

**Report of the Trustees and  
Consolidated Financial Statements  
for the Year Ended 31st March 2021  
for  
HALIFAX OPPORTUNITIES TRUST**

Riley & Co Limited  
Statutory Auditor Chartered Accountant  
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COMPANIES HOUSE



**hanson lane  
enterprise  
centre**



**HALIFAX OPPORTUNITIES TRUST**  
**Contents of the Consolidated Financial Statements**  
**for the Year Ended 31st March 2021**

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	<b>Page</b>
<b>Report of the Trustees</b>	1 to 23
<b>Report of the Independent Auditors</b>	24 to 27
<b>Statement of Consolidated Financial Activities</b>	28
<b>Group and Charity Balance Sheet</b>	29 to 30
<b>Consolidated Cash Flow Statement</b>	31
<b>Notes to the Consolidated Cash Flow Statement</b>	32
<b>Notes to the Consolidated Financial Statements</b>	33 to 54

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 2021. 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.

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 (2020-21) 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.

## 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

Halifax Opportunities Trust is a well-established and highly regarded learning provider in West Yorkshire, registered with the Education & Skills Funding Agency (ESFA) to deliver work-based apprenticeships. We are currently working with a range of employers including primary and secondary schools and childcare providers across West Yorkshire offering qualifications in learning support, early years and business administration. This training is mostly delivered from Hanson Lane Enterprise Centre, learners' workplaces and other community venues. Our apprenticeship provision is now directly registered with OFSTED and we are also accredited with the Matrix standard.

#### (4) Support children and families

HOT 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 Enterprise Centre. Three of the four 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.

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## OBJECTIVES AND ACTIVITIES - continued

### Significant activities

#### (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 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. The Active Calderdale project 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.

## ACHIEVEMENT AND PERFORMANCE

### Review of Activities for the Year

Despite the extraordinary challenges of 2020/21, the Trust has met all of its contractual objectives as specified by the various funding bodies in the year. For the second year running, this report has been compiled during the Coronavirus pandemic, which has seen changes to the way that the Trust operates, although there has been no diminishment of its activities or the numbers of people reached. In this report, the HOT trustees wish to acknowledge and celebrate 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 (e.g., meeting room hire at Elsie Whiteley Centre) or reduced significantly (nursery places, apprenticeships) but all teams continued to deliver services. 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 an emergency food parcel delivery service 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.

## ACHIEVEMENT AND PERFORMANCE – continued

### Review of Activities for the Year

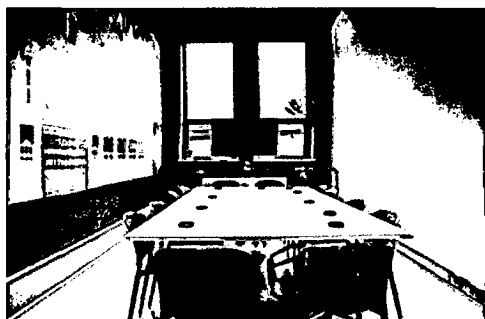
Specific activities from April 2020 to March 2021 for each objective are described below:

#### (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, 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.

Office occupancy during 2020/21 fluctuated from 68% at the start of the pandemic to 74% in March 2021 (and rising again to 80% in June 2021). Some businesses left through financial hardship caused by Covid. This was despite the centre offering free car parking for several months and interest-free debt for up to four months. Loss of these tenants has been offset by new-start companies, set up during furlough and whose owners did not want to work from home. The other positive aspect has been larger companies downsizing from Leeds & Manchester to smaller satellite offices in centres such as ours. Conferencing was very badly hit by lockdown, with virtually no bookings during the financial year and therefore a total loss of income from that source. Despite the very challenging circumstances the centre still managed to make a financial surplus, which was gift-aided to Halifax Opportunities Trust to support the charitable work of the Trust and to offset trading losses elsewhere. In 2020/21 Halifax Opportunities Trust provided grants to 8 new-start companies who employ 17 people in Halifax at a total subsidy cost of £8,159.25. We also helped 12 of our smaller tenants through the small business grant application process for the governments Covid grants which enabled them to continue trading during the pandemic.

During lockdown, thanks to external grant funding from Power to Change and the board's decision to invest in anticipation of recovery, the conference facilities have been given a fantastic new look. As no meetings were able to take place, we were able to carry this out with no additional impact on EWIC's income. The meeting rooms have been given a fresh, bright new look which we know our customers are seeking during the Covid pandemic. We listened to the feedback from our regular conference guests and included bean-to-cup coffee machines, improved wireless access, HD virtual conferencing camera and sound equipment and we moved from projectors to 75" 4K TVs. Some photos of the renovations are included below:



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## ACHIEVEMENT AND PERFORMANCE – continued

### Review of Activities for the Year

We have also given the EWIC garden area a small but impressive makeover, which again adds value to our conference guests, visitors, café users and tenants.



Our second business centre, Hanson Lane Enterprise Centre (HLEC), is located at the 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. In addition to being a base for commercial businesses and social enterprises, much of the charity's own activities take place from HLEC and Little Gems nursery, run by HOT, is also 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 6 companies benefitted from reduced rent (with grants totalling £8,610.25)

At the start of April 2020, the occupancy at Hanson Lane was 69%, due to the nature of small businesses at Hanson Lane, some had to rapidly expand and due to our simple terms, we were able to move this forward quickly for them. Overgate hospice contacted us and we were happy to offer them rent free spaces for donation storage at the time they were overwhelmed & used four units for six months. More enquiries came through due to people starting up companies in difficult times and by the end of the period under review in this report, the centre was fully occupied at full rental price for the first time in a decade. Negotiations continued with Calderdale council regarding 125-year leases for both HLEC and EWIC and we now have the Hanson Lane lease signed & will soon have the EWIC lease.

