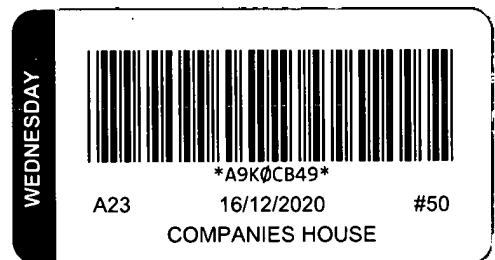


REGISTERED COMPANY NUMBER: 04089288 (England and Wales)
REGISTERED CHARITY NUMBER: 1086183

**Report of the Trustees and
Consolidated Financial Statements
for the Year Ended 31st March 2020
for
HALIFAX OPPORTUNITIES TRUST**



Riley & Co Limited
Statutory Auditor Chartered Accountants
52 St Johns Lane
Halifax
West Yorkshire
HX1 2BW



HALIFAX OPPORTUNITIES TRUST

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for the Year Ended 31st March 2020**

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**Report of the Trustees
for the Year Ended 31st March 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Following incorporation as a limited company in October 2000, HOT was registered as a charity in April 2001 with the following objects registered and approved by the Charity Commission:

To promote any charitable purpose for the benefit of the inhabitants of the metropolitan district of Calderdale in the county of West Yorkshire and surrounding areas within a radius of 30 miles from Halifax Town Hall, including but not exclusively the area known as Park Ward in the Metropolitan Borough of Calderdale to ensure the regeneration of those areas for the public benefit of the community, by all or any of the following means:

- a) the relief of poverty in such ways as may be thought fit;
- b) the relief of unemployment;
- c) the advancement of education, training, or re-training, particularly among unemployed people and providing work experience for the unemployed;
- d) the provision of financial assistance, technical assistance, business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help in setting up their own business or to existing businesses;
- e) the creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;
- f) the provision of recreational facilities for the public at large or those who by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;
- g) the protection or conservation of the environment;
- h) the provision of childcare;
- i) the promotion of public safety and prevention of crime; and
- j) the provision of public health and well-being activities; and
- k) such other means as may from time to time be determined subject to the prior consent of the Charity Commission.

**Report of the Trustees
for the Year Ended 31st March 2020**

The trustees, in making decisions about planning and delivery of activities, have had due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant. The approach to public benefit is described in summary below and in more detail throughout this report.

Halifax Opportunity Trust's purpose as described in its Strategic Plan is to 'work to make a vibrant multi-cultural and self-sustaining community'. In order to achieve this, the Trust carries out the following activities:

- provides office space and support for business and enterprise development through two business centres.
- provides opportunities for learning via a range of apprenticeships, ESOL provision, life skills and integration for new arrivals to the UK.
- provides assistance for job seekers by working with employers and through employment support initiatives.
- provides childcare and family support through the Upper and Central Calderdale Children's Centres, Little Gems nursery and other projects.
- provides support for physical and mental wellbeing by running social activities, networks and community groups which encourage socialization, healthy lifestyles and take up of new hobbies and activities.
- promotes health and wellbeing via the Outback community kitchen garden and projects aimed at encouraging active, healthy lifestyles.
- provides community development support via the outreach activities of two Community Organisers and provision of Community Organising training

The Board reviews the Charity's objectives and areas of operation periodically. For the year under review (2019/20) it is agreed that priority interventions should continue fall into six main areas over the next year:

- Support enterprise, business start-up and growth
- Help local people into employment
- Support and deliver accredited training and personal development
- Support children and families
- Support and promote health and wellbeing
- Support inclusive integration of new arrivals to the UK

In the longer term, the board continues to explore acquisition of new property (to support the areas above and also to support the Trust's sustainability). Trustees are considering redevelopment of Hanson Lane Business Centre, subject to long-term lease renewal and also the acquisition of a new community centre. Housing is another area of potential future development for the Trust as it is a key issue in Park ward and across Calderdale.

The trustees believe the strategy for achieving these objectives should continue to be through programme and project delivery using a social enterprise model and that this should be achieved on either a contracted full cost recovery basis or through our own commercial trading operations, thereby allowing the infrastructure of the Charity to be maintained whilst achieving the designated charitable objectives. The Trust does seek grant income to enable the start-up of new projects or initiatives, with the aim of ensuring these are self-sustaining via trading once established.

**Report of the Trustees
for the Year Ended 31st March 2020**

OBJECTIVES AND ACTIVITIES

Significant activities

The Charity's main programmes, projects and services are:

(1) Support enterprise, business start-up and growth

This is mainly achieved through activities at Hanson Lane Enterprise Centre (HLEC) and Elsie Whiteley Innovation Centre (EWIC). EWIC provides office space and meeting rooms and HLEC provides light industrial units and a smaller amount of office space. The Trust offers an 18-month grant to start up and early trading businesses which subsidises their rent. The business centres also act as a focal point for physical regeneration and community cohesion in Park Ward, with a regular business networking event being held at EWIC.

(2) Help local people into employment

The Trust provides practical, holistic support to people looking for employment, especially those who are disadvantaged in the labour market. The Trust provides this through a key worker model which enables support to be customised around an individual's needs and delivered on a one to one basis. An important part of the service is pro-active engagement with local employers to source vacancies to assist unemployed people back into work. The Trust also runs a Job Club which brings job seekers together to provide peer support and social connections. This work is primarily resourced via EU and other structural funds.

(3) Support and deliver learning and development opportunities

The Trust delivers a range of certificated and non-certificated training programmes including employment related short courses, ESOL and citizenship training, apprenticeships and work-based learning programmes especially for those working in the childcare profession and schools. This training is mostly delivered from Hanson Lane Enterprise Centre, learners' workplaces and other community venues. There are four training rooms at Hanson Lane Enterprise Centre, two of which are multi-purpose rooms equipped with ICT training aids.

**Report of the Trustees
for the Year Ended 31st March 2020**

OBJECTIVES AND ACTIVITIES

(4) Support children and families

The Charity has developed and delivered a range of community-based services for families with young children in Calderdale for many years. These services, operating from a range of neighbourhood Children's Centres and community venues, have mostly been delivered in partnership with Calderdale Council. From July 2014 this has been in the form of a contract which the Trust won via a competitive tender process. The Centres are busy and informative venues and are well used by parents in the community. The Centres support families in many ways helping them improve their health, parenting, employability, their education, family safety and provide excellent childcare. The Trust also runs its own nursery - Little Gems - which is based at Hanson Lane and provides childcare for 2-year olds. Four of the five nurseries run by the Trust have been received Outstanding inspection results from OFSTED and all the Children's Centre nurseries have achieved the Food for Life Early Years Award.

(5) Support and promote health and wellbeing

Health and wellbeing outcomes for residents of Park Ward and other disadvantaged areas of Calderdale compare badly with those of the more prosperous parts of the borough. In response to this inequality, the Charity has increasingly been delivering activities which help improve social connections, nutrition & lifetime eating and physical activity. Much is done in the Children's Centres to educate parents and families about breastfeeding and healthy eating. In addition, the Trust runs a Staying Well programme aimed at adults in the community, especially those who are experiencing isolation and loneliness as a result of their age, mild mental ill-health or limiting medical conditions. The Outback community garden and kitchen helps people engage with healthy, nutritious food for families. A new project for 2019/20 is 'Active Calderdale' which promotes active lifestyles to improve health outcomes. The Trust also continues its 'greening' activity at its Children's and business centres, by planting flowers, vegetables and fruit to create pleasant environments and contribute positively to these community settings.

(6) Support inclusive integration of new arrivals to the UK

To meet this objective, we deliver ESOL courses, embedded within an inclusion approach which enables new arrivals to learn how the UK functions: its history & heritage; government; culture & leisure; and public services.

Public benefit

The trustees confirm that they have each complied with their duty under section 4 of the Charities Act 2006 to have due regard to the guidance on public benefit published by the Charity Commission when carrying out their role and duties.

HOT operates specifically in deprived areas, providing multiple economic, social, and environmental benefits to individuals in those areas. The trustees believe that public benefit has been achieved through the provision of support to local businesses, individuals, community members and families via this diverse programme. This has provided multiple economic, social, and environmental benefits to the individuals reached by the Charity's activities. Details of our support are set out in this report.

**Report of the Trustees
for the Year Ended 31st March 2020**

ACHIEVEMENT AND PERFORMANCE

Review of Activities for the Year

The Trust has met all of its contractual objectives as specified by the various funding bodies in the year and in many cases has overachieved. This report has been compiled during the Coronavirus pandemic, which has seen many changes to the way that the Trust operates, although there has been no diminishment of its activities or the numbers of people that it reaches. The information in the Review below specifically relates to the financial year 2019/20 covered by this report and therefore doesn't cover how HOT delivered its objectives during the pandemic. However, the trustees believe it is important to briefly describe the incredible way that 'Team HOT' has responded to the challenge posed by Covid-19 and lockdown from late March 2020.

In the weeks prior to lockdown, when it was clear that Covid cases were rising in the UK, HOT's senior management team began implementing safety procedures on all sites against transmission of the virus and also started planning for home working and digital delivery of activities and services. This meant that when 'lockdown' occurred, we were able to rapidly transition to home working (although some staff remained working on site throughout) and ensure we stayed in touch with people we were working with. All of HOT's services continued throughout lockdown and since the partial easing of restrictions. The exception was public access to The Outback Garden, although staff and volunteers continued to maintain the site. Several of our direct trading activities ceased (room hire at Elsie Whiteley Centre) or reduced significantly (nursery places, apprenticeships) but all centres remained open. Our nurseries provided childcare for key workers and vulnerable children. Our family support and community teams, maintained phone contact (over 5,000 households per week) and started delivery via digital platforms such as Zoom and Teams. The Children's Centres and Community Programmes teams set up emergency food parcel delivery services in central Halifax and Todmorden, ensuring that more than 100 families a week received essential supplies. It was an extraordinary effort by staff and volunteers, and we worked closely with local charity partners such as Himmat, St Augustine's and Community Foundation for Calderdale, showing the importance of collaborative working for maximum benefit.

