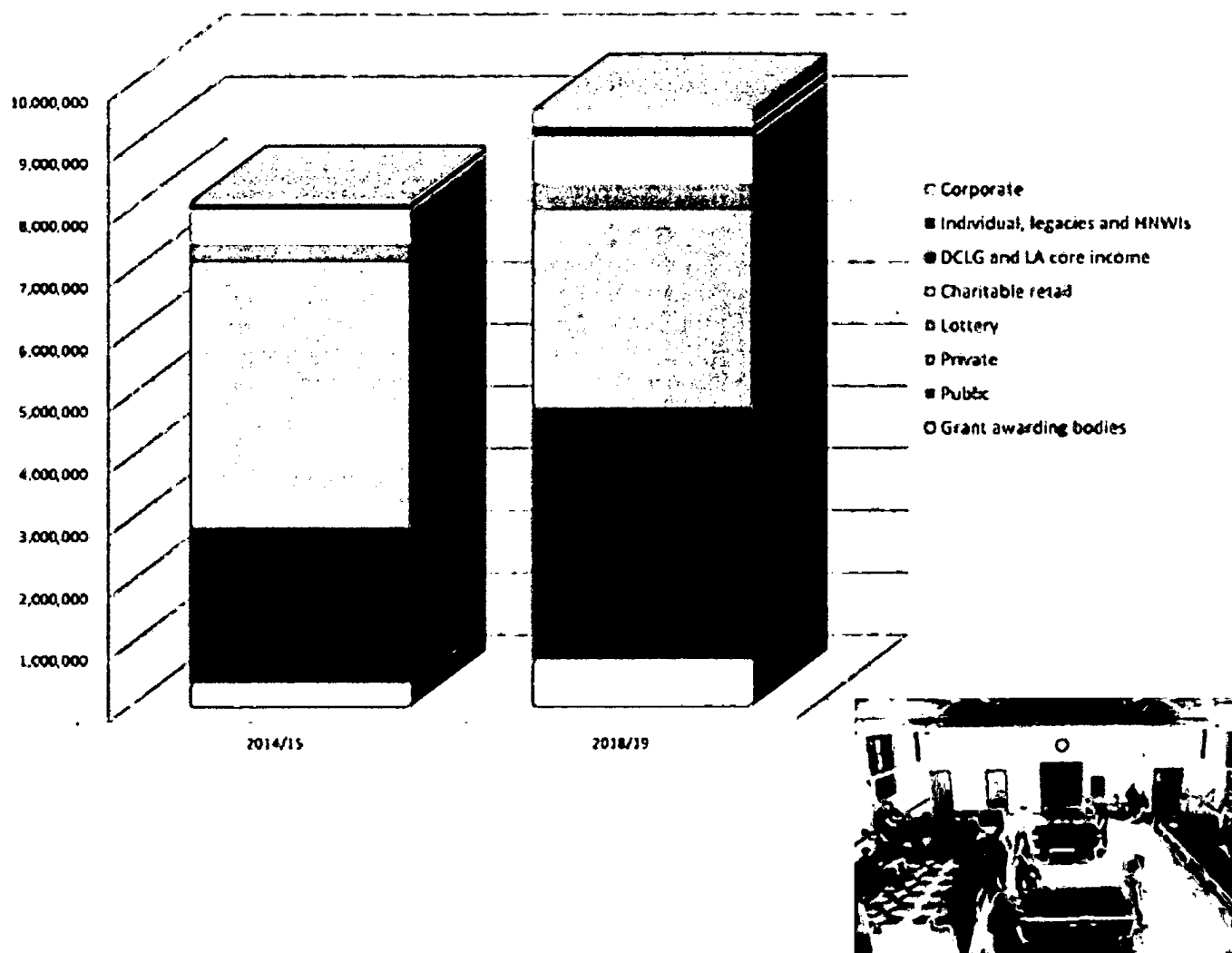


FUTURE PLANS



2015 -16 & Beyond

Throughout the Strategic Report we have highlighted our future plans for 2015/16 and beyond. In summary, our strategy is to grow our scale of operation and increase our charitable impact. Financially, we are diversifying our income sources but also aiming to increase our overall turnover. The graph below shows how we plan for our income streams to change and grow over time.



THE BOARD OF TRUSTEES

Jenny Bradley (Chair)
Rob Morley (Vice Chair)
Sarah Graham
Hugh Somerville
Mick May
George Cooper
Rob Harrison
Mark Heeley
Jeremy Bennett (resigned
August 2015)

GOVERNANCE & MANAGEMENT

THE MEMBERS OF THE GROUNDWORK SOUTH TRUST

The company members are:-

The Federation of Groundwork Trusts
Buckinghamshire County Council
Slough Borough Council
South Bucks District Council
London Borough of Hillingdon
Chiltern District Council
Clancy Docwra Plc

In addition, and in accordance with the Memorandum and Articles of Association approved at the General Meeting on the 5th December 2012, all Trustees for the time being are members of the company.