In summary, despite a particularly difficult time for commercial enterprises and despite significant loss of conferencing income, HOT's two business centres have overcome the challenges presented by Covid and have emerged stronger into the post-Covid world.

### (2) Help local people into employment

Providing good quality jobs for people in our communities is a key part of the Trust's commitment to our local community. Our Employment team is based at Hanson Lane Enterprise Centre in the heart of Park Ward, delivering our services through a Key Worker model that promotes health and wellbeing through good quality employment support. Our activities include bespoke individualised support on a one-to-one basis, job clubs, training courses, wellbeing interventions and connections with employers across Calderdale. We pride ourselves on our friendly approach, building mutual trust and respect between our participants and Advisors.

During 2020/2021 the employment team have worked throughout the pandemic to support people with their barriers and into employment. Our contracts now include Hopeful Families which is funded by Lottery / ESF, Inclusive Economy (localised to Park & Warley) and inspire which is funded by ESF and channelled through Calderdale Council.



## ACHIEVEMENT AND PERFORMANCE – continued

### Review of Activities for the Year

The global pandemic has raised many challenges which has prevented our usual delivery model, including the lack of ability to provide face to face services for a time, working from home and transitioning some services to online provision. For around 5 months of the year, we had to re-prioritise our team to respond to the pandemic by providing essentials for people in need. When focus returned to employment, it was recognised that there was an emerging group of people who have unfortunately lost their jobs due to Covid and also that our participant groups need face to face support due to the nature of the barriers. We set up a specific response to support local people to make new claims to Universal Credit and get back into work before becoming at risk of long-term unemployment. We continued to provide crisis response alongside caseload management of job seekers and employer engagement.

Despite the challenges faced by the pandemic, the team have still managed to meet and in some cases exceed contractual targets for each contract. We are a key delivery partner (Gateway) for the government's Kickstart scheme supporting young people aged 16-24 into placements and have utilised our employer relationships to facilitate this. For this period, we have engaged 130 people onto our projects, supported 34 people into quality jobs and 23 people into educational pathways.

Our approach is holistic. This means we provide specialist interventions for people to overcome their barriers to employment & training to enable & empower them to move forward. Often, we work closely with other HOT services to facilitate this approach. The ability to offer a wraparound specialist service under one roof is a unique selling point for the project teams. Working in partnership with other like-minded organisations is also crucial to our delivery model. Over this period, we have provided around 200 interventions for the people we are working with in specialisms such as mental health, addiction, housing and domestic violence. A good example of our holistic approach is outlined below:

*We received a referral from a local Social Prescriber based within the GP surgery for a lady who was looking for a part time job and training. After the initial meeting, the participant made a disclosure about her home circumstances in that she was a victim of domestic violence and with a young child in the house this was an immediate safeguarding risk. She was supported, along with her young daughter, to secure a place in a women's refuge so that any immediate risk could be alleviated. Once there, assessments and action planning were undertaken to provide support for her journey forward. This involved supporting the participant with getting settled status, making a claim to benefit to establish an income, securing a social housing property for her and her daughter, securing a school place for her daughter and accessing financial support for essential household goods. In addition to the practical support given, she was also offered emotional support for her mental health and wellbeing. Once settled, the participant was matched with a local employer and interviewed for a role that fits around her new circumstances. This participant starts her new job in September.*

*The interventions pulled together by the HOT Employment Advisor for this participant are from a variety of our preferred specialist partners, including: Noah's Ark, St Augustine's Centre, Calderdale Council, Together Housing, and the Women's Centre.*

### (3) Support and deliver work-based learning and personal development

Achieving personal career goals often relies on good quality training either on the job or through attending a training setting. Halifax Opportunities Trust directly delivers a range of certificated and non-certificated training programmes including employment-related short courses, professional development support, apprenticeships and programmes for those working in early years or education.

Our Work-based delivery arm which specialises in delivering apprenticeships opportunities in Early Years and Teaching Assistants has been through a challenging year as a result of the Covid-19 pandemic. We have experienced a substantial drop in new apprenticeship starts. Our delivery model has always focused on providing face-to-face delivery in workplace settings, this has been seen as a key strength and over the years has been valued by both apprentices and employers we work with. Our OFSTED monitoring visit of 2018 rated HOT with the highest grade. Unfortunately, the Covid-19 pandemic proved to be a huge challenge to this way of working with more focus on online teaching and learning. In addition, key staff left during 2020, so we have a totally new team in place. We went through an OFSTED monitoring visit in February 2021 and were graded as having made insufficient progress, this is a direct result of the challenges highlighted above.

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## ACHIEVEMENT AND PERFORMANCE – CONTINUED

### Review of Activities for the Year

#### (4) Support children and families

HOT 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 normally busy and informative venues and are well used by parents in the community, however Covid 19 significantly affected the way services are delivered and how parents access them. During the pandemic services for families were offered virtually during the first lockdown, gradually moving to face to face in a Covid 19 secure environment as restrictions lifted. Throughout the pandemic our four nurseries remained open as per government guidelines initially to all those children of key-workers and children deemed most vulnerable.

The Trust continues to work closely with CMBC through extended contracts and is also working with other partners in formulating a Starting Well Board - with a view to working towards an Alliance Contract in the future.

The Covid-19 Pandemic severely impacted on the lives of all residents and families registered with the Children's Centres and Nurseries. As with all other services, we ceased running groups and activities in mid-March 2020. Realising that our families would be at home and needing support with the unprecedented situation and an unknown impact timeframe, we immediately mobilised and embarked on telephone support.