The key activities from April 2019 to March 2020 for each objective are described below:

(1) Support enterprise, business start-up and growth

Elsie Whiteley Innovation Centre (EWIC) is the charity's high-quality office and conference space located on the edge of Park ward boundary and adjacent to Halifax town centre.

EWIC continues to be an important part of the Trust's offer to the town, bringing in a diverse mix of tenants, conference and training participants daily. The focal point of the building is the atrium and the lively Café No 5. This free and open meeting space has evolved over the years and is now a buzzing market place for business and community. Food and flower produce from the Trust's Outback Garden is regularly on sale, there are charity cake sales and other tenant events which contributes to the communal and community feel of the Centre.

Office occupancy during 19/20 was 74%, with the Centre continuing to make a significant financial contribution to the charity group. Seven new-start businesses were supported with a rent subsidy grants totalling £6,549.

Two large tenants left during the year, however we continued to secure tenants for smaller office spaces and HOT staff transferred into the largest space so occupancy and rental income did not drop significantly. A new electronic signing-in system has been introduced to improve security and health and safety in the building and a newsletter for tenants introduced, called 'The Elsie Fetcher'.

Hanson Lane Enterprise Centre (HLEC) is located at the very centre of Park ward and is where the charity was first established. The Enterprise Centre was converted from a cluster of redundant BT engineering workshops in the late 1990's with the aim to bring economic vibrancy to the area, particularly encouraging start-up businesses.

Report of the Trustees
for the Year Ended 31st March 2020

ACHIEVEMENT AND PERFORMANCE

As well as being a base for commercial businesses and social enterprises, much of the charity's own activities take place from HLEC and Little Gems nursery is based on the site. As with the Elsie Whiteley Innovation Centre, all new businesses are offered a discount for the first 18 months of their trading. Businesses and charities benefiting the community are also often given consideration for a rent subsidy. This year 2 companies benefitted from reduced rent (with grants totalling £671) and the occupancy rate was 83%.

Planning continued during the year regarding future use of the site, although at the time of writing no decision has been taken. Negotiations continued with Calderdale council regarding 125-year leases for both HLEC and EWIC and it is hoped that 2020 will finally see these being signed.

HOT Networking was established in 2017 in order to enhance our charitable objective to provide enterprise support. These sessions take place monthly at the Elsie Whiteley Innovation Centre. 2019/20 saw further growth of the sessions, with over 50 local businesses attending meetings. The aim of the network is to bring together both the private and charity sectors to share best practice, offer peer-to-peer support and grow a strong, sustainable business and charity community in Calderdale. The sessions are based around short, practical business-support topics presented by B2B SMEs. We have found attendees have found the information provided very useful, as is the peer support element of the sessions and the networking opportunities. Topics during the year included HR for SMEs, self-publishing and project management.

(2) Help local people into employment

Halifax Opportunities Trust has a deeply-rooted history of enabling members of the local community to find meaningful work. Based in the heart of Park ward at Hanson Lane Enterprise Centre, our employment team works closely with individuals to get them on the path to employment. This can be through activities such as our Job Clubs and CV workshops or facilitating training to upskill participants, all within the framework of a key worker model that promotes mutual trust and respect between our advisors and the people they work alongside. We also take time to foster good working relationships with local employers in order to make the transition to work a successful one.

Our activities take a person-centred, holistic approach to the wider reasons behind why individuals face barriers to work. Our Right Steps to Work contract to support unemployed people into work finished in November 2020 and we continued to deliver our employment work via the Hopeful Families programme, funded by The Big Lottery Community Fund and European Social Fund (ESF), and a local Inclusive Economy project. Through these two schemes we offer a variety of activities to enable people to move towards training and volunteering opportunities and ultimately towards employment. Some of the highlights from this year have included a women's self-employment programme; informal vocational training; and holiday kitchen schemes. The team also built strong delivery partnerships with Space @ Field Lane, Smart Works, Himmat, St Augustine's and Calderdale council's Inclusive Economy team. During the year the Hopeful Families team worked with 250 people, provided 440 interventions and worked alongside participants to achieve 335 life goals. These statistics, whilst impressive for a very small team, do not show the qualitative achievement for the people we support. The success is often not just getting back into work after many years away from the workplace (or having never had a job) but overcoming anxiety and depression; family problems; managing poor health or lack of social connections. The case study below provides more detailed information about the way our employment service works:

**Report of the Trustees
for the Year Ended 31st March 2020**

ACHIEVEMENT AND PERFORMANCE

After finding himself unemployed for a number of years, Chris was starting to feel that his confidence and self-esteem were being impacted negatively. Chris mentioned to his Work Coach at Job Centre Plus that he would like to work in Security, but was struggling to acquire his SIA licence. His Work Coach referred him to Hopeful Families at Halifax Opportunities Trust.

Supported by the scheme, Chris attended a Door Supervision course and passed with flying colours and was then funded by Hopeful Families to acquire his licence. He was delighted when his licence & certificate arrived, re-invigorating his confidence.

After being supported by his Hopeful Families Family Mentor to apply for Security jobs, including getting help with his applications and interview skills, he was successful in applying for a job with Poundland as a Security Guard and has now been working there for the past 4 months. Delighted with his new sense of purpose, Chris says: 'Without the help of Halifax Opportunities Trust and my Family Mentor, I think that I still wouldn't be in a job. I'm really grateful to the team for helping me out and changing my life. I now have something to get up for!'

(3) Support and deliver accredited training and personal development

Achieving personal career goals often relies on good quality, appropriate training, either on the job or via learning centres. Halifax Opportunities Trust directly delivers and commissions the delivery of a range of certificated and non-certificated training programmes including employment-related short courses, professional development support, apprenticeships and programmes for those working in the childcare profession or in schools.

Some of the highlights of 2019/20 have included retention of our Matrix standard for the 9th year in a row and entering into a new contractual arrangement with Hertfordshire College. During 2019-20 more than 80 people started apprenticeships with the Trust and 85% completed their training. Over 400 people accessed unaccredited or 'first rung' accredited training with the Trust during the same period, supporting personal development and aspirations.

(4) Support children and families

HOT is committed to improving outcomes for young children and their families, particularly the most disadvantaged families, in order to reduce inequalities. To achieve this, the Trust focuses on early years via its Children's Centres, Nurseries and Out-of-School Children's Activities.

The Trust has provided services and activities for families and children for most of its existence and in 2014 these were formalised under a contractual arrangement with Calderdale council. During 2019-20 the contract was extended for a third time, taking the end date to March 2021. During the year under review, the Trust provided services in 9 Children's Centres in Calderdale ranging from Todmorden in the west to Southowram in the east, along with four nurseries which are based in the Centres. The Trust also runs Little Gems nursery, which is not part of the contract and is based at our business centre at Hanson Lane.

**Report of the Trustees
for the Year Ended 31st March 2020**

ACHIEVEMENT AND PERFORMANCE

The achievements from the year under review are described below:

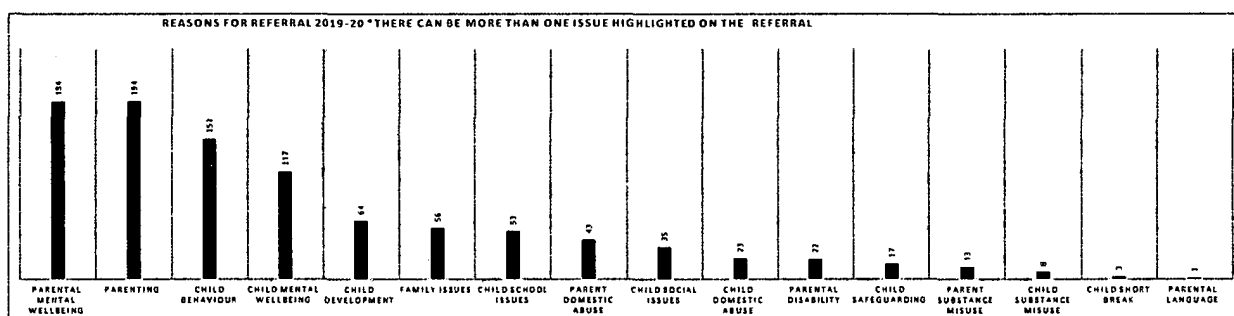
To achieve a good Ofsted Judgement, the centres are required to know between 80-96% of families in the reach area and to have 65-79% of target families registered. During 2019/20:

- 87% of families were known to the Children's Centres, and 91% of our target families (10-30%) registered
- 4,924 families had support from the Children's Centres - and 51 languages spoken
- In consultation with families 83% believe the CCs have a positive impact on their child's Health and Wellbeing and 93% of parents believe the CCs have a positive impact on their own parenting and confidence aspiration.

347 children attended our nurseries during 2019/20 and 89% of parents told us that attending our Early Years activities had a positive impact on their child's development and school readiness.

Family Support

286 Referrals to Family Support during 2019/20 (the reasons for referral remain the same, however during this time, Parental Mental Wellbeing saw an increase of 68 instances; Parenting by 44; Child Behaviour by 56; Child Mental Wellbeing by 54 and Parental Domestic Abuse by 14.