THE BOARD OF TRUSTEES

The Board of Trustees comprises the Trustees of the Trust in accordance with the Charities Act 2011 who are also the Directors of the company in accordance with the Companies Act 2006. The Board shall comprise a minimum of six and not more than twelve Trustees one of which shall be the Trustee nominated by the Federation of Groundwork trusts. The names of the Trustees (who are the Directors of the company in accordance with the Companies Act 2006) on the date of approval of this report, or who served as trustees during the year reported on, are detailed to the left.

None of the Trustees has any beneficial interest in the company and no Trustee may serve for more than 3 years unless re-nominated or re-co-opted by the Board.

Groundwork South provides key information to any new Trustees including the governing document, recent accounts and meeting Minutes as part of the induction process. New and existing Trustees regularly attend visits to see our programmes of work in action, meet the charity's officers and beneficiaries and understand our impact. The Board reviews requirements to recruit new Trustees and the identification of training needs.

All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 7 to the accounts. Trustees are required to disclose all relevant interests and register them with the Company Secretary and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises.

The Board of Trustees delegates overall responsibility for business management of all Groundwork South activities to the Managing Director who reports to the Chair of the Board. The Managing Director executes his duties with the support of four Directors. The Executive Management Team (EMT) is comprised of the following members:

Lou Kizwini Managing Director
Gary Jacobs Executive Director
Tim Knight Development & Innovation Director
Helen Coppock Business Services Director (resigned May 2015)
Ruth Holland Finance Director

Company Secretary
Ruth Holland (from 15th November 2013)

The EMT meets monthly to review performance against all key business indicators and to review the trusts risk register across the entire operation. EMT decisions and recommendations are implemented by EMT members and/or presented to the Board sub-committees for further discussion or approval, as appropriate. The Staff, Finance and Audit Committee reviews the Risk Register on a quarterly basis with any specific items of note raised at subsequent Board meetings

PUBLIC BENEFIT STATEMENT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning for the future.

OBJECTIVES AND ACTIVITIES

Our charitable objectives set down on our Memorandum of Association as amended at the Annual General Meeting on 30th November 2005 are:

- To promote the conservation, protection and improvement of the physical and natural environment in the South East and South West regions of England, and the administrative areas of the London Borough of Hillingdon, the London Borough of Hounslow, and that part of the District of Three Rivers within the Colne Valley Regional Park ("the Beneficial Area").
- 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 or working anywhere in the Beneficial Area.
- To advance public education in environmental matters and other ways of better conserving, protecting and improving the same wheresoever.
- To promote the care, resettlement and rehabilitation of offenders, ex-offenders and those at risk of offending, and to support their families and dependents, within the beneficial area.
- To promote the prevention of crime by supporting or carrying on either along or in co-operation with any other body, authority or person any project or scheme and by providing money for such purposes whether by loan or otherwise.



RELATIONSHIPS WITH THE FEDERATION OF GROUNDWORK TRUSTS

The Trust is a member of the Federation of Groundwork Trusts and one of its Board members is also a member of the Federation Board. The Federation recognises that individual Groundwork trusts are independent charities, and although they have similar objects to the Federation, limited to their own geographical areas, they each determine their own strategy and programmes to achieve their core purposes.

However, in order to make most effective use of the goodwill of the Groundwork name and reputation, and to ensure the highest possible common standards, each Trust signs a Membership Agreement with the Federation which sets down the obligations of the Trust to the Federation and of the Federation itself to the Trust. A new Membership Contract, replacing the previous Partnership Agreement was agreed by the members of the Federation in February 2006 and amended in November 2009.



RELATED PARTY TRANSACTIONS

The Federation, of which the Trust is a member, supports the network of other Groundwork Trusts who are also members of the Federation. Each Trust is an independent charity, but with similar aims to the Groundwork Federation. Each Trust is, however, responsible for its own management and administration, and for developing and delivering projects that meet its objectives and core purposes, even though those objectives and core purposes are similar to those of the Federation. The elected Trustees of the Federation are, by definition, also Trustees of Groundwork Trusts. However, the SORP determines that a charity is not necessarily related to another charity simply because a particular person happens to be a trustee of both. It will only be related if one charity subordinates its interests to the other charity in any transaction because of this relationship. Groundwork Trusts are therefore not considered to be related parties under the definition of the SORP and the grants made by the Federation to individual Trusts do not require separate disclosure.

Statement of Trustees Responsibilities

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period.