- 5,352 contacts were made with families through welfare telephone calls. These calls were to identify families who were struggling with being in lockdown and offer a listening ear, support and advice.

As a result of these telephone calls, needs were identified for families, with emergency food parcels and children's activity packs, with ideas to occupy and continue children's learning and development during the lockdown. We found many families welcomed this weekly friendly call, especially where there were mental health issues relating to the lockdown and they required someone to talk to for reassurance. As needs were identified families were referred for support, with an increase of 64% of families accessing our Family Support services.

Although the Children's Centres remained open for antenatal/postnatal care, our teams developed new ways of virtual service delivery, such as:

- Groups and activities to continue children's learning & development, including parent & toddler groups, supported by information videos on YouTube and social media platforms
- Groups and activities to support health & wellbeing, including breastfeeding, mental health groups and cooking activities with ingredients delivered.
- Telephone Speech and Language assessments and support for children with disabilities.
- All Family Support, Perinatal and Outreach caseloads were contacted weekly (or more often if deemed necessary) by their designated worker
- Weekly telephone support for nursery children's families, who were not in the settings, along with home learning packs delivered.

Throughout the pandemic our nurseries remained open as per government guidelines initially to all those children of key-workers and children deemed most vulnerable. 87 children attended our nurseries during the lockdowns and then increased to all children after the first lockdown with 265 children attending the nurseries during 2020-21.

## ACHIEVEMENT AND PERFORMANCE – CONTINUED

## Review of Activities for the Year

## (5) Support and promote health and wellbeing

Being well and active and feeling happy and safe have become even more important during the last year as result of the pandemic. Covid 19 has highlighted and exacerbated the many inequalities we have in Calderdale. The Trust continues to run a range of projects that sit within our 'Wellbeing' area of delivery. Our **Staying Well** programme has played a vital and crucial role in supporting the most vulnerable people during the last year through very trying times. The Staying Well service was at the forefront of establishing and running a food parcel delivery service for those people isolating, unable to go out or struggling financially to purchase food. Staying Well as part of a multi-project approach delivered more than 1400 food parcels to the neediest. Staying Well and the project teams also made well over 3000 befriending and welfare calls to isolated and lonely people. Our Active Calderdale project to get inactive people moving also had to adapt to the new environment and the focus shifting to encouraging people to remain active and moving within their own home. Information guides round home-based activities were produced and these were sent out with food parcels. Online movement/exercise sessions were embedded into our ESOL provision to encourage people to become more active whilst staying at home due to the lockdown. Our Community Organisers equally took part in multi-project team effort to support the most vulnerable during the crisis. Our Community Organisers took part on in delivering food parcels, doing door step welfare visits and making befriending calls. This allowed them to utilise their listening skills and gain valuable insight into how people were feeling. Projects also played an important role in supporting public health messaging around Covid specifically targeting the Central Halifax area. A number of video clips were produced encouraging people to adhere to Covid safety regulations and encouraging the take up of Vaccines. HOT was recognised by Calderdale as key community anchor organisation they could work with to engage and support the local community during the Covid emergency.

**Staying Well Case Study**

*P was a self-referral to the Staying Well project back in January 2021. P lives on her own and had to self-isolate throughout the pandemic due to her health conditions which left her feeling lonely and isolated and this also had a negative impact on her mood. On the initial telephone call, we discussed with P what Staying Well could do to support her. P agreed that she would benefit from calls from ourselves every fortnight. Over this time P disclosed that she was struggling financially and in need of basic food essentials. We explained that we are currently running a food parcel service to help meet the needs of individuals in her situation and would be able to arrange for a food parcel to be delivered to her. P was extremely grateful and appreciated the gesture and felt quite emotional about her experience. We assured her that this would only be temporary as many people were in a similar position and there are services available for additional support.*

*During our telephone befriending calls over the following weeks P had many highs and lows, in particular when it was coming close to her birthday which left her deflated. P had mentioned that spending this time on her own would be very difficult and was feeling very emotional about it. We asked P if we could call her up on her birthday and she loved the idea as it felt like people actually care. After receiving a call from us on her birthday P mentioned she was starting to feel more optimistic about things and starting to grow in confidence. She felt speaking to our team regularly made her feel better and she needed to stay positive overall.*

*P had mentioned in the past she had experience of working in a school and would be something she would like to pursue if anything appealed to her in relation to employment as this would help her be more active. We advised her in May there was a vacancy as an early year's practitioner in her local area and something she should apply for if she is in a better place now. P decided to apply and within a week was invited for an interview. We arranged for P to have mock interviews with our team in preparation for the day. Despite being very nervous at the start P became very confident in answering general interview questions which was a positive sign and we wished her the best of luck.*

*The following week we received a call from P to notify us she had been offered the position and would start the job next month. She was grateful for the support she received from Staying Well and felt that it had given her the confidence to believe in herself again. We have continued to support P with telephone befriending and weekly food parcels until she receives her first pay. We have also offered P ongoing support during the early days of her employment as she feels this would be helpful.*

## ACHIEVEMENT AND PERFORMANCE – CONTINUED

### Review of Activities for the Year

2020-21 brought both opportunities and challenges for **The Outback Community Kitchen and Garden** project. The national and local Covid restrictions that were in place for much of the year meant that community events and external hire of the kitchen facilities were limited, as was public access to the garden. The garden was looked after by staff and a small team of volunteers, who continued to maintain and improve the site and grow produce. The outdoor space proved a valuable resource for staff teams who were able to offer safe face-to-face meetings with clients and participants. Between July and October, the Calderdale Council Portage team hired the garden for weekly visits with the families they work with. In September HOT was successful in a Power To Change funding application (Covid-19 Community Led Organisations Recovery Scheme - Sehat project). The majority of the funding was allocated to The Outback and was used to commission a feasibility study and 3 year Outback business plan, create more usable covered areas within the garden and to purchase new garden/cooking equipment to enable us to run more and better equipped community activities as restrictions ease. It also funded a weekly healthy meal bag scheme for local families whose children who attend The Halifax Academy School between December and April. Although the meal bag scheme was set up as a short-term response to the pandemic, a partnership with the Halifax Academy school developed and the school continue to purchase fresh Outback produce for use in community cooking sessions and hire the facilities for cooking/gardening workshops.