159 cases that closed in the year:

- 6% of these cases escalated
- 11% were transferred to another service
- 40% decreased in their tier of need
- 41% Remained at the same tier of need due to the following reasons:
 - i. 51% of these no longer wanted support
 - ii. 11% of the identified work was now complete but another agency remained involved preventing the tier to be reduced
 - iii. 15% moved out of the area/20% did not engage with the service
 - iv. 3% were now being supported by attending groups

**Report of the Trustees
for the Year Ended 31st March 2020**

ACHIEVEMENT AND PERFORMANCE

Review of Activities for the Year (continued)

(5) Support and promote health and wellbeing

Being well and feeling happy and safe where we live is an aspiration that we all have and there is mounting evidence that proves that living a full and active life is really important for our physical and mental health.

At Halifax Opportunities Trust we have developed a range of activities through programmes such as Staying Well that enable members of the local community to meet, learn new skills and foster a sense of wellbeing and purpose. During 2019-20, 284 people were involved with the project in central Halifax, we supported 171 people to become involved with other community activities or statutory services and the Trust connected with more than 50 community groups and projects as part of the scheme.

We started two new Community Organising projects in the year, which fall under our Wellbeing objective. #LetsGetSociallyActive was funded through the National Lottery Community Fund's Place Based Action programme and employs Community Organisers to increase social action in central and north Halifax. Activities included 16 households from Beech Hill working collectively to address housing and parking issues; a community clean up in partnership with local PCSO's; working in partnership with Staying Well and community Radio station Pheonix FM to support and develop memory tools for dementia; supporting residents to attend ward forum meetings; a listening exercise in People's Park supporting Active Calderdale; a presentation at Locality19 sharing best practice with over 150 attendees; supporting the development of a women's walking group. We also became an accredited Social Action Hub (via Community Organisers Ltd) which enabled us to draw down funding to deliver community organising training to local resident. Through the Hub, we trained 57 people who have used the training to inform their own social action or used it to inform professional practice. During the year covered by this report, we reached over 1,000 local people through both the #LetsGetSociallyActive and Social Action Hub schemes

We also operate a community garden in Park Ward - The Outback Garden - that serves as a community green space and hub for sustainable growing, learning and cooking. The Outback comprises of 0.3 hectare of open space, much of which is used for growing fruit and vegetables that are available to members of the local community. The Outback is also home to a straw bale kitchen/meeting space which is used regularly by groups as a place to meet, cook and socialise. During the year The Outback continued to be very busy and well used, providing the following benefits in the local community: 15 regular (weekly) gardening volunteers; 11 corporate/team volunteering days hosted over the year; 9 local groups/organisations hired the facilities & 4 schools/pre-schools had regular visits to the garden. HOT ran an adult cycling course; holiday kitchen sessions; a Herbs for Health course; cooking sessions; parenting course; 8 community events (Refugee Week celebration, International Children's Day, Eid party, volunteer celebration, 2 x pop-up cafes, Big Soup Share, Overgate Garden Open Day); Jubilee Nursery children spent 2 sessions each week in the garden; Fun 4 Youths weekly youth club for 7-11 year olds was held at The Outback; HOT held 4 holiday events for families with young children.

(6) Support inclusive integration of new arrivals to the UK

As the most culturally diverse neighbourhood in Calderdale, Park ward has a long history as a welcome hub for migrant communities from across the globe to arrive, settle and flourish in Halifax and the surrounding areas.

This is as true today as it was when the first generation of South Asian migrants began arriving in the post-war era of the 1950's and 60's. To enable migrant families and individuals to make the most of their new lives in the UK, Halifax Opportunities Trust delivers a number of Inclusive Integration programmes, including ESOL (English as a Second or Other Language) from our base at Hanson Lane Enterprise Centre.

Report of the Trustees
for the Year Ended 31st March 2020

ACHIEVEMENT AND PERFORMANCE

During the 2019-2020 academic year, HOT have delivered inclusion training to a total of 107 learners. As usual we have engaged individuals from diverse groups coming from over 32 different countries & speaking multiple languages. As a training provider we remain committed to responding to changing local demographics and ensuring we tailor our service delivery to meet individual needs. We recognise & understand that as new arrivals the level of support required in order for them to fully & successfully participate in UK life, so therefore, increasing the accessibility to quality education upon arrival has enabled many of our service users to access a wide range of provision entailing English language learning, ICT, Citizenship, preparation for the Life in the UK compulsory tests, employment support resulting in achieving some excellent results in both strengthening social integration and successfully moving individuals into economic participation.

In light of the Covid 19 outbreak, HOT inclusion services has been through a transformational change as using new online platforms became a necessity. Taking into consideration the high levels of vulnerability faced by the people we work alongside; it was critical to sustain our service delivery through the deployment of new technology. Despite the extremely difficult & challenging time, people have been truly inspiring and have remained committed to their learning & this is truly remarkable. The case study below gives an example of how HOTs Integration team work alongside new arrivals to Yorkshire to find their feet and start a new and fulfilling life in the county.

When Noreen moved to the UK from Pakistan to join her husband, she realised she would not be able to continue her previous career as a primary school teacher as her qualifications were not recognised and the curriculum was different here in the UK. Not being confident in speaking English left Noreen feeling shy and isolated - she was afraid people may laugh at her when she spoke. She knew her confidence would be improved by learning to be more fluent in English, and that it would also improve her employment prospects. When she found out about ESOL classes at her local she couldn't wait to sign up.

Through the ESOL classes, Noreen joined a programme delivered by Halifax Opportunities Trust called Connecting Opportunities. The programme is funded by the National Lottery Community Fund and European Social Fund with Migration Yorkshire as the lead organisation and aims to work with new migrants to develop their skills and opportunities to find work and be part of the local community, in West Yorkshire and parts of North Yorkshire. On joining the programme, she was paired with her Key Worker, Jana, who sign-posted her to The Hillhouse Centre in Huddersfield where she is working towards accredited courses and building her confidence. Noreen has successfully completed courses in Food Hygiene and Customer Care and a Level 1 CACHE accredited course in Working with Children, she is now working towards her level 2. Attending the courses at the Hillhouse Centre also gave Noreen the opportunity to volunteer as a receptionist for the Centre giving her valuable work experience. She was delighted to feel part of a diverse community and took part in events such as Refugee Week celebrations and International Women's Day.

With her new-found confidence growing Noreen decided to apply for a Lunchtime Supervisor role at a local school. Jana, helped her to apply and coached her through interview techniques, "Jana is always there to support me," says Noreen, "Whenever I text her, she comes and meets me." Whilst Noreen was unsuccessful with her application for the job, she remains undeterred. "It was a good experience to go for an interview and I feel more confident now - I'm on the right path. It's important to be surrounded by positive people. I hope I will get a good job and do well in life."

**Report of the Trustees
for the Year Ended 31st March 2020**

ACHIEVEMENT AND PERFORMANCE

(7) Leadership, governance and operations

Underpinning the outward-facing work of the Trust is a central services team and a board of trustees whose role is to ensure that the leadership and operational aspect of HOT is of high quality. During 2019-20 there was a focus on improving business planning and ensuring each team had a consistent plan that referenced back to HOT's strategic 'plan on a page'. Work was initiated on a whole-organisation job evaluation to ensure consistency of job descriptions and associated salaries. We also embarked on our Quality for Health journey. Q4H is a quality standard for charities, developed locally in Calderdale. HOT has other quality marks such as Matrix, but we wanted to access one that covered the whole organisation and assessed all aspects of our work. We will be assessed in Autumn 2020 and are aiming to achieve Level 2, the highest standard available. We retained our Matrix standard for another year, giving confidence to learners and commissioners about the quality of our IAG provision. We introduced 'bite sized learning' for trustees at each board, to ensure our governing body are up to speed with the Charity Commissions expectations about their role at the Trust and also keeping on top of new guidance from the Commission. The board also took part in safeguarding training, which was led by HOT's safeguarding lead. We were disappointed to lose our Outstanding assessment at Jubilee nursery, following an inspection from Ofsted. However, we have learnt from their feedback, have rectified the issues they picked up and look forward to a significantly improved assessment when Ofsted come back to visit us, post-Covid.

We continue to negotiate with Calderdale council regarding new 125-year leases on 3 of the buildings we operate (Elsie Whiteley and Hanson Lane centres and The Outback) and hope to sign these off sometime later in 2020. Having the security of these long leases will allow us to invest further into the buildings and improve our balance sheet position.

Future Commitments

The Children's Centre contract forms the major source of future commitments/liabilities for the Charity, in relation to the defined benefit pension scheme for TUPE'd staff who were originally employed by Calderdale Council. The current contract is due to finish on 31st March 2021 and we expect an extension to this, due to the challenges of re-procurement posed by Covid-19.

HOT has met the level of required pension contributions since it took on the contract in 2014 and therefore has met all its obligations in terms of keeping the scheme adequately financed. However as at 31 March 2020 under the FRS 102 (LGPS funded benefits) disclosure requirement, the Charity has recognised a pension liability on the balance sheet of £1,771,000 in relation to the Children's Centre contract (see note 20 of the financial statements for further details). This is the difference between the fair value of the assets and the present value of the defined benefit obligation as valued under FRS 102 and using the assumptions presented to the Trustees in the actuary's report.

We anticipate that the Children's Centre contract will be renewed in Autumn 2020, possibly for another year. We have been advised by Calderdale Council that they do not plan to competitively tender the contract following the extension, but to enter into a non-competitive 'Alliance Contract' with HOT and North Halifax Partnership. HOT is therefore confident that the pension deficit is very unlikely to crystallise in the near future, as the service will be continued and HOT will continue to deliver the service.

The recognition of the pension scheme deficit in the Balance Sheet has resulted in the Charity itself showing a deficit of reserves at 31 March 2020. As mentioned above this pension deficit is not payable within the foreseeable future (12 months from date of this Report) and the Charity will be able to continue operating as normal during this period and the accounts have therefore been prepared on a going concern basis.