In preparing those accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

Statement of Disclosure to the Auditor

- (a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

J A Bradley

Chair

Dated

17.11.15

R C Morley

Vice-Chair

Dated

17.11.15

OUR PARTNERS

Academy Development Centre	First Wessex Housing Association	Reading College
Access to Nature - Natural England	FLAG (Interreg)	Real Saltash 1st's
ACTIVE.MOB	Forestry Commission	Redruth Town Council –
Affinity Sutton	Fort Amherst	Reed in Partnership
AmicusHorizon	Friends of Bidbury Mead	Riches Products
Anadarko	General Mills	Riverside Saints
Associated British Ports	Glendale	Rother District Council
Aviva	Gravesham Borough Council	Rowner Community Trust
Avon & Somerset Police Crime	Great Oaks School	Royal Borough of Windsor &
Commissioner	Great Western Railway (GWR)	Maidenhead
Balfour Beatty	Greater London Authority	Royal British Legion Industries
Barclays Spaces for Sport	Groundwork London	Saltash Environment Volunteers
Bath Spa University	Groundwork UK	Saltash Town Council
Biffa	Growing Better Lives	Saltash Youth
BIG Lottery Fund	Grundon	Saltash Youth Girls
Brighton and Hove City Council	GWE Business West	Sanctuary Housing
Brighton University	Hadlow College	Scouts - 2nd Saltash Tamar Troop
Bristol Airport	Hampshire Community Action	Sedgemoor District Council
Bristol City Council	Hampshire County Council	Sefton Park
Bristol Green Capital 2015	Hastings Borough Council	Skanska
Britvic PLC	Hastings Fisherman's Museum	Skills Funding Agency
Buckinghamshire County Council	Hastings Fisherman's Protection Society	Slough Borough Council
Bucks LEP	Havant Borough Council	Soccer Sixes
BUNZL	Heathrow Airport Ltd	South Bucks District Council
Business in the Community	Heathrow Community Fund	Southampton City Council
Business West	Heritage Lottery	Southampton Park Friends Groups
Cadbury	Heston West Community Partnership	Southern Housing Association
Catchment Partnership Fund	Hillingdon Community Trust	Southern Water
Cathedral Group	Home Group.	South Eastern Trains
Chandlers Ford Parish Council	Horndean Parish Council	Sport England
Chiltern District Council	Horsham District Council	St Stephens Borough
City Bridge Trust	Hyde Housing Association	Stone Parish Council
City College Plymouth	Iver Parish Council	Sussex Wildlife Trust
Clancy Docwra Plc	Junkyard Skatepark	Swale Borough Council
Clay Country Local Action Group	Kent County Council	Swanscombe and Greenhithe Town
Colne Valley Park CIC	Kier	Councils
Colnebrook Community Partnership	Kraft / Mondelez	Synergy Housing Association
Communities 4 Kids	Livewire	Thames Water
Cornwall College Business	Lloyds Insurance	The Cabinet Office
Cornwall Community Flood Forum	London Borough of Hillingdon	The Federation of Groundwork Trusts
Cornwall Council	London Borough of Hounslow	The Land Trust
Crawley Borough Council	Maidstone Borough Council	Torbay Council
CXK Limited	Mars	Town and Country
Dartford Borough Council	MHS Homes	University of Bristol
DCLG	Migrant Health	University of the West of England
Defra	MOAT Housing Association	Velmore Community Association
Department of Energy and Climate	MyBnk	Veolia
Change	National Grid	Viridor
Department of Work & Pensions	National Lottery (Love Local Food)	Waste Recycling Environmental
DHL	Natural England	Wave Leisure
Dover Arts Development	Netsuite	West Kent Housing
Dulux	North Somerset Council	Zurich
Earley Charity	Npower	
East Sussex County Council	Orbit South	
Eastleigh Borough Council	Oxford City Council	
Eastleigh College	Oxfordshire County Council	
Eastney Community Association	Pinnacle People	
EFA	Plymouth Argyle in the Community	
Environment Agency	Plymouth Argyle Youth	
Exeter Development	Plymouth City Council	
Fareham College	Portsmouth City Council	
	Price Waterhouse Coopers	
	Radian Housing Association	

The Groundwork South Trust Limited
(A company limited by guarantee)

Independent auditors' report to the members of The Groundwork South Trust Limited

We have audited the financial statements of The Groundwork South Trust Limited for the year ended 31 March 2015 which comprise the group Statement of financial activities, the group and charity Balance sheets, the group 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).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

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

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 charity'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' 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2015 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

The Groundwork South Trust Limited
(A company limited by guarantee)

Independent auditors' report to the members of The Groundwork South Trust Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' report, incorporating the Group strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



Peter Hudson BA FCA (Senior statutory auditor)
for and on behalf of

Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Third Floor
24 Chiswell Street
London
EC1Y 4YX

Date:

17 November 2011

The Groundwork South Trust Limited
(A company limited by guarantee)

Consolidated statement of financial activities
(incorporating income and expenditure account)
for the year ended 31 March 2015

	Note	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income	2	38,025	57,201	95,226	24,117
Investment income	3	-	1,392	1,392	4,997
Incoming resources from charitable activities	4	8,352,872	1,151,606	9,504,478	9,093,090
Other incoming resources	5	-	26,289	26,289	27,306
Total incoming resources		8,390,897	1,236,488	9,627,385	9,149,510
Continuing operations		7,139,259	987,606	8,126,865	9,149,510
Acquired operations		78,930	-	78,930	-
Discontinued operations		1,172,708	248,882	1,421,590	-
Resources expended					
Costs of generating funds:					
Fundraising and publicity costs		-	3,025	3,025	8,171
Charitable activities		8,425,945	1,102,205	9,528,150	8,960,244
Governance costs		-	20,500	20,500	22,866
Total resources expended	6	8,425,945	1,125,730	9,551,675	8,991,281
Net income / (expenditure) before transfers		(35,048)	110,758	75,710	158,229
Transfers between Funds	14	(67,252)	67,252	-	-
Net income for the year		(102,300)	178,010	75,710	158,229
Continuing operations		(230,904)	178,010	(52,894)	158,229
Acquired operations		980	-	980	-
Discontinued operations		127,624	-	127,624	-
Gains and (losses) on disposals of investment assets		-	598,760	598,760	-
Net income for the year		(102,300)	776,770	674,470	158,229
Net movement in funds for the year		(102,300)	776,770	674,470	158,229
<i>Total funds at 1 April 2014</i>		<i>102,300</i>	<i>1,016,645</i>	<i>1,118,945</i>	<i>960,716</i>
Total funds at 31 March 2015		-	1,793,415	1,793,415	1,118,945

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 36 to 51 form part of these financial statements.