In September, the Hopeful Families team and our Senior Community Organiser/Food Inspirer set up a weekly free community hot meals service from the Outback kitchen, using the Tesco Fair Share scheme and fresh Outback produce providing a free hot meal to people from the local community to complement the other emergency food activity available in Park Ward. The service proved successful and continued for the remainder of the year, serving on average between 30-40 meals each week. Strong links have been developed between the Outback and the Hopeful families staff team, with several joint projects being established including the addition of a beehive to the garden and a weekly men's gardening group.

Volunteering in the Outback remains strong, and the pandemic has generated more interest in gardening but also more people recognising the positive effect on wellbeing of being outdoors and in nature. Throughout the year we have seen an increase in enquiries about volunteering opportunities from both individuals and other organisations working with people to support good mental health. In December we were able to host a Volunteer Celebration which included a wreath making workshop, a bonfire and hot food to acknowledge the hard work and support from our volunteering team throughout a challenging year.

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

The Trust is based in the heart of the most culturally diverse ward within Calderdale: Park ward. Park has a long and rich history of being the 'go-to' place for migrant communities when they first arrive in Calderdale. The Trust provides inclusive integration programmes to support new arrivals to settle and make valuable contributions in Calderdale as active citizens. Our programmes are well established and have been running since 2002. These have become even more important during the Covid pandemic as the people we work with are amongst the more vulnerable in society, due to health and socio-economic reasons.

During the year, we have engaged and supported over 170 people through the following programmes:

- VPRS (Vulnerable Person's Resettlement Scheme) commissioned by Calderdale Council to deliver English language, Citizenship, IT skills, Employment support & orientation programmes to individuals that have been granted leave to remain from Syria, Sudan & Afghanistan.
- Together Calderdale funded by the Ministry of Housing, Communities & Local Government to deliver English Language & Integration programmes for improving community cohesion & engaging 'hard-to-reach' groups.

## ACHIEVEMENT AND PERFORMANCE – CONTINUED

### Review of Activities for the Year

- Connecting Opportunities programme funded by the National Lottery Community Fund & European Social Fund. Working with new migrants & refugees to develop their skills and opportunities to find work and be part of the local community, in West Yorkshire and parts of North Yorkshire. HOTs Connecting Opportunities programme has successfully supported clients in developing the skills needed to gain employment in the UK, improving English language skills, feeling part of the community & increasing confidence and well-being.
- Covid -19 Awareness programme funded by the National Lottery Community Fund. Initially intended to deliver in Calderdale however due to the outstanding success of engaging 'hard-to-reach' groups & tackling digital exclusion, HOT extended the contract to Kirklees. The programme was delivered in response to HOT identifying the exacerbation of difficulties already encountered by our local communities in having access to key health messages regarding Covid - 19 measures. All clients were offered IT resources & trained to access online information & play their part in helping reduce the infection rates. This led to HOT supporting the community to access the vaccine roll out programme & it is pleasing that we were successful in both changing misconceptions held of the vaccine & individuals coming forward to receive their vaccination.
- Census 2021 - HOT was successful in our application to become an approved contact centre. Funded by 'Good Things Foundation' to provide support to ensure those without skills or access can participate in the first digital census. Highly successful programme that also widened employment opportunities for local people to help local people.

As in line with previous years, we remain committed to aligning tailored service delivery to meet constantly changing needs of the local community. As well as practical service delivery, it is of paramount importance for us to continuously prioritise strategic forward planning to ensure identification of suitable funding streams are sought to both widen accessibility to learning & remove the obstacles that hinder engagement. This inevitable nurtures & strengthens our partnership working with all stakeholders in both Calderdale & Kirklees boroughs.

Our commitment to improving the 'life chances' & helping strengthen social integration and successfully moving individuals into economic participation will always remain of key importance in all areas of our delivery. The superb achievements of all our service users gives us great pride & satisfaction in the work we do. 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.

## ACHIEVEMENT AND PERFORMANCE – CONTINUED

### Review of Activities for the Year

*Amira came to the UK in 2019 from Morocco as a spouse, marrying a British Citizen and settling in Lancashire. She had a very successful career in Morocco as Business Lawyer with a very good income and quality of life with her family and friends.*

*After moving to the UK, she underwent some very difficult and challenging personal circumstances and had to leave the family home to protect her own safety. It was a last resort and Amira was then offered a place at a women's refuge. It was during her time at the refuge that she came into contact with the Connecting Opportunities programme at HOT.*

*Initial contact with Amira was made by Surraya Bibi and Shanaz Patel from our Inclusive Integration team to tell Amira about the support on offer through Connecting Opportunities. She was very excited and ready to undertake any support both emotional and educational. Though her journey has been full of turmoil, she is always so positive and wanting to make a future here in the UK. Every time the team speak with her, she is thankful and grateful for having the chance to join our programme.*

*Since joining Connecting Opportunities through HOT Amira has successfully undertaken and passed her Level 3 Teaching Award Qualification, now has a professionally produced up-to-date CV and has had a careers guidance interview with an employment practitioner.*