**Report of the Trustees
for the Year Ended 31st March 2020**

FINANCIAL REVIEW

Financial position

The Group is reporting net operating income of £147,363 for the year ended 31 March 2020, before movement on the pension scheme. Following recognition of the actuarial movement on the defined benefit pension schemes, the Group is showing a total net expenditure position of £156,637.

The Group receives funding from a range of sources including local and national government contracts, local and national government grants, grant income from Trusts and Foundations as well as generation of its own income via the two trading subsidiary companies. One strategy the Trustees have adopted to mitigate the risks around sustainable income sources in the sector is through this diversification of income streams.

Details of the specific grants received by the Group are included in note 2 of the accounts and the results of the two trading subsidiaries are included in note 14 of the accounts. The income sources of the Charity's restricted funds are included in note 20 of the accounts.

Investment policy and objectives

Under the Memorandum and Articles of Association the trustees have the power to make any investment they see fit. During the year under review the trustees have chosen to hold the surplus funds of the Charity in the bank account with Unity Trust Bank PLC. These are held in current accounts in order to facilitate the day to day operations of the Charity. £700,000 of the Trust's funds are held in an interest-bearing current account with Unity Trust Bank in order to maximise income from the Trust's surplus funds and to meet the fiduciary requirement of the trustee board.

Reserves policy

Reserves are required by the Charity because there is a need to match variable future income with fixed commitments, grants are often received after the relevant expenditure has been paid out, and the Trust at times supports certain projects beyond the life of specific funding or bridges between contracts. The policy agreed by the Board of Trustees is described below:

The HOT Board have agreed to determine the target level of reserves using the following approach:

- + 50% of high-risk income
- + 50% of annual salary costs
- + All current contractual payment commitments

The reserves levels will be reviewed each year when budgeting is being carried out and will therefore fluctuate as risk increases/decreases; salary costs increase/decrease; and contractual commitments increase/decrease.

Using this approach, the reserves level for 2019/20 has been set at £1,160,396. Reserves as of 31st March 2020 were £892,070 in the charitable company and £1,287,317 in the group.

The trustees have not designated the use of any of these reserves and therefore they are general reserves to support the ongoing operation of the charity.

Going concern

The Charity's liabilities current exceeds its assets however this includes the recognition of a defined benefit pension scheme deficits of £1,771,000. The Trustees have given detailed consideration to this situation as noted in this report.

Although this deficit represents a material uncertainty, the Trustees believe that this position will not have any significant impact of the Charity's ability to operate.

**Report of the Trustees
for the Year Ended 31st March 2020**

FUTURE PLANS

(1) Support enterprise, business start-up and growth

The Trust intends to continue with provision of business, office and meeting space via its two enterprise centres and despite the impact of Covid-19 has seen an increase in enquiries from businesses. Networking sessions are currently on hold due to distancing restrictions and we are unsure if we will be able to run these at all during 2020-21. The grants for new businesses which the Charity has offered towards the rent of its business premises have been an important part of Elsie Whiteley Innovation Centre and Hanson Lane Enterprise Centre's direct offer of support to business and it is planned that this should continue. We expect that more grants will be provided in the future as new businesses are started by people who have been made redundant or made a career move as a result of the pandemic.

The meeting rooms and atrium area at Elsie Whiteley will be refurbished over the next year, to ensure we have an attractive offer for returning customers and to ensure that our tech is able to provide online meeting and video conferencing options.

Negotiations are still ongoing with the Calderdale council to attain new extended leases agreed for both the Elsie Whiteley Innovation Centre and the Hanson Lane Enterprise Centre bringing them in line with other asset transfers in the borough which have been granted 125 years. It was hoped that this would be concluded in 2019/20 but negotiations are still ongoing, some 8 years after they began.

Hanson Lane Enterprise Centre is nearing the end of its useful life as a multi-purpose site for business, enterprise and HOT projects. A feasibility study carried out last year indicated that the costs of a full refurbishment and demolition/rebuild was not viable and so a further piece of work is being carried out to identify a suitable site for HOTs community programmes and further consideration will be given to the business park at Hanson Lane.

(2) Help local people into employment

Sadly, due to Covid-19 we expect a significant rise in unemployment locally which means our employment service will be needed more than ever over the coming months and years. The two projects (Inclusive Economy and Hopeful Families) will continue to run during 2020/21 and we hope may be extended further into 2022. We continue to identify opportunities to maintain our employment service as it has successfully enabled thousands of people find good quality jobs for 20 years. We await the new Shared Prosperity Fund and hope that it will provide opportunities for small, niche, local providers such as ourselves.

(3) Support and deliver accredited training and personal development

We plan to re-grow our apprenticeships programme which was adversely affected by Covid-19 as we were unable to take on new starters. We will place an emphasis on business development and growing the pool of employers that we work with. We also plan to explore new niche areas for our apprenticeship offer, whilst retaining our track record and expertise in Early Years and Schools. We anticipate that skills acquisition and re-skilling will be crucial to helping the UK 'build back better' so will be seeking opportunities to offer other adult and work-based learning.

(4) Support children and families

The value of the Children's Centres contract was significantly reduced for 2020/21, leading to the loss of New Road Children's Centre and nursery in Sowerby Bridge and also the closure of two small Children Centre satellite sites in central Halifax Covid-19 also affected delivery, particularly in the way that community early years activities are provided, so reviewing and re-imagining how to deliver these will be a focus for the coming year. Other key areas of development in 2020-21 include embedding new contract KPIs; increasing use of the Centres 'out of hours'; training for all staff in systemic practice, mental health and special educational needs. We will also put a focus on marketing nursery places as we saw a reduction in some nurseries of the number of children (again, due to Covid). Longer term planning is challenging, as the contract is expected yet again to be rolled over for another year (for the 3rd year in a row). We hope that during 2020 we will receive some indication of the expected timescales for future delivery of the service.

**Report of the Trustees
for the Year Ended 31st March 2020**

FUTURE PLANS

(5) Support and promote health and wellbeing

Staying Well will continue to be funded by Calderdale Council for another financial year (2020/21) and it has proved to be an invaluable support service for isolated people during the pandemic. Our team made weekly telephone calls and also set up an emergency food parcel service which will continue for the foreseeable future as it now is a vital resource for people who have to self-isolate or who have lost income. The team have developed a telephone befriending service which now also carries out socially distanced activities such as walks and online support, and we plan that this will continue over the next year and will recruit volunteers to carry out telephone calls and visits too.

We plan to put a real focus on healthy eating and active lifestyles over the next year. This is because people in central Halifax have been more badly affected by Covid: suffering worse health outcomes and deaths. We know that this is partly explained by higher local levels of underlying health conditions such as diabetes and heart disease. We also know that these conditions can be successfully managed or even treated by lifestyle changes. Through our Active Calderdale project, we plan to help local organisations & businesses build activity into their existing services. We also plan to increase awareness locally of the benefits of regular exercise and movement. In terms of nutrition, we plan to increase activities at The Outback, encouraging more local growers and providing practical information about healthy eating - and also of the connection between food and health. These plans need resourcing so we will seek support from Covid funds aimed at community organisations. We will also build the volunteer base at The Outback and promote it as a Covid-secure outside environment.

The 125-year lease on the Outback is expected to be signed during 2020, providing security and an ability to invest further into the site.

We are planning online Community Organising training to continue to skill-up local people in an organising approach. The Community Organisers are funded to 2022, and will continue to carry out listening exercises within the central and North communities, and to encourage further social action by individuals and community/neighbourhood groups.

(6) Support inclusive integration of new arrivals to the UK

The immediate plan for the Integration team is to take their ESOL and inclusion work online. They are also planning to continue to find innovative ways to combine learning English with increasing activity, building new connections in the UK and providing employment (including self-employment) opportunities for new arrivals.

(7) New areas of delivery

In previous Trustee Reports we described a site which the Trust is interested in acquiring and redeveloping. Possible uses for the site include office space for Trust staff, a retail outlet for Trust produce and products; a café; housing; offices to rent. Some progress has been made during the year in question and plans for 2020/21 include securing feasibility funding to further progress plans for the site. It is likely that this will be treated as two projects - one heritage and one housing. Early stage progress has also been made in bring empty homes back into use. Initial approaches to owners of these properties have resulted in purchase and rental by two other charities in Calderdale. This scheme will be continued in 2020/21, as will the large redevelopment project concerning Hanson Lane Enterprise Centre. These are ambitious projects requiring external finance (including loan finance) and external specialist advice; therefore, a robust, steady, risk-based approach is being taken.

(8) Management and Governance plans

Key operational plans for 2020/21 include assessment for Quality for Health and improving our staff training and development process, to ensure that the approach across the Trust is systematic and consistent. We will also put a focus on staff wellbeing as we know that staff have been impacted by the difficult situation they have been operating under since March 2020. We are reviewing our HR management system and may replace this if it is assessed as no longer being fit for purpose. Salary changes related to a whole-organisation job evaluation exercise will be implemented in Autumn 2020. Several trustees have stepped down recently and been replaced so we will also be carrying out trustee inductions and development in the year ahead.

**Report of the Trustees
for the Year Ended 31st March 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Halifax Opportunities Trust, was incorporated in 2000, achieved charitable status in 2002 and has been operational since April 2002. It was established as the successor body for a Government funded regeneration programme in the Park Ward area of Calderdale.

HOT is a membership organisation. Its trustees are elected from its membership as laid out in the Memorandum and Articles of Association.

HOT's charitable work was for its first few years primarily focused on the Park Ward area of Calderdale but it is now operating across the whole of the borough and in Kirklees, building working relationships with private, public, voluntary and community sector organisations to provide services in a number of communities.

HOT has two commercial properties on long term peppercorn leases from the local council. They are used as a base for HOT's charitable activities and are also let to local businesses to promote and encourage local business growth. The property interests are managed by a wholly owned subsidiary company, Elsie Whiteley Innovation Centre Ltd. For this reason, HOT produces consolidated accounts.