The Groundwork South Trust Limited
(A company limited by guarantee)

Charity statement of financial activities
(incorporating income and expenditure account)
For the year ended 31 March 2015

		Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
	Note				
Incoming resources					
Incoming resources from generated funds:					
Voluntary income	2	36,229	948,908	985,137	24,116
Investment income	3	-	257	257	423
Incoming resources from charitable activities	4	8,025,060	45,050	8,070,110	7,468,106
Other incoming resources	5	-	42,863	42,863	176,605
Total incoming resources		8,061,289	1,037,078	9,098,367	7,669,250
Resources expended					
Costs of generating funds:					
Fundraising and publicity costs		-	2,143	2,143	3,575
Charitable activities		8,105,708	89,233	8,194,941	7,387,532
Governance costs		-	17,500	17,500	18,059
Total resources expended	6	8,105,708	108,876	8,214,584	7,409,166
Net incoming/(outgoing) resources before transfers		(44,419)	928,202	883,783	260,084
Transfers between Funds		(57,881)	57,881	-	-
Net movement in funds for the year		(102,300)	986,083	883,783	260,084
<i>Total funds at 1 April 2014</i>		<i>102,300</i>	<i>807,332</i>	<i>909,632</i>	<i>649,548</i>
Total funds at 31 March 2015		-	1,793,415	1,793,415	909,632

The notes on pages 36 to 51 form part of these financial statements.

The Groundwork South Trust Limited
(A company limited by guarantee)
Registered number: 01982077

Consolidated balance sheet
as at 31 March 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Intangible assets	9		-		(45,429)
Tangible assets	10		<u>1,231,670</u>		<u>165,484</u>
			<u>1,231,670</u>		<u>120,055</u>
Current assets					
Debtors	11	2,005,847		1,494,588	
Cash at bank and in hand		<u>312,414</u>		<u>1,474,558</u>	
		2,318,261		2,969,146	
Creditors: amounts falling due within one year	12	<u>(1,710,134)</u>		<u>(1,898,407)</u>	
Net current assets			<u>608,127</u>		<u>1,070,739</u>
Total assets less current liabilities			<u>1,839,797</u>		<u>1,190,794</u>
Creditors: amounts falling due after more than one year	13		<u>(46,382)</u>		<u>(71,849)</u>
Net assets			<u>1,793,415</u>		<u>1,118,945</u>
Charity funds					
Restricted funds	14		-		102,300
Unrestricted funds	14		<u>1,793,415</u>		<u>1,016,645</u>
Total funds			<u>1,793,415</u>		<u>1,118,945</u>

The financial statements were approved by the Trustees on 17.11.15
behalf, by:


J A Bradley


R C Morley

and signed on their

The notes on pages 36 to 51 form part of these financial statements.

The Groundwork South Trust Limited
(A company limited by guarantee)
Registered number: 01982077

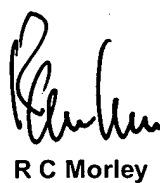
Charity balance sheet
as at 31 March 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	10		1,231,670		146,811
Current assets					
Debtors	11	2,005,847		1,369,252	
Cash at bank and in hand		312,414		973,634	
		<u>2,318,261</u>		<u>2,342,886</u>	
Creditors: amounts falling due within one year	12	<u>(1,710,134)</u>		<u>(1,508,216)</u>	
Net current assets			<u>608,127</u>		<u>834,670</u>
Total assets less current liabilities			<u>1,839,797</u>		<u>981,481</u>
Creditors: amounts falling due after more than one year	13		<u>(46,382)</u>		<u>(71,849)</u>
Net assets			<u><u>1,793,415</u></u>		<u><u>909,632</u></u>
Charity funds					
Restricted funds	14		-		102,300
Unrestricted funds	14		<u>1,793,415</u>		<u>807,332</u>
Total funds			<u><u>1,793,415</u></u>		<u><u>909,632</u></u>

The financial statements were approved by the Trustees on 17.11.15
 behalf, by:

and signed on their


J A Bradley


R C Morley

The notes on pages 36 to 51 form part of these financial statements.