*Through Connecting Opportunities, we were able to pay for Amira's overseas qualifications to be converted via NARIC, giving her Level 6 qualifications. The impact of this for Amira is she feels that this has greatly improved to her self-esteem and self-worth. Furthermore, courses and training have been explored with her and she has just recently started a Community Interpreting Course at Level 2 whereby she can use her fluent language skills in French and Arabic in order to find employment as an Interpreter.*

*Amira's goal is to qualify as a teacher either teaching languages within secondary schools or working with children who have special educational needs. We are currently exploring Higher Education and UCAS for her in order that she can attend University courses in teaching. The only barrier to her for progression onto a teaching degree is having the GCSE English language qualification and in order to overcome this our Inclusive Integration team are now looking at Equivalency Testing as well as exploring Educational Needs courses to add to her experience and skills. Amira's success has also led to her to become a Connecting Opportunities champion and she is keen to support other clients through this role.*

*Amira will often tell her key worker at HOT that she has tried to access support from other organisations in the past but with Connecting Opportunities she feels "at home, part of a family". She has also managed to make some friends through the online Zoom level 3 Teaching Award. In summary, Amira is feeling very positive about her future - though she is still at the women's refuge, she is now in a position whereby she can look for and bid for council and housing association properties. She is aware that her keyworker will assist her in helping to set up in her new home once allocated to her, helping her with sourcing furniture and white goods, setting up utility bills etc. Amira is also now in a position to look at Higher Education opportunities and to give herself good job prospects she is also willing to move to large cities like Birmingham and Manchester. The future certainly looks good for Amira.*

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## ACHIEVEMENT AND PERFORMANCE – CONTINUED

### Review of Activities for the Year

#### (7) Leadership, governance and central support functions

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. The Coronavirus pandemic and associated lockdowns tested the leadership of HOT in a way that was incomparable with any other situation during our 20 years of existence. Trustees/directors of both HOT and its subsidiary trading company (Elsie Whiteley Innovation Centre Ltd) met regularly and often during the first 6 months of the financial year, placing particular emphasis on understanding the impact of a significant loss of trading income and therefore of HOT's cash-flow. The CEO, Community Programmes Lead and Enterprise Lead secured emergency funding of over £300,000 from a range of sources to mitigate trading losses. The Trust also made use of the furlough scheme. Quick decisions had to be taken by the senior management team regarding staff who should shield; staff whose childcare responsibilities meant they were unable to work; adaptation to working from home. There were a whole host of personnel issues to deal with and to try and be fair to staff in a wide range of circumstances. HOT's HR Adviser was a particularly reliable source of advice and solutions during this time.

In addition to the particular demands of the pandemic, 'the day job' also continued. The central services team delivered finance, HR, quality and IT core services from back bedrooms and kitchen tables across Halifax.

After the year end we finally secured 125-year leases with Calderdale council on 2 of the buildings we operate (Hanson Lane Enterprise Centre and The Outback) and hope to sign off a lease for Elsie Whiteley Innovation Centre sometime later in 2021. Having the security of these long leases will allow us to invest further into the buildings and improve our balance sheet position.

We did particularly well in quality assurance during the year. In October 2020 HOT was accredited with Quality for Health & Wellbeing which is a quality assurance system for the voluntary community and social enterprise sector delivering health/wellbeing services. Key areas of excellent practice from the assessment included:

- Assessment and planning stages of the care process which ensures that services are well planned and reviewed to ensure health and wellbeing outcomes are targeted and met;
- The person-centred planning process enables service users to be involved in the planning and review of their care. The interventions are also aimed at prevention and/or self-care.
- The whole service, despite its relative size, is able to respond quickly to identified needs.
- Clear referral process, enabling smooth transition of services.

In December 2020 HOT achieved the Cyber Essentials quality certificate for assurance that we are working IT securely against cyber-attacks, that we have cyber security measures in place and a clear picture of the organisation cyber security level. In March 2021 HOT was accredited with the Matrix quality standard for information, advice and guidance services. The matrix accreditation covered two areas of service delivery - Employment and Learning (Apprenticeships).

The challenges posed by the pandemic and series of national lockdowns in 2020-21 meant that HOT's marketing function was quickly required to pivot from our agreed strategy and marketing plan to support communications efforts across the Trust advising our communities of both changes to service delivery and vital public health announcements. Much of this was done digitally utilising our well-established online and social media presences to reach our stakeholders across Calderdale and beyond. We also partnered with local third sector organisations to provide comms support on joint projects such as the food parcel delivery service.

As our services began to move online the marketing team assisted colleagues from within the Trust with using technology to create videos and deliver online sessions over platforms such as Zoom and Teams and working alongside partners in public health and the local authority, we continued to create engaging digital content to disseminate consistent key public health messages.

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## ACHIEVEMENT AND PERFORMANCE – CONTINUED

### Review of Activities for the Year

Internally we worked with colleagues in Enterprise to develop a COVID recovery strategy, identifying early on those working patterns were likely to change post-COVID and that requirements for meeting and work spaces would change. Our strategy saw heavy investment in our flagship business centre, Elsie Whiteley Innovation Centre, to streamline and redesign both meeting and communal spaces with a sleeker, cleaner aesthetic and incorporating planting and foliage as natural air filters. The investment was at odds with many other providers in the sector who simply buckled down to 'weather the storm' but appears to be paying dividends as both office enquiries, occupancy and meeting room bookings are looking strong for 2021-22.