Governance

HOT is a registered charity and a company limited by guarantee. Board members are therefore both trustees of the Charity and company directors. There are currently eleven trustees.

Elected trustees serve for a maximum of fifteen years and the co-opted trustees are co-opted annually. Elected trustees are elected by the HOT membership at the AGM. Co-opted trustees are appointed by the Board. All new trustees receive an induction pack and complete a register of interest document. They are also provided with opportunities for governance and sector specific training and development.

The Charity's Board and the subsidiary boards meet quarterly. In addition to these meetings there is a Finance and HR Sub Committee and a Risk and Governance Committee. Special purpose task and finish groups are formed to meet specific needs. These meetings take place between formal board meetings to explore issues in depth and help trustees and directors better understand the changing environment in which the organisation operates. Any such groups report back to the full Board.

An annual away day is held for trustees and staff at which future direction and priorities are agreed. The Strategy Plan is reviewed annually and each team produces a short business plan which outlines key activities for the year ahead. KPIs are drawn from these plans and are used as the basis for performance management within the organisation.

Management

There is an experienced senior management team of seven at the core of the organisation that meets monthly to plan pan-organisational operational activity. The team is led by the Chief Executive. The Chief Executive and the senior managers report directly to the Board at the quarterly charity and subsidiary board meetings. They produce written exception, risk and recommendation reports for these meetings and attend to respond to questions and provide further information as required. The senior team attend regular training and personal development opportunities to ensure they are keeping their professional development up to date.

Risk management

The trustees agreed a Risk Management Plan for 2019/20 and have agreed the plan for the forthcoming year 2020/21. The Plan describes HOT's approach to risk management and assesses the strategic risks for the organisation, based on Charity Commission guidelines and using a RAG system. Red (high level) risks are dealt with immediately, with Amber being dealt with as soon as possible. Risks highlighted for 2019/20 were all mitigated or negated within the year under review.

HALIFAX OPPORTUNITIES TRUST (REGISTERED NUMBER: 04089288)

**Report of the Trustees
for the Year Ended 31st March 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Company limited by guarantee

Halifax Opportunities Trust is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such an amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04089288 (England and Wales)

Registered Charity number

1086183

Registered office

Hanson Lane Enterprise Centre

Hanson Lane

Halifax

West Yorkshire

HX1 5PG

Trustees

A Ali (resigned 15/10/20)

H J Barber (Chair)

P W Blackman

R K Bostan (resigned 2/9/20)

R J Craven (Vice Chair)

J Harkness

R Hemblys Treasurer

H L Hunter (nee Wright)

S Hussain (resigned 15/9/19)

T Male

S E Morrell (Chair)

M P E Nash (resigned 9/4/19)

C J Pinder

R Rehman (resigned 11/6/20)

K R Saeed (resigned 27/2/20)

F Shoukat

M E Stead

Company Secretary

A S Haskins

**Report of the Trustees
for the Year Ended 31st March 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Riley & Co Limited
Statutory Auditor Chartered Accountants
52 St Johns Lane
Halifax
West Yorkshire
HX1 2BW

Bankers

Unity Trust Bank
9 Brindleyplace
Birmingham
HX1 5PG

Solicitors

Finn Gledhill
1 - 4 Harrison Road
Halifax
West Yorkshire
HX1 2AG

Service address

Elsie Whiteley Innovation Centre
Hopwood Lane
Halifax
West Yorkshire
HX1 5ER

Chief Executive

A Haskins

Senior Management team

S Nazar	- Group Finance and HR Lead
J Bell	- Business Centres Lead
A Hussain	- Programmes Lead
C Parkinson	- Children and Families Lead
H Peevers	- Marketing Lead
M Ciewiernia	- Quality and Systems Lead

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Halifax Opportunities Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Report of the Trustees
for the Year Ended 31st March 2020**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

AUDITORS

The auditors, Riley & Co Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 30/11/2020 and signed on its behalf by:

H. J. Barber

H J Barber - Trustee

**Report of the Independent Auditors to the Members of
Halifax Opportunities Trust (Registered number: 04089288)**

Opinion

We have audited the financial statements of Halifax Opportunities Trust (the 'parent charitable company') for the year ended 31st March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31st March 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group and charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 23 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, concerning the ability of the group, and parent charitable company, to continue as a going concern.

The parent charitable company's liabilities exceed its assets by £694,826 (group net liabilities £493,032), however the liabilities include £1,771,000 in respect of defined benefit pension scheme. This pension liability is based on a professional actuarial valuation as required under FRS 102. The liability is directly linked to the Surestart contract for services, the current contract runs to 31 March 2022 and crystallisation of the liability would only occur in the event that the contracted services were ceased by the local authority, in the event of the contracted services being awarded to another organisation the staff and associated pension liabilities would be transferred to the new organisation or absorbed by the local authority.

The pension liability figure is also subject to large changes depending on investment performance year on year. The Trustees have prepared detailed financial plans which demonstrate that the charitable company is able to meet its liabilities as they fall due and therefore, they consider that the group and charitable company can continue as a going concern.

The negative reserves represent a material uncertainty which may cast significant doubt over the charitable company and group's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the company and group were unable to continue as a going concern.

**Report of the Independent Auditors to the Members of
Halifax Opportunities Trust (Registered number: 04089288)**

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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; or
- the trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Members of
Halifax Opportunities Trust (Registered number: 04089288)**

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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

Victoria Atkinson BA FCA (Senior Statutory Auditor)
for and on behalf of Riley & Co Limited
Statutory Auditor Chartered Accountants
52 St Johns Lane
Halifax
West Yorkshire
HX1 2BW



Date: 11 December 2020

HALIFAX OPPORTUNITIES TRUST

Statement of Consolidated Financial Activities (Incorporating a Consolidated Income and Expenditure Account) for the Year Ended 31st March 2020

		Unrestricted funds £	Restricted funds £	31/3/20 Total funds £	31/3/19 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	63,087	90,155	153,242	112,064
Charitable activities	4				
Provision of employment, education and training services		288,532	423,562	712,094	627,365
Provision of childcare and family support services		2,838,865	558,014	3,396,879	3,473,879
Promoting health and wellbeing		-	72,757	72,757	67,839
Management, administration and membership		3,249	9,796	13,045	18,649
Other trading activities		633,428	-	633,428	639,851
Investment income	3	2,158	-	2,158	-
Total		3,829,319	1,154,284	4,983,603	4,939,647
EXPENDITURE ON					
Charitable activities	5				
Provision of employment, education and training services		205,655	445,506	651,161	652,443
Provision of childcare and family support services		2,540,394	568,321	3,108,715	2,968,778
Promoting health and wellbeing		2,275	165,204	167,479	172,550
Management, administration and membership		424,688	89	424,777	392,015
Governance costs		30,713	-	30,713	12,559
Other trading activities		453,449	-	453,449	454,494
Total		3,657,174	1,179,120	4,836,294	4,652,839
NET INCOME		172,145	(24,836)	147,309	286,808
Taxation		54	-	54	(3,408)
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes		(304,000)	-	(304,000)	(451,000)
Net movement in funds		(131,801)	(24,836)	(156,637)	(167,600)
RECONCILIATION OF FUNDS					
Total funds brought forward		(351,882)	15,487	(336,395)	(168,795)
TOTAL FUNDS CARRIED FORWARD		(483,683)	(9,349)	(493,032)	(336,395)

The notes form part of these financial statements

Group and Charity Balance Sheet
At 31st March 2020

	Notes	GROUP 31.3.20 £	GROUP 31.3.19 £	CHARITY 31.3.20 £	CHARITY 31.3.19 £
FIXED ASSETS					
Tangible Assets	13	147,765	121,992	45,647	11,072
Investments	14	-	-	101	101
		147,765	121,992	45,748	11,173
CURRENT ASSETS					
Debtors	15	212,911	193,548	348,178	463,987
Cash at bank and in hand		1,649,954	1,584,207	1,274,962	1,096,136
		1,862,865	1,777,755	1,623,140	1,560,123
CREDITORS					
Amounts falling due within one year	16	(713,948)	(749,221)	(592,714)	(653,675)
PROVISION FOR LIABILITIES					
	18	(18,714)	(19,921)	-	-
NET CURRENT ASSETS					
		1,130,203	1,008,613	1,030,426	906,448
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY					
		1,277,968	1,130,605	1,076,174	917,621
DEFINED BENEFIT PENSION SCHEME LIABILITY	21	(1,771,000)	(1,467,000)	(1,771,000)	(1,467,000)
NET LIABILITIES					
		(493,032)	(336,395)	(694,826)	(549,379)
FUNDS					
Unrestricted funds					
- General Fund	20	1,287,317	1,115,118	892,070	803,794
- Designated fund: Kitchen	20	-	-	-	-
Pension reserve	20	(1,771,000)	(1,467,000)	(1,771,000)	(1,467,000)
		(483,683)	(351,882)	(878,930)	(663,206)
Restricted funds	20	(9,349)	15,487	184,104	113,827
TOTAL FUNDS					
		(493,032)	(336,395)	(694,826)	(549,379)

The notes form part of these financial statements

Group and Charity Balance Sheet
At 31st March 2020

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees and authorised for issue on 30/11/2020 and were signed on its behalf by:

H. J. Barber

H J Barber - Trustee

The notes form part of these financial statements

HALIFAX OPPORTUNITIES TRUST

Consolidated Cash Flow Statement for the Year Ended 31st March 2020

	Notes	31/3/20 £	31/3/19 £
Cash flows from operating activities			
Cash generated from operations	1	141,994	598,575
Tax paid		<u>54</u>	<u>(3,408)</u>
Net cash provided by operating activities		<u>142,048</u>	<u>595,167</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(78,459)	(23,838)
Interest received		<u>2,158</u>	<u>-</u>
Net cash (used in)/provided by investing activities		<u>(76,301)</u>	<u>(23,838)</u>
Change in cash and cash equivalents in the reporting period		65,747	571,327
Cash and cash equivalents at the beginning of the reporting period		<u>1,584,207</u>	<u>1,012,880</u>
Cash and cash equivalents at the end of the reporting period		<u>1,649,954</u>	<u>1,584,207</u>

The notes form part of these financial statements

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Cash Flow Statement for the Year Ended 31st March 2020

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31/3/20 £	31/3/19 £
Net income for the reporting period (as per the Statement of Financial Activities)	147,309	286,808
Adjustments for:		
Depreciation charges	52,686	27,811
Interest received	(2,158)	-
Decrease in debtors	(19,363)	307,082
Decrease in creditors	(36,480)	(23,126)
Net cash provided by operations	<u>141,994</u>	<u>598,575</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/19 £	Cash flow £	At 31/3/20 £
Net cash			
Cash at bank and in hand	<u>1,584,207</u>	<u>65,747</u>	<u>1,649,954</u>
	<u>1,584,207</u>	<u>65,747</u>	<u>1,649,954</u>
Total	<u>1,584,207</u>	<u>65,747</u>	<u>1,649,954</u>

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Preparation of the accounts on a going concern basis

Following the valuation of the pension schemes under FRS 102 the Charity has recognised pension scheme deficits of £1,771,000 on the Balance Sheet. This has resulted in a deficit on the Charity's total reserves of £694,826 (Group: £493,032 deficit) as at 31 March 2020.

Notwithstanding the deficit on reserves the Trustees have prepared the accounts on a going concern basis. This pension scheme deficit relates to employees, employed as a result of a service contract which currently ends on 31 March 2021.

The Trustees believe that the Charity will be able to continue operating as normal and meeting all its liabilities as they fall due. Therefore, the Trustees consider that the going concern basis is appropriate.

Group financial statements

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. The Charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act 2006 and adapted the Companies Act formats to reflect the special nature of the Charity's activities. No separate SOFA or Income and Expenditure Account have been presented for the Charity alone as permitted by section 230 of the Companies Act 2006 and paragraph 327 of the SORP.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable.

Grants where entitlement is not conditional on the delivery of specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Grants, including government grants, are credited to deferred income. Grants towards capital expenditure are released to the SoFA over the expected useful life of the assets. Grants towards revenue expenditure are released to the SoFA as the related expenditure is incurred.

Income from investments is included in the year in which it is receivable.

Income from activities for generating funds relates to property management income generated by the charity's trading subsidiaries.

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Redundancy costs

Redundancy costs are charged in the Statement of Financial Activities in the year in which the employees leave employment.

Grants

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts artistic programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment	- 15% on cost
Computer equipment	- 33% on cost

The charity capitalises all asset purchases over £2,000.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds have been designated for specific purposes by the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of any restricted fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity participates in a defined benefit pension schemes for its employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

Current service costs, past service costs and gains and losses on settlements and curtailments are charged to appropriate resources expended categories in the statement of financial activities. Past service costs are recognised over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are re-measured using current actuarial assumptions and the resultant gain or loss is recognised in the statement of financial activities during the period in which the settlement or curtailment occurs.

The interest cost and the expected return on assets are shown as a net amount as other finance cost or income. Net pension finance costs are allocated to appropriate resources expended categories in the SoFA. Actuarial gains and losses are recognised based on the latest actuarial valuation.

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in the case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme deficit is recognised in full on the balance sheet.

Defined contribution pension schemes

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	31/3/20	31/3/19
	£	£
Donations	807	20
Grants	<u>152,435</u>	<u>112,044</u>
	<u>153,242</u>	<u>112,064</u>

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

2. DONATIONS AND LEGACIES - continued

Grants received, included in the above, are as follows:

	31/3/20	31/3/19
	£	£
Calderdale MBC	60,000	-
ESOL : Syrian Families	14,507	16,717
National Milk Grant Scheme	2,280	3,084
Neighbourhood Learning for Deprived Communities	658	5,631
Staying Well Project	74,990	86,612
	<u>152,435</u>	<u>112,044</u>

3. INVESTMENT INCOME

	31/3/20	31/3/19
	£	£
Bank interest receivable	<u>2,158</u>	<u>-</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31/3/20	31/3/19
	£	£
<u>Charitable activities income</u>		
Provision of employment, education and training services	678,660	589,947
Provision of childcare and family support services	3,396,879	3,473,879
Promoting health and wellbeing	72,757	67,839
Management, administration and membership	33,145	-
<u>Management fees received from projects</u>		
Provision of employment, education and training services	11,173	37,418
Management, administration and membership	<u>2,161</u>	<u>18,649</u>
	<u>4,194,775</u>	<u>4,187,732</u>

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 8) £	Totals £
Provision of employment, education and training services	651,161	-	651,161
Provision of childcare and family support services	3,108,715	-	3,108,715
Promoting health and wellbeing	167,479	-	167,479
Management, administration and membership	186,208	238,569	424,777
Governance costs	-	30,713	30,713
	<u>4,113,563</u>	<u>269,282</u>	<u>4,382,845</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31/3/20 £	31/3/19 £
Staff costs	3,072,529	2,965,973
Rates and water	7,940	7,859
Insurance	15,357	36,147
Light and heat	30,937	20,099
Telephone	62,390	57,806
Postage and stationery	57,426	58,963
Advertising	10,774	12,091
Sundries	22,410	15,109
Rent and room hire	114,102	75,465
Repairs and maintenance	110,323	170,224
Course costs	55,010	81,397
Training and conferences	12,740	16,308
Staff and volunteer costs	103,782	20,023
Trips and outings	809	307
Counselling support	-	10,958
Daycare provision	-	419
Management fees paid - Project	33,434	37,780
Motor and travel expenses	37,214	49,959
Surestart costs	254,630	250,852
Irrecoverable VAT	13,550	6,810
Legal and professional fees	51,204	25,245
Apprenticeship levy	2,275	-
Bookkeeping and accountancy	11,474	10,030
Bank charges	2,941	2,329
Depreciation	30,312	13,012
	<u>4,113,563</u>	<u>3,945,165</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st March 2020

7. SUPPORT COSTS

	Management £	Finance £	Other £	Governance costs £	Totals £
Management, administration and membership	83,487	152,644	2,438	-	238,569
Governance costs	-	-	-	30,713	30,713
	<u>83,487</u>	<u>152,644</u>	<u>2,438</u>	<u>30,713</u>	<u>269,282</u>

Included within the other support costs, social security heading, is the HMRC national insurance rebate for each financial year.

Support costs, included in the above, are as follows:

Management

	31/3/20 Management, administration and membership £	31/3/19 Total activities £
Wages	73,541	77,828
Social security	7,738	7,594
Pensions	<u>2,208</u>	<u>1,527</u>
	<u>83,487</u>	<u>86,949</u>

Finance

	31/3/20 Management, administration and membership £	31/3/19 Total activities £
Wages	136,672	129,407
Social security	10,836	10,187
Pensions	<u>5,136</u>	<u>3,422</u>
	<u>152,644</u>	<u>143,016</u>

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

7. SUPPORT COSTS - continued

Other

	31/3/20 Management, administration and membership £	31/3/19 Total activities £
Wages	1,972	10,377
Social security	341	224
Pensions	125	55
	<u>2,438</u>	<u>10,656</u>

Governance costs

	31/3/20 Governance costs £	31/3/19 Total activities £
Auditors' remuneration	6,163	6,529
Legal fees	23,770	5,960
Trustee costs	780	70
	<u>30,713</u>	<u>12,559</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31/3/20 £	31/3/19 £
Auditors' remuneration	6,163	6,529
Auditors' remuneration – Elsie Whiteley Innovation Centre	1,900	1,909
Auditors' remuneration – Hanson Lane Enterprise Centre	1,900	1,909
Depreciation - owned assets	<u>52,686</u>	<u>27,811</u>

The auditor's remuneration for Elsie Whiteley Innovation Centre Ltd and Hanson Lane Enterprise Centre Ltd is included within other trading activities costs.

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

9. TAXATION

	31/3/20 £	31/3/19 £
Analysis of tax charge/(credit):		
The tax charge/(credit) on the profit on ordinary activities for the year was as follows:		
Current tax:		
UK Corporation tax	-	1,818
Deferred tax	(54)	1,590
	<u>(54)</u>	<u>3,408</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2020 nor for the year ended 31st March 2019.

Trustees' expenses

Trustees expenses of £210 (2019: £70) were paid to one trustee in the year, relating to the reimbursement of childcare costs for attendance at meetings.

11. STAFF COSTS

	31/3/20 £	31/3/19 £
Wages and salaries	2,962,162	2,840,050
Social security costs	196,736	194,790
Other pension costs	64,792	63,247
	<u>3,223,690</u>	<u>3,098,087</u>

The average monthly number of employees during the year was as follows:

	31/3/20	31/3/19
Charitable activities	178	183
Administrative	18	18
Governance	<u>1</u>	<u>1</u>
	<u>197</u>	<u>202</u>

No employees received emoluments in excess of £60,000.

The key management personnel of the charity have been identified as the Chief Executive, Group Finance & HR Lead, Programmes Lead, Children and Families Lead, Business Centres Lead and Marketing Lead and Quality and Systems Lead.

The aggregate employment benefits, including employer's national insurance and pension contributions, for these key management personnel for the year was £269,669 (2019 - £239,737). The salaries of the key management are set by the trustees, and then reviewed by the trustees.