The Groundwork South Trust Limited
(A company limited by guarantee)

Consolidated cash flow statement
for the year ended 31 March 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	16	(89,136)	84,910
Returns on investments and servicing of finance	17	1,392	4,997
Capital expenditure and financial investment	17	(112,766)	(46,347)
Acquisitions and disposals	17	(936,167)	-
Cash (outflow)/inflow before financing		(1,136,677)	43,560
Financing	17	(25,467)	21,849
(Decrease)/Increase in cash in the year		(1,162,144)	65,409

Reconciliation of net cash flow to movement in net funds
for the year ended 31 March 2015

	2015 £	2014 £
(Decrease)/Increase in cash in the year	(1,162,144)	65,409
Cash outflow from decrease in debt and lease financing	25,467	(21,849)
Movement in net funds in the year	(1,136,677)	43,560
Net funds at 1 April 2014	1,402,709	1,359,149
Net funds at 31 March 2015	266,032	1,402,709

The notes on pages 36 to 51 form part of these financial statements.

The Groundwork South Trust Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2015

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

1.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising 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.

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income or grants received in advance are held in deferred income, either as part of unrestricted or restricted funds, and carried forward to future accounting periods to be released when measurable stages of work have been completed, approved or certified. Any grants restricted to future accounting periods are deferred and recognised in those accounting periods.

The Groundwork South Trust Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2015

1. Accounting policies (continued)

1.4 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

The Trust has irrecoverable VAT arising due to partial exemption, which is included within resources expended.

1.5 Intangible fixed assets and amortisation

The negative goodwill arising on acquisition of subsidiary undertakings is being written off as follows:

Tangible fixed assets	-	20 years
Net current assets	-	current year

Negative goodwill is written off on disposal.

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Motor vehicles	-	20% straight line
Fixtures, fittings and computer equipment	-	20% straight line
Floating classroom superstructure	-	50 years
Floating classroom fixtures and fittings	-	20 years

The Groundwork South Trust Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2015

1. Accounting policies (continued)

1.7 Investments

During the year ended 31 March 2008, the company acquired control of the board of Blue Sky Development and Regeneration, a company registered in England and Wales. The company was incorporated on 29 November 2005 and registered with the Charity Commission on 14 March 2007. The Groundwork South Trust disposed of this subsidiary on 30 September 2014.

Additionally, the charity acquired control of the board of West London Floating Classroom on 12 April 2006. West London Floating Classroom is a company registered in England and Wales. The company was incorporated on 12 December 2002 and registered with the Charity Commission on 6 April 2004. As from 1 April 2011, this company became a project of The Groundwork South Trust Limited, and ceased being a separate subsidiary.

The charity also acquired control of the board of Goblin Combe Environment Centre Limited, a company registered in England and Wales, on 1 April 2014. As from 1 September 2014, this company became a project of The Groundwork South Trust Limited, and ceased being a separate subsidiary.

Investments are stated at market value at the balance sheet date. The Statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

1.8 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

1.10 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

The pension costs charged in the accounts represent the contributions payable by the charity during the year in accordance with FRS 17.

1.11 Capital grants

Grants that relate to specific capital expenditure are treated as deferred income that is released to the credit of the Statement of Financial Activities over the related assets useful life.

1.12 Taxation

The company is a registered charity and is exempt from income tax and corporation tax under S505(1) of the Income and Corporation Taxes Act 1988.

The Groundwork South Trust Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2015

2. Voluntary Income

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Donations and gifts	95,226	24,117	36,803	24,116
Donated assets from Goblin Combe	-	-	948,334	-
Total	95,226	24,117	985,137	24,116

3. Investment income

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Bank interest receivable	1,392	4,997	257	423

4. Incoming resources from charitable activities

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Grant income	9,504,478	9,093,090	8,070,110	7,468,106

Included within incoming resources from charitable activities are the following grants:

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Central government programme development funding	-	174,745	-	67,000
Central government	709,615	1,011,549	703,439	1,067,099
Local government	1,881,556	1,601,156	1,842,227	1,545,606
Private sector	6,609,311	5,891,251	5,220,448	4,374,012
National Lottery	303,996	414,389	303,996	414,389
Total	9,504,478	9,093,090	8,070,110	7,468,106

The Groundwork South Trust Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2015

Included within incoming resources from local government are the following core grants:

	2015	2014
	£	£
Buckinghamshire County Council	12,050	12,050
Hillingdon Borough Council	33,000	33,000
Total	45,050	45,050

5. Other incoming resources

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Other income	26,289	27,306	42,863	176,605

The Groundwork South Trust Limited
(A company limited by guarantee)

Notes to the financial statements for the year ended 31 March 2015

6. Total resources expended - consolidated

	Fundraising & publicity costs £	Greener living & working £	Youth & employment £	Parks & open spaces £	Governance costs £	2015 £	2014 £
Charitable activities							
Staff costs	-	2,334,902	1,866,437	722,393	-	4,923,732	4,769,915
Project costs	-	1,456,161	827,077	884,604	-	3,167,842	2,426,558
Recruitment and training	-	-	17,649	-	-	17,649	18,397
Transport and travel	-	60,487	54,734	27,290	-	142,511	359,801
Sub total	-	3,851,550	2,765,897	1,634,287	-	8,251,734	7,574,671
Support costs							
Staff costs	-	301,335	468,004	135,952	-	905,291	1,019,319
Temporary staff and consultants	-	17,520	22,154	7,904	-	47,578	38,406
Administration	-	47,436	32,572	21,401	-	101,409	125,543
Communication and IT	-	27,712	32,415	12,503	-	72,630	79,433
Accommodation	-	6,688	16,830	3,018	-	26,536	33,845
Recruitment and training	-	8,850	4,656	3,992	-	17,498	18,629
Marketing	2,143	-	882	-	-	3,025	8,171
Audit fees	-	-	-	-	20,500	20,500	22,866
Professional fees	-	4,680	13,847	2,112	-	20,639	46,541
Depreciation	-	16,646	8,756	7,505	-	32,907	14,707
Amortisation	-	-	(3,500)	-	-	(3,500)	(3,500)
Other	-	22,102	21,729	9,976	-	53,807	11,253
Finance costs	-	-	1,621	-	-	1,621	1,397
Total	2,143	4,304,519	3,385,863	1,838,650	20,500	9,551,675	8,991,281