Despite the challenges of lockdown and working from home, the finance team ensured that all our financial commitments were met and that we made regular and timely payments to our suppliers. We maintained a positive relationship with customers and ensured that accurate timely information was being provided that they were not building up large amounts of debts. An improved central purchasing system was put in place over the year and this has reduced duplication across the organisation as well as allowing us to develop relationships with suppliers and secure lower prices via bulk buying. We introduced new procedures and amended some old processes to ensure consistency across all teams in HOT. HR played a key role during lockdown, by providing management and staff with up-to-date information on government restrictions and ensuring that all teams could function from home.

### 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 2023 and we expect an extension to this in the form of an 'Alliance Contract' that will include a range of providers and extension of services. 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 2021 under the FRS 102 (LGPS funded benefits) disclosure requirement, the Charity has recognised a pension liability on the balance sheet of £2,559,000 in relation to the Children's Centre contract (see note 19 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.

The FRS 102 deficit shown as at 31 March 2021 is only a snapshot at a point in time. In particular, the deficit on this basis is sensitive to corporate bond yields which were extremely low at this date. This means that the value placed on the liabilities is higher than would otherwise be the case. As an example, as at 31 March 2020, corporate bond yields were 0.25% p.a. higher which would have reduced the liability (and deficit) by £385,000.

The deficit disclosed in our accounts is not reflective of our ongoing obligations under the Scheme. These are assessed every 3 years as part of the triennial actuarial valuation process. As at the last actuarial valuation carried out as at 31 March 2019, we were 111.2% funded with a surplus £336,000.

We are also defined as a 'subsumption body' in the Scheme which reflects a guarantee provided by Calderdale Council which means that should we exit the scheme at any point any liability due would be picked up ("Subsumed") by the Council.

The Trust will continue to make contributions at an agreed rate to fund the pensions being built up"

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 2021. As mentioned above this pension deficit is not payable within the foreseeable future (12 months from date of this Report), there is a subsumption agreement in place with Calderdale council 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.



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## FINANCIAL REVIEW

### Financial position

The Group is reporting net operating expenditure of £160,559 for the year ended 31 March 2021, 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 £948,559.

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 its subsidiary company. The Trustees have adopted diversification of income streams to mitigate the risks around sustainable income sources.

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 16 of the accounts. The income sources of the Charity's restricted funds are included in note 18 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. £702,264 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 2020/21 has been set at £1,160,396. Unrestricted reserves as of 31st March 2021 were £644,021 in the charitable company and £1,118,109 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 currently exceed its assets however this includes the recognition of a defined benefit pension scheme deficits of £2,559,000. 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.

## 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 will restart in September 2021 and we have revised our support package to tenants to include much more detailed signposting in the first instance and offering to "mix and match" the total value of the grant to not only provide rent subsidy for up to 18 months but offer training, mentoring and advisory services paid for in place of some of the rental grant.

Planned refurbishment of the reception and atrium at EWIC will be completed in June 2021. This includes large planted areas of trees and plants, a new larger reception desk, new seating areas to include power for laptops, new soft furnishings and two four person "huts" to encourage small meetings and make best use of the space. The management and board felt that in order for the centre to continue attracting (and maintain existing) tenants and conference visitors that this was the time to spend a substantial amount on an impressive set of improvements to our already fantastic offering. Feedback on these planned improvements has been very positive and we expect to see our income continue to rise through this dramatic change.

Automatic Number Plate Recognition car park barriers are currently being investigated at EWIC. Benefits include improved visitor experience and a new income stream of up to £11k PA for the centre at an initial cost of just under £12K. It would also reduce pressure on reception staff at peak visitor times. Electric car charging points are being considered as an option for some tenants and this will be expended over the coming years as the uptake increases, again this would be a chargeable service to tenants and the aim is to have the service pay for its installation within 5 years.

Hanson Lane Enterprise Centre is nearing the end of its useful life as a multi-purpose site and we are now actively looking for a replacement site for "HOT HQ" when we have relocated the services, we offer from HLEC we will look to demolish the main building and replace with simple duplex units which will drastically reduce the operating cost of the site and increase revenue as well as making it a single purpose site

### (2) Help local people into employment

Unemployment remains high within our locality, and in particular youth unemployment. There is also a skills shortage in certain sectors. An emerging group of job seekers are those people who have been furloughed throughout the pandemic and have unfortunately lost their jobs after this scheme ends. Looking forward we will look to engage and support both existing and emerging groups of job seekers and expect our services to be needed more than ever. We will continue to deliver the Kickstart scheme to support young people & employers. Our Hopeful Families contract has been extended until March 2023 and our Inspire contract runs until January 2023, therefore we will also be focusing on opportunities to secure our services & team beyond this.

### (3) Support and deliver work-based learning and personal development

Even though 2020/21 was a challenging year, the future is looking good as a result of the hard work and dedication of the new work-based delivery team. We anticipate recovery may take longer than a year given the ongoing situation in relation to the Covid-19 pandemic, but where we are able to control changes and improvements to the service we are in a more confident position. Considerable work has been done and continues to be done around quality and to develop a mixed learning delivery model which allows us to deliver face to face and online. This will allow us to address the areas we need to improve as highlighted by the OFSTED monitoring visit. We have retained our contract with Kirklees council to deliver Teaching Assistant apprenticeship programmes for their schools. We are moving forward with plans to develop our apprenticeship offer by delivering level 4 and level 5 in early years this will allow us to offer progression opportunities to those individuals who have completed level 3 apprenticeship programmes. We received a follow-up Ofsted visit in July 2021 which confirmed that progress was being made and the service is on an upward trajectory.