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	19,822	92,242	112,064
Charitable activities			
Provision of employment, education and training services	627,365	-	627,365
Provision of childcare and family support services	2,882,421	591,458	3,473,879
Promoting health and wellbeing	67,839	-	67,839
Management, administration and membership	1,886	16,763	18,649
Other trading activities	639,851	-	639,851
Total	4,239,184	700,463	4,939,647
EXPENDITURE ON			
Charitable activities			
Provision of employment, education and training services	652,443	-	652,443
Provision of childcare and family support services	2,387,628	581,150	2,968,778
Promoting health and wellbeing	172,550	-	172,550
Management, administration and membership	283,080	108,935	392,015
Governance costs	12,559	-	12,559
Other trading activities	454,494	-	454,494
Total	3,962,754	690,085	4,652,839
NET INCOME	276,430	10,378	286,808
Taxation	(3,408)	-	(3,408)
Other recognised gains/(losses)			
Actuarial gains/(losses) on defined benefit schemes	(451,000)	-	(451,000)
Net movement in funds	(177,978)	10,378	(167,600)
RECONCILIATION OF FUNDS			
Total funds brought forward	(173,904)	5,109	(168,795)
TOTAL FUNDS CARRIED FORWARD	(351,882)	15,487	(336,395)

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

13. TANGIBLE FIXED ASSETS

CHARITY:

	Kitchen equipment £	Office equipment £	Fixtures and fittings £
COST			
At 1st April 2019	99,308	51,613	23,673
Additions	-	-	-
At 31st March 2020	<u>99,308</u>	<u>51,613</u>	<u>23,673</u>
DEPRECIATION			
At 1st April 2019	99,308	47,143	20,633
Charge for year	-	4,470	651
At 31st March 2020	<u>99,308</u>	<u>51,613</u>	<u>21,284</u>
NET BOOK VALUE			
At 31st March 2020	<u>-</u>	<u>-</u>	<u>2,389</u>
At 31st March 2019	<u>-</u>	<u>4,470</u>	<u>3,040</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1st April 2019	-	78,119	252,713
Additions	4,732	60,155	64,887
At 31st March 2020	<u>4,732</u>	<u>138,274</u>	<u>317,600</u>
DEPRECIATION			
At 1st April 2019	-	74,557	241,641
Charge for year	1,577	23,614	30,312
At 31st March 2020	<u>1,577</u>	<u>98,171</u>	<u>271,953</u>
NET BOOK VALUE			
At 31st March 2020	<u>3,155</u>	<u>40,103</u>	<u>45,647</u>
At 31st March 2019	<u>-</u>	<u>3,562</u>	<u>11,072</u>

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

13. TANGIBLE FIXED ASSETS - continued

GROUP:

	Kitchen equipment £	Office equipment £	Fixtures and fittings £
COST			
At 1st April 2019	99,308	185,093	218,167
Additions	-	69,002	4,725
At 31st March 2020	99,308	254,095	222,892
DEPRECIATION			
At 1st April 2019	99,308	175,415	105,853
Charge for year	-	31,453	19,655
At 31st March 2020	99,308	206,868	125,508
NET BOOK VALUE			
At 31st March 2020	-	47,227	97,384
At 31st March 2019	-	9,678	112,314

	Motor vehicles £	Long Leasehold £	Totals £
COST			
At 1st April 2019	-	91,996	594,564
Additions	4,732	-	78,459
At 31st March 2020	4,732	91,996	673,023
DEPRECIATION			
At 1st April 2019	-	91,996	472,572
Charge for year	1,578	-	52,686
At 31st March 2020	1,578	91,996	525,258
NET BOOK VALUE			
At 31st March 2020	3,154	-	147,765
At 31st March 2019	-	-	121,992

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

14. FIXED ASSET INVESTMENTS

	GROUP Shares in group undertakings £	CHARITY Shares in group undertakings £
MARKET VALUE		
At 1 April 2019 and 31 March 2020	-	101
NET BOOK VALUE		
At 31 March 2020	-	101
At 31 March 2019	-	101

There were no investment assets outside the UK. The company's investments at the balance sheet date in the share capital of companies include the following:

Hanson Lane Enterprise Centre Limited

Nature of business: Property management and associated services

<u>Class of share:</u>	<u>% holding</u>		
Ordinary	100		
		31.3.20 £	31.3.19 £
<u>Summary of trading results</u>			
Turnover		149,403	150,101
Total Expenditure		(137,093)	(141,747)
Taxation		54	(1,274)
		12,364	7,080
Distribution to parent charity		(7,080)	(6,581)
		5,284	499
<u>Summary of assets and liabilities</u>			
Assets		1	104,926
Liabilities		-	(96,908)
		1	8,018

At 31 March 2020 the assets and liabilities of Hanson Lane Enterprise Centre Limited were transferred to Elsie Whiteley Innovation Centre Limited.

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

14. FIXED ASSET INVESTMENTS - continued

Elsie Whiteley Innovation Centre Limited

Nature of business: Provision of high-quality modern workspace.

<u>Class of share:</u>	<u>% holding</u>		
Ordinary	100		
		31.3.20	31.3.19
		£	£
<u>Summary of trading results</u>			
Turnover		457,975	497,629
Total Expenditure		(406,817)	(399,644)
Other Income		26,328	702
Interest payable and similar charges		-	(1,440)
Taxation		<u>1,153</u>	<u>(2,134)</u>
		78,639	95,113
Distribution to parent charity		<u>(95,113)</u>	<u>(30,611)</u>
		<u>(16,474)</u>	<u>54,502</u>
<u>Summary of assets and liabilities</u>			
Assets		551,460	563,286
Liabilities		<u>(349,569)</u>	<u>(358,222)</u>
		<u>201,891</u>	<u>205,064</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP	GROUP	CHARITY	CHARITY
	31.3.20	31.3.19	31.3.20	31.3.19
	£	£	£	£
Trade debtors	66,509	126,927	22,082	78,244
Amounts owed by group undertakings	-	-	201,332	326,324
VAT	-	-	8,288	-
Other debtors	<u>146,402</u>	<u>66,621</u>	<u>116,476</u>	<u>59,419</u>
	<u>212,911</u>	<u>193,548</u>	<u>348,178</u>	<u>463,987</u>

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP 31.3.20 £	GROUP 31.3.19 £	CHARITY 31.3.20 £	CHARITY 31.3.19 £
Trade creditors	96,238	70,979	75,478	61,621
Amounts owing to group undertakings	-	-	-	-
Social security and other taxes	45,844	50,162	45,44	50,162
Wages control account	15,679	(1,957)	15,679	(1,957)
VAT	7,048	19,930	-	14,830
Corporation tax	-	1,818	-	-
Pension schemes	4,881	8,933	4,881	8,933
Accruals and deferred income	544,258	591,809	450,832	520,086
Other creditors	-	7,547	-	-
	<u>713,948</u>	<u>749,221</u>	<u>592,714</u>	<u>653,675</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31/3/20 £	31/3/19 £
Within one year	7	7,362
Between one and five years	28	28
In more than five years	<u>12</u>	<u>19</u>
	<u>47</u>	<u>7,409</u>

18. PROVISIONS FOR LIABILITIES

	GROUP 31.3.20 £	GROUP 31.3.19 £	CHARITY 31.3.20 £	CHARITY 31.3.19 £
Deferred tax	<u>18,714</u>	<u>19,921</u>	<u>-</u>	<u>-</u>

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

19. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	31/3/20 Total funds £	31/3/19 Total funds £
Fixed assets	147,765	-	147,765	121,992
Current assets	1,862,865	-	1,862,865	1,777,755
Current liabilities	(723,313)	(9,349)	(732,662)	(769,142)
Pension liability	<u>(1,771,000)</u>	<u>-</u>	<u>(1,771,000)</u>	<u>(1,467,000)</u>
	<u>(483,683)</u>	<u>(9,349)</u>	<u>(493,032)</u>	<u>(336,395)</u>

20. MOVEMENT IN GROUP FUNDS

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
Unrestricted funds			
General fund	1,115,118	172,199	1,287,317
Pension reserve	<u>(1,467,000)</u>	<u>(304,000)</u>	<u>(1,771,000)</u>
	(351,882)	(131,801)	(483,683)
Restricted funds			
ESOL Project costs	-	4,294	4,294
ESOL : Syrian Families	1,011	(1,011)	-
Little Gems Nursery	10,307	(10,307)	-
Neighbourhood Learning for Deprived Communities	324	-	324
Staying Well Project	3,844	(17,456)	(13,612)
Together Calderdale Project	-	2,354	2,354
Sessional staff	-	(89)	(89)
Groundwork	-	(3,077)	(3,077)
Employment Services - Holiday Kitchen	<u>-</u>	<u>456</u>	<u>456</u>
	<u>15,487</u>	<u>(24,836)</u>	<u>(9,349)</u>
TOTAL FUNDS	<u>(336,395)</u>	<u>(156,637)</u>	<u>(493,032)</u>