The Groundwork South Trust Limited
(A company limited by guarantee)

Notes to the financial statements for the year ended 31 March 2015

Total resources expended - charity									
		Fundraising and publicity costs £	Greener living & working £	Youth & employment £	Parks & open spaces £	Governance costs £	2015 £	2014 £	
Charitable activities									
Staff costs	-	2,334,902	1,086,565	722,393	-	4,143,860	4,058,201		
Project costs	-	1,456,161	686,716	892,995	-	3,035,872	2,283,050		
Transport and travel	-	60,487	31,818	27,290	-	119,595	325,859		
Sub total	-	3,851,550	1,805,099	1,642,678	-	7,299,327	6,637,110		
Support costs									
Staff costs	-	301,335	158,515	135,952	-	595,802	498,728		
Temporary staff and consultants	-	17,520	9,216	7,904	-	34,640	9,385		
Administration	-	47,436	24,953	21,402	-	93,791	105,841		
Communication and IT	-	27,712	14,578	12,503	-	54,793	62,622		
Accommodation	-	6,688	3,518	3,017	-	13,223	24,538		
Recruitment and training	-	8,850	4,656	3,992	-	17,498	18,629		
Marketing	2,143	-	-	-	-	2,143	3,575		
Audit fees	-	-	-	-	17,500	17,500	18,059		
Professional fees	-	4,680	2,462	2,112	-	9,254	9,717		
Depreciation	-	16,646	8,756	7,505	-	32,907	14,707		
Other	-	22,102	11,627	9,977	-	43,706	6,255		
Total	2,143	4,304,519	2,043,380	1,847,042	17,500	8,214,584	7,409,166		

The Groundwork South Trust Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2015

7. Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but three trustees were reimbursed a total of £691 (2014 four trustees receiving £1,210) travelling expenses.

During the year one Trustee of the subsidiary Blue Sky Development and Regeneration received £3,042 (2014: £7,760) for consultancy services. The Trustees of the subsidiary Blue Sky Development and Regeneration received £Nil (2014: £410) for the reimbursement of travel expenses.

8. Staff costs

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	5,279,891	5,213,529
Social security costs	390,622	399,803
Other pension and healthcare costs	158,509	162,231
	5,829,022	5,775,563

The average full time equivalent number of employees during the year was as follows:

	2015	2014
	No.	No.
The Groundwork South Trust Limited	141	137
Blue Sky Development and Regeneration	97	58
	238	195

The number of higher paid employees was:

	2015	2014
	No.	No.
In the band £60,001 - £70,000	3	3
In the band £70,001 - £80,000	2	2
	5	5

Contributions totalling £27,347 (2014: £26,943) were made to defined contribution pension schemes on behalf of 5 (2014: 5) employees whose emoluments exceeded £60,000.

The Groundwork South Trust Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2015

9. Intangible fixed assets

	Goodwill
	£
Group	
Cost	
At 1 April 2014	(131,962)
On acquisition of subsidiaries	(954,124)
On disposal of subsidiaries	1,086,086
	<hr/>
At 31 March 2015	-
	<hr/>
Amortisation	
At 1 April 2014	(86,533)
Charge for the year	(3,500)
On disposals	90,033
	<hr/>
At 31 March 2015	-
	<hr/>
Net book value	
At 31 March 2015	-
	<hr/>
<i>At 31 March 2014</i>	<hr/> <i>(45,429)</i> <hr/>

10. Tangible fixed assets

	Freehold	Motor	Fixtures &	Computer	Floating	Total
	property	vehicles	fittings	equipment	classroom	£
	£	£	£	£	£	
Group						
Cost						
At 1 April 2014	-	61,893	11,985	49,840	116,250	239,968
Additions	1,005,000	14,282	89,231	15,880	-	1,124,393
Disposals	-	(50,274)	-	(14,230)	-	(64,504)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2015	1,005,000	25,901	101,216	51,490	116,250	1,299,857
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation						
At 1 April 2014	-	27,043	5,696	27,795	13,950	74,484
Charge for the year	4,900	5,578	8,652	9,125	4,652	32,907
On disposals	-	(24,974)	-	(14,230)	-	(39,204)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2015	4,900	7,647	14,348	22,690	18,602	68,187
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value						
At 31 March 2015	1,000,100	18,254	86,868	28,800	97,648	1,231,670
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>At 31 March 2014</i>	<hr/> <i>-</i> <hr/>	<hr/> <i>34,850</i> <hr/>	<hr/> <i>6,289</i> <hr/>	<hr/> <i>22,045</i> <hr/>	<hr/> <i>102,300</i> <hr/>	<hr/> <i>165,484</i> <hr/>