**FUTURE PLANS - continued**

**(4) Support children and families**

We are an instrumental partner in the development of the Starting Well Strategy in Calderdale for children 0-5 years. We have been awarded a 2-year contract extension from April 2021 (with a significant budget reduction) which has led to a restructure of the staff team. We are working towards becoming part of a newly formed Alliance contract for 0-5 years from April 2023. In preparation for this the key performance indicators and definition of target families have been changed this year. The focus for the next twelve months is to embed these new KPI's and target groups into service delivery, and adapt the systems and processes already in place to capture the data required to demonstrate the impact being made by services offered. The challenge this year is going to be re-establishing face-to-face service delivery when Covid 19 restrictions cease, and building families' confidence in attending services.

Other key areas of development in the future include embedding the new EYFS into nursery and early years provision; recruiting more parents to be involved in the governance of the Children's Centres; training all Early Years staff to increase their knowledge on how to improve children's speech, language and communication skills; increasing use of the Centres 'out of hours'; marketing nursery places as we saw a reduction in some nurseries in the number of children (again, due to Covid).

**(5) Support and promote health and wellbeing**

Staying Well, Active Calderdale and Community Organising funding is secure for 2021/22 at least. The projects will continue to play their part in supporting the most vulnerable in society, even more so during (and hopefully after) the Covid pandemic. We plan to provide key messages around good health. Through our trained diabetes champions, we will focus on conditions like diabetes and encourage healthy eating and exercise. Working closely with our partner agencies such as the Better Living Team we will continue to raise healthy lifestyle awareness as this more important than it has ever been.

Plans for The Outback include building on the partnerships that we have developed in 2020-21 to provide more health and wellbeing activities for local people in the Outback. We will implement objectives from the 3-year business plan to help make the Outback financially sustainable, this includes trialling more commercial activities and increasing external hire of the facilities. We want to build on the volunteering programme to provide opportunities for a broader range of people to learn more about gardening and growing food, and we plan to maximise the use of the Outback produce, through sale of it locally and by using it on site in cooking sessions/workshops.

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

Our main delivery contract, Connecting Opportunities, that enables people to make the most of their new lives in the United Kingdom has been extended until March 2023. This provides us with much needed security and resource to support vulnerable migrants and refugees across Calderdale and Kirklees. We have also secured the Vulnerable Person's Resettlement Scheme and Together Calderdale for another year. All of these programmes will be needed to mitigate against the effects of the pandemic and economic impact when the furlough scheme finishes in September 2021. We are also conscious of the potential adverse effect the pandemic has had on community cohesion and will be channelling our resources to address this.

## FUTURE PLANS - continued

### (7) New areas of delivery

In previous Trustee Reports we described a site which the Trust is interested in acquiring and redeveloping. A feasibility study, funded by the Architectural Heritage Fund and Calderdale council, was completed during 2020/21 which provided RIBA Stage 2 architectural designs and an outline business plan. The most viable use of the site combines commercially-let office space with space for HOT and other community projects to be based. The renovation would have to be financed via grant funding as loan finance would be too risky based on the cost of renovating the listed building and its likely future use. The Trust will continue to progress this project, although progress is expected to be slow and highly dependent on support from the local authority. The Trust will continue to progress its work on empty homes, now that a robust business plan is in place. Further revenue funding is being secured to fund a new staff role to lead the project and pay for legal advice and services. Finally, there are two potential sites that have been identified for a new HOT HQ, an 'Opportunities and Wellbeing Centre'. Funding from the Coop Foundation has enabled development work to take place around these opportunities and further feasibility work will take place over the coming year. These are all ambitious capital projects requiring external finance (including loan finance) and external specialist advice; therefore, a robust, steady, risk-based approach is being taken. In terms of new services and activities, we are interested in developing a specialist nursery for children with special needs. We are in the early stages of understanding the need for this and the financial requirements of setting it up and sustaining it. The wellbeing team are exploring opportunities to support people manage long-term physical and mental health conditions. All these initiatives are based on our experience, understanding and involvement with the communities in which we are based and all help to strengthen HOT's charitable objects and purpose.

### (8) Governance, Management and Central Services

We will continue our quality improvement work in a number of ways. We plan to extend the Matrix accreditation across the Children's Centres delivery work. Children's centres and nurseries are primarily focused on improving outcomes for young children and their families, with a particular focus on those in greatest need. This 'purpose' has a natural fit with IAG, and it may be beneficial to extend this accreditation firstly to ensure a consistent approach to the delivery of IAG, secondly to provide reassurance that the 'purpose' is being met. We will carry out further quality assessments and

reviews against the Quality for Health assurance framework and review our performance management effectiveness to gain detailed insight into how well we are currently leading, supporting and improving our staff to achieve business results. This will be achieved via online surveys and interviews to gather valuable information from staff. Quantitative and qualitative insights with an action plan will be designed to support the evolution against Quality for Health and to demonstrate its impact and how we take care of our staff, service users and work with co-partnership organisations. We will work on quality strategy plans to move the Ofsted grade to "good" for Apprenticeships with a key focus on the quality of the curriculum, improving learning results of mathematics and English, enabling apprentices to develop successfully the knowledge and skills that they need in their workplaces, ensuring that we provide IAG careers information for apprentices to use when they are considering their next steps, developing meaningful and impactful education service.

In terms of marketing and communications, our strategy continues to focus on building awareness of the Trust and our services to the wider community and supporting project teams with communications requirements in order to deliver their work. Our overall aim is to position the Trust as a respected, go-to organisation grounded in its community and accessible to all - a place that people want to both use, work for and collaborate with to improve the lives of the people we work with.

Within the Finance team, we aim to have two members of staff qualified in Levels 3 and 5 Leadership and Management enabling them to develop skills to use within the team and across HOT. We will also update the financial procedures manual as there have been changes in processes through the finance function. During 2020/21 our HR team have developed an HR strategy which we will implement over the next three years focusing on the key areas of Recruitment & Retention, Leadership & Management, Performance management, Employee Engagement, Reward & Recognition, HR Capability & Infrastructure.