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

20. MOVEMENT IN GROUP FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	3,829,319	(3,657,120)	-	172,199
Pension reserve	-	-	(304,000)	(304,000)
	<u>3,829,319</u>	<u>(3,657,120)</u>	<u>(304,000)</u>	<u>(131,801)</u>
Restricted funds				
Daycare Centres - Jubilee Nursery	210,607	(210,607)	-	-
Daycare Centres - Siddal Nursery	96,061	(96,061)	-	-
Daycare Centres - Sowerby New Road Nursery	67,394	(67,394)	-	-
Daycare Centres - Todmorden Nursery	100,528	(100,528)	-	-
ESOL Project costs	20,000	(15,706)	-	4,294
ESOL : Syrian Families	14,507	(15,518)	-	(1,011)
Little Gems Nursery	83,423	(93,730)	-	(10,307)
Neighbourhood Learning for Deprived Communities	658	(658)	-	-
Park Ward Neighbourhood Development Plan	6,533	(6,533)	-	-
Staying Well Project	74,991	(92,447)	-	(17,456)
Community Organisers	503	(503)	-	-
Building Better Opportunities - Hopeful Families	161,195	(161,195)	-	-
Together Calderdale Project	25,036	(22,682)	-	2,354
Connecting Opportunities	174,262	(174,262)	-	-
Sessional staff	-	(89)	-	(89)
Calderdale Food Network	14,135	(14,135)	-	-
Isolation fund	350	(350)	-	-
Harnessing Power of Communities	81	(81)	-	-
Place Based Social Action	57,819	(57,819)	-	-
Social Action Hub	373	(373)	-	-
Active Calderdale	16,401	(16,401)	-	-
Groundwork	16,000	(19,077)	-	(3,077)
Employment Services - Holiday Kitchen	807	(351)	-	456
Calfund	12,621	(12,621)	-	-
	<u>1,154,284</u>	<u>(1,179,120)</u>	<u>-</u>	<u>(24,836)</u>
TOTAL FUNDS	<u>4,983,603</u>	<u>(4,836,240)</u>	<u>(304,000)</u>	<u>(156,637)</u>

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

20. MOVEMENT IN GROUP FUNDS - continued

Comparatives for movement in funds

	At 1/4/18 £	Net movement in funds £	At 31/3/19 £
Unrestricted funds			
General fund	842,096	273,022	1,115,118
Pension reserve	<u>(1,016,000)</u>	<u>(451,000)</u>	<u>(1,467,000)</u>
	(173,904)	(177,978)	(351,882)
Restricted funds			
ESOL : Syrian Families	1,011	-	1,011
Little Gems Nursery	-	10,307	10,307
Neighbourhood Learning for Deprived Communities	74	250	324
Staying Well Project	<u>4,024</u>	<u>(180)</u>	<u>3,844</u>
	<u>5,109</u>	<u>10,378</u>	<u>15,487</u>
TOTAL FUNDS	<u>(168,795)</u>	<u>(167,600)</u>	<u>(336,395)</u>

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

20. MOVEMENT IN GROUP FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/18 £	Net movement in funds £	At 31/3/20 £
Unrestricted funds			
General fund	842,096	445,221	1,287,317
Pension reserve	(1,016,000)	(755,000)	(1,771,000)
	(173,904)	(309,779)	(483,683)
Restricted funds			
ESOL Project costs	-	4,294	4,294
ESOL : Syrian Families	1,011	(1,011)	-
Neighbourhood Learning for Deprived Communities	74	250	324
Staying Well Project	4,024	(17,636)	(13,612)
Together Calderdale Project	-	2,354	2,354
Sessional staff	-	(89)	(89)
Groundwork	-	(3,077)	(3,077)
Employment Services - Holiday Kitchen	-	456	456
	5,109	(14,459)	(9,349)
TOTAL FUNDS	<u>(168,795)</u>	<u>(324,238)</u>	<u>(493,032)</u>

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

20. MOVEMENT IN GROUP FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	8,068,503	(7,623,282)	-	445,221
Pension reserve	-	-	(755,000)	(775,000)
	8,068,503	(7,623,282)	(755,000)	(309,779)
Restricted funds				
Daycare Centres - Jubilee Nursery	398,499	(398,499)	-	-
Daycare Centres - Siddal Nursery	201,784	(201,784)	-	-
Daycare Centres - Sowerby New Road Nursery	150,418	(150,418)	-	-
Daycare Centres - Todmorden Nursery	183,544	(183,544)	-	-
ESOL Project costs	20,000	(15,706)	-	4,294
ESOL : Syrian Families	31,224	(32,235)	-	(1,011)
Little Gems Nursery	215,226	(215,226)	-	-
Neighbourhood Learning for Deprived Communities	6,289	(6,039)	-	250
Park Ward Neighbourhood Development Plan	6,533	(6,533)	-	-
Staying Well Project	161,648	(179,284)	-	(17,636)
Community Organisers	503	(503)	-	-
Building Better Opportunities - Hopeful Families	161,195	(161,195)	-	-
Together Calderdale Project	25,036	(22,682)	-	2,354
Connecting Opportunities	174,262	(174,262)	-	-
Sessional staff	-	(89)	-	(89)
Calderdale Food Network	14,135	(14,135)	-	-
Isolation fund	350	(350)	-	-
Harnessing Power of Communities	81	(81)	-	-
Place Based Social Action	57,819	(57,819)	-	-
Social Action Hub	373	(373)	-	-
Active Calderdale	16,401	(16,401)	-	-
Groundwork	16,000	(19,077)	-	(3,077)
Employment Services - Holiday Kitchen	807	(351)	-	456
Calfund	12,621	(12,621)	-	-
	1,854,747	(1,869,207)	-	(14,459)
TOTAL FUNDS	<u>9,923,250</u>	<u>(9,492,487)</u>	<u>(755,000)</u>	<u>(324,238)</u>

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

21. EMPLOYEE BENEFIT OBLIGATIONS

The charity is a member of a defined benefit scheme with The West Yorkshire Pension Fund.

The West Yorkshire Pension Fund Scheme is funded and contracted out of the state scheme. The last tri-annual valuation of the scheme took place at 31 March 2019 and was undertaken by professionally qualified actuaries, AON Hewitt, using the projected unit method. The Charity has paid for a valuation of its scheme as at 31 March 2020 and the figures below are based on that valuation.

The charity became a participating employer in the scheme on 1 July 2014 and acquired net liabilities of £528,000 on that date. The notional value of the liabilities of the charity's share of the scheme at 31 March 2020 was £4,871,000 the present value of the assets was £3,100,0000 leaving a net pension liability of £1,771,000 at 31 March 2020.

Contributions

The employer contributions made to the scheme during the year were £33,000 (2019: £8,000). £Nil was unpaid at the year end. The employer's regular contributions to the Fund for the accounting period ending 31 March 2021 are estimated to be approximately £19,000.

Key assumptions

The latest actuarial valuation of the Charity's liabilities took place as at 31 March 2019. Liabilities have been estimated by the independent qualified actuary on an actuarial basis using the projected unit credit method.

The principal assumptions used by the actuary in updating the latest valuation of the Fund for FRS 102 purposes were:

	31 March 2020	31 March 2019
	(%)	(%)
Discount rate	2.30	2.50
Inflation - RPI	-	3.20
Inflation - CPI	1.90	2.10
Pension increases	1.90	2.10
Pension accounts revaluation rate	1.90	2.10
Rate of general increase in salaries **	3.15	3.35

Expected return on assets

The approximate split of assets for the Fund as a whole (based on data supplied by the Fund Administering Authority) is shown in the table below. Also shown are the assumed rates of return adopted by the Employer for the purposes of FRS 102.

The charity employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this note. The overall rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 31 March 2019.

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st March 2020

21. EMPLOYEE BENEFIT OBLIGATIONS - continued

	<u>Asset split at</u> <u>31 March 2020</u>	<u>Asset split at</u> <u>31 March 2019</u>
	(%)	(%)
Equities	77.5	74.0
Property	4.5	4.7
Government bonds	9.6	11.2
Corporate bonds	5.1	4.0
Cash	1.9	2.3
Other	1.4	3.8
Average Return / Total	100.00	100.0

Reconciliation of funded status to Balance Sheet

	<u>Value as at</u> <u>31 March 2020</u>	<u>Value as at</u> <u>1 March 2019</u>
	£000's	£000's
Fair value of assets	3,100	3,534
Present value of funded liabilities	(4,871)	(5,001)
Pension asset / (liability) before consideration of paragraph 41	(1,771)	(1,467)
Unrecognised asset due to limit in paragraph 41	-	-
Net pension asset/(liability)	(1,771)	(1,467)

Analysis of profit and loss charge

	<u>Period ending</u> <u>31 March 2020</u>
	£000's
Operating cost:	
Current service cost	193
Past service cost	78
Interest cost	-
Curtailment cost	-
Settlement cost	-
Financing cost: Interest on net defined benefit liability / (asset)	37
Expense recognised	308

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

21. EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes to the present value of the defined benefit obligation

	<u>Period ending</u> <u>31 March 2020</u> <u>£000's</u>
Opening defined benefit obligation	5,001
Current service cost	193
Interest cost	125
Contributions by participants	33
Actuarial (gains) / losses on liabilities	(522)
Net benefits paid out	(37)
Past service cost	78
Net increase in liabilities from disposals / acquisitions	-
Curtailements	-
Settlements	-
Closing present value of liabilities	4,871

Changes to the fair value of assets

	<u>Period ending</u> <u>31 March 2020</u> <u>£000's</u>
Opening fair value of assets	3,534
Expected return on assets	88
Remeasurement gains / (losses) on assets	(518)
Contributions by the employer	-
Contributions by participants	33
Net benefits paid out	(37)
Net increase in assets from disposals and acquisitions	-
Settlements	-
Closing fair value of assets	3,100

21. CONTINGENT LIABILITIES

As a member of a VAT group with its subsidiaries, the charity is jointly and severally liable for the VAT debts of any of the VAT group members.

HALIFAX OPPORTUNITIES TRUST

Notes to the Consolidated Financial Statements - continued for the Year Ended 31st March 2020

23. RELATED PARTY DISCLOSURES

Transactions with group

The charitable company has taken advantage of exemption, under the terms of FRS 102, not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions with Trustees

Khalid Saeed, a trustee, has provided IT support to the charity during the year through his company GNS (Halifax) Limited.

	31/3/20	31/3/19
	£	£
Purchases	40,926	20,347
Creditor	2,363	111

24. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

25. ULTIMATE CONTROLLING PARTY

The charity is under the control of the board of trustees.