The Groundwork South Trust Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2015

Charity	Freehold property £	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Floating classroom £	Total £
Cost						
At 1 April 2014	-	19,115	11,985	49,840	116,250	197,190
Additions	1,005,000	14,282	89,231	15,880	-	1,124,393
Disposals	-	(7,496)	-	(14,230)	-	(21,726)
At 31 March 2015	1,005,000	25,901	101,216	51,490	116,250	1,299,857
Depreciation						
At 1 April 2014	-	2,938	5,696	27,795	13,950	50,379
Charge for the year	4,900	5,578	8,652	9,125	4,652	32,907
On disposals	-	(869)	-	(14,230)	-	(15,099)
At 31 March 2015	4,900	7,647	14,348	22,690	18,602	68,187
Net book value						
At 31 March 2015	1,000,100	18,254	86,868	28,800	97,648	1,231,670
At 31 March 2014	-	16,177	6,289	22,045	102,300	146,811

11. Debtors

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	1,206,389	740,662	1,206,389	624,071
Amounts owed by group undertakings	-	-	-	3,220
Other debtors	179	3,368	179	391
Prepayments and accrued income	799,279	750,558	799,279	741,570
	2,005,847	1,494,588	2,005,847	1,369,252

12. Creditors:
Amounts falling due within one year

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	423,420	360,496	423,420	334,424
Other taxation and social security	298,841	269,407	298,841	238,178
Other creditors	51,549	-	51,549	63,300
Deferred landfill income account	245,181	265,623	245,181	190,874
Accruals and deferred income	691,143	1,002,881	691,143	681,440
	1,710,134	1,898,407	1,710,134	1,508,216

The Groundwork South Trust Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2015

Deferred income

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Balance as at 1 April	895,983	1,067,984	613,037	664,619
Income received in the year	3,353,304	3,483,799	2,793,323	2,970,460
Credited to statement of financial activities	(3,590,444)	(3,655,800)	(2,747,517)	(3,022,042)
Balance as at 31 March	658,843	895,983	658,843	613,037

13. Creditors:
Amounts falling due after more than one year

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Bank loans	46,382	71,849	46,382	71,849

The Groundwork South Trust Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2015

14. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds	1,016,645	1,236,488	(1,125,730)	67,252	598,760	1,793,415
Restricted funds						
Elsdale Boat	102,300	-	(4,650)	(97,650)	-	-
Greener Living	-	4,434,991	(4,304,519)	(130,472)	-	-
Youth & Employment	-	2,549,363	(2,649,198)	99,835	-	-
Parks & Open Spaces	-	1,406,543	(1,467,578)	61,035	-	-
	102,300	8,390,897	(8,425,945)	(67,252)	-	-
Total of funds	1,118,945	9,627,385	(9,551,675)	-	598,760	1,793,415

At the year end the parent charity unrestricted reserves were £1,793,415 (2014: £807,332).

Restricted Funds:

Elsdale Boat - to provide a unique learning venue to discover and explore the inland waterways.

Greener Living & Working - to help people save energy, water, money and reduce their impact on the environment.

Youth & Employment - to support Young People to develop their skills and find jobs. To provide employment and to support offenders, ex-offenders and those likely to offend.

Parks and Open Spaces - to protect and improve parks and open spaces for the benefit of local communities.

Transfers:

During the year a transfer from unrestricted funds to restricted funds of £30,398 (2014: from restricted to unrestricted funds £118,823) was made to adequately reflect the reserves position of the group and transactions between them, as stated in the individual financial statements.

A further transfer of £97,650 from restricted to unrestricted funds was made in respect of the net book value of the Elsdale floating classroom. The restrictions on this asset have now ceased to apply and the asset has been transferred to unrestricted funds.

The Groundwork South Trust Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2015

14. Statement of funds (continued)

Summary of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	1,016,645	1,236,488	(1,125,730)	67,252	598,760	1,793,415
Restricted funds	102,300	8,390,897	(8,425,945)	(67,252)	-	-
	<u>1,118,945</u>	<u>9,627,385</u>	<u>(9,551,675)</u>	<u>-</u>	<u>598,760</u>	<u>1,793,415</u>

15. Analysis of net assets between funds

	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	1,231,670	1,231,670	165,484
Intangible fixed assets	-	-	-	(45,429)
Current assets	-	2,318,260	2,318,260	2,969,146
Creditors due within one year	-	(1,710,133)	(1,710,133)	(1,898,407)
Creditors due in more than one year	-	(46,382)	(46,382)	(71,849)
	<u>-</u>	<u>1,793,415</u>	<u>1,793,415</u>	<u>1,118,945</u>

16. Net cash flow from operations

	2015 £	2014 £
Net incoming resources before revaluations	674,470	158,229
Returns on investments and servicing of finance	(1,392)	(4,997)
Amortisation of intangible fixed assets	(3,500)	(3,500)
Depreciation of tangible fixed assets	32,907	26,934
Decrease in stocks	-	2,372
Increase in debtors	(511,257)	(14,310)
Decrease in creditors	(215,273)	(79,818)
Other	(65,091)	-
Net cash (outflow)/inflow from operations	<u>(89,136)</u>	<u>84,910</u>

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Notes to the financial statements
for the year ended 31 March 2015

17. Analysis of cash flows for headings netted in cash flow statement

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	1,392	4,997
	<u>1,392</u>	<u>4,997</u>
	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(119,393)	(46,347)
Sale of tangible fixed assets	6,627	-
	<u>(112,766)</u>	<u>(46,347)</u>
Net cash outflow capital expenditure	<u>(112,766)</u>	<u>(46,347)</u>
	2015 £	2014 £
Acquisitions and disposals		
Consideration received for sale of investment	(49,896)	-
Cash held in disposed investment	(886,271)	-
	<u>(936,167)</u>	<u>-</u>
Net cash outflow from acquisitions and disposals	<u>(936,167)</u>	<u>-</u>
	2015 £	2014 £
Financing		
Repayment of loans	(25,467)	(50,000)
Other new loans	-	71,849
	<u>(25,467)</u>	<u>21,849</u>
Net cash (outflow)/inflow from financing	<u>(25,467)</u>	<u>21,849</u>

18. Analysis of changes in net funds

	1 April 2014 £	Cash flow £	Other non-cash changes £	31 March 2015 £
Cash at bank and in hand:	1,474,558	(1,162,144)	-	312,414
Debt:				
Debts falling due after more than one year	(71,849)	-	25,467	(46,382)
Net funds	<u>1,402,709</u>	<u>(1,162,144)</u>	<u>25,467</u>	<u>266,032</u>

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Notes to the financial statements
for the year ended 31 March 2015

19. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £143,640 (2014: £148,190). Contributions totalling £21,354 (2014: £23,959) were payable to the fund at the balance sheet date and are included in creditors.

20. Operating lease commitments

At 31 March 2015 the group had annual commitments under non-cancellable operating leases as follows:

Group	Land and buildings		2015	Other
	2015	2014		
	£	£	£	2014
Expiry date:				£
Within 1 year	6,375	13,705	27,217	13,209
Between 2 and 5 years	5,000	8,000	19,634	64,933
After more than 5 years	12,500	-	-	-

At 31 March 2015 the charity had annual commitments under non-cancellable operating leases as follows:

Charity	Land and buildings		2015	Other
	2015	2014		
	£	£	£	2014
Expiry date:				£
Within 1 year	6,375	4,333	27,217	13,209
Between 2 and 5 years	5,000	8,000	19,634	64,933
After more than 5 years	12,500	-	-	-

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Notes to the financial statements
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21. Principal subsidiaries

Company name	Country	Description
Blue Sky Development and Regeneration	England and Wales	Limited by guarantee
Goblin Combe Environment Centre Limited	England and Wales	Limited by guarantee

Blue Sky Development and Regeneration

Blue Sky Development and Regeneration is a company limited by guarantee and therefore has no share capital. The Groundwork South was the sole company member until 30 September 2014.

The charitable objectives of Blue Sky Development and Regeneration are to provide employment and to support offenders, ex-offenders and those likely to offend.

Blue Sky Development and Regeneration has two wholly owned dormant subsidiaries - Blue Sky Inside Limited and Blue Sky North Limited.

Goblin Combe Environment Centre Limited

Goblin Combe Environment Centre Limited is a company limited by guarantee and therefore has no share capital. The Groundwork South acquired control of the charity and was the sole company member from 1 April 2014 until 7 July 2015 when the company was dissolved.

22. Controlling party

The charity is controlled by the Board of Trustees.

CONTACTS

Groundwork South
Colne Valley Park Centre,
Denham Court Drive, Denham,
Uxbridge. UB9 5PG.

01895 832662

www.south.groundwork.org.uk

@GwkSouth

Facebook/
GroundworkSouth

LEGAL & ADMINISTRATIVE DETAILS

Structure

The Trust is a charity and a company limited by guarantee. The governing documents are its Memorandum and Articles of Association which were last amended at the Annual General Meeting of the members of the company on 5th December 2012.

Name of the Company

The name of the charity is The Groundwork South Trust Limited. It is referred to in this report as "the Trust". The use of the word "Groundwork" is used as a collective term to describe the Groundwork Federation and the member Groundwork Trusts.

Charity's registered address and registration numbers

The Colne Valley Park Centre, Denham Court Drive, Denham, Uxbridge. UB9 5PG.

Charity Registration Number 293705, Company Registration Number 1982077

Auditors

Kreston Reeves LLP, Third Floor, 24 Chiswell Street, London. EC14YX

Bankers

HSBC, 31 St Peter's Court, High Street, Chalfont St Peter, Bucks. SL9 9QQ
CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, ME19 4JQ

Solicitors

Bates, Wells & Braithwaite, 2-6 Cannon Street, London. EC4M 6YH
IBB, Capital Court, 30 Windsor Street, Uxbridge, Middlesex, UB8 1AB