## 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 fourteen 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. Currently there is a Buildings Sub Committee which is overseeing the heritage and empty homes work.

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 bi-weekly 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.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Risk management

The trustees agreed a Risk Management Plan for 2020/21 and have agreed the plan for the forthcoming year 2022/23. The Plan describes HOTs 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 2020/21 were all mitigated or negated within the year under review, including those relating to Covid. Detailed scrutiny of the risk plan, including emerging risks identified by SMT, is delegated to the Risk and Governance Committee which is chaired by HOT's Vice Chair. This Committee agrees and summarises key risks for the full board.

### 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

**Report of the Trustees  
for the Year Ended 31st March 2021**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Trustees**

A Ali	(resigned 15/10/20)
H J Barber	(Chair)
P W Blackman	
R K Bostan	(resigned 2/9/20)
L Burrows	(appointed 12/8/21)
R J Craven	(Vice Chair)
A Hamid	(appointed 12/8/21)
J Harkness	(resigned 11/6/20)
R Hemblys	(Treasurer)
H L Hunter	
S Hussain	(appointed 12/8/21)
T Male	
S E Morrell	(Chair)
C J Pinder	(appointed 6/8/20)
A K Qureshi	(appointed 12/8/21)
R Rehman	(resigned 11/6/20)
G Rhodes	(appointed 12/8/21)
F Shoukat	(resigned 12/11/20)
M E Stead	(appointed 6/8/20)
R M Sweeney	(appointed 21/9/21)

**Company Secretary**

A S Haskins

**Auditors**

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

**Bankers**

Unity Trust Bank  
9 Brindleyplace  
Birmingham  
B1 2HB

## REFERENCE AND ADMINISTRATIVE DETAILS

### 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).

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.



**STATEMENT OF TRUSTEES' RESPONSIBILITIES – continued**

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 24. 11. 21 and signed on its behalf by:

H. J. Barber

H J Barber - Trustee

### **Opinion**

We have audited the financial statements of Halifax Opportunities Trust (the 'parent charitable company') for the year ended 31st March 2021 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 groups and parent charitable company's affairs as at 31st March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 parent 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 22 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 auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 £1,647,761 (group net liabilities £1,441,591), however the liabilities include £2,559,000 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.

### **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 this gives rise to a material misstatement in the financial statements themselves. 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 group and parent 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 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 groups 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.

### **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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charitable company through discussions with directors and other management, and from our commercial knowledge and experience of the industry sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Ensured laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was a susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the company's remuneration policies.

To address the risk of fraud through management bias and override of controls, we;

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risks of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

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

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There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from the financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

**Use of our report**

This report is made solely to the parent 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 parent 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 parent charitable company and the parent 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: 1 December 2021

**HALIFAX OPPORTUNITIES TRUST**  
**Consolidated Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**for the Year Ended 31st March 2021**

	Notes	Unrestricted funds £	Restricted funds £	31/3/21 Total funds £	31/3/20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	30,247	86,665	116,912	153,242
<b>Charitable activities</b>	3				
Provision of employment, education and training services		73,477	403,467	476,944	712,094
Provision of childcare and family support services		2,237,728	402,589	2,640,317	3,396,879
Promoting health and wellbeing		(5,803)	276,489	270,686	72,757
Management, administration and membership		269,840	10,370	280,210	13,045
Other trading activities	4	448,627	-	448,627	633,428
Investment income	5	447	-	447	2,158
<b>Total</b>		<b>3,054,563</b>	<b>1,179,580</b>	<b>4,234,143</b>	<b>4,983,603</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	6				
Provision of employment, education and training services		109,558	405,909	515,467	651,161
Provision of childcare and family support services		2,414,043	402,589	2,816,632	3,108,715
Promoting health and wellbeing		(6,591)	351,645	345,054	167,479
Management, administration and membership		285,454	10,421	295,875	424,777
Governance costs		41,711	-	41,711	30,713
Other trading activities	9	370,006	-	370,006	453,449
<b>Total</b>		<b>3,214,181</b>	<b>1,170,564</b>	<b>4,384,745</b>	<b>4,836,294</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(159,618)</b>	<b>9,016</b>	<b>(150,602)</b>	<b>147,309</b>
<b>Transfers between funds</b>	22	367	(367)	-	-
<b>Taxation</b>	11	(9,957)	-	(9,957)	54
<b>Other recognised gains/(losses)</b>					
Actuarial gains/(losses) on defined benefit schemes		(788,000)	-	(788,000)	(304,000)
<b>Net movement in funds</b>		<b>(957,208)</b>	<b>8,649</b>	<b>(948,559)</b>	<b>(156,637)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>(483,683)</b>	<b>(9,349)</b>	<b>(493,032)</b>	<b>(336,395)</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>(1,440,891)</u></b>	<b><u>(700)</u></b>	<b><u>(1,441,591)</u></b>	<b><u>(493,032)</u></b>

The notes form part of these financial statements

**HALIFAX OPPORTUNITIES TRUST (REGISTERED NUMBER: 04089288)**

**Group and Charity Balance Sheet**

**31st March 2021**

	Notes	GROUP 31.3.21 £	GROUP 31.3.20 £	CHARITY 31.3.21 £	CHARITY 31.3.20 £
<b>FIXED ASSETS</b>					
Tangible Assets	15	188,639	147,765	34,761	45,647
Investments	16	-	-	101	101
		<u>188,639</u>	<u>147,765</u>	<u>34,862</u>	<u>45,748</u>
<b>CURRENT ASSETS</b>					
Debtors	17	156,430	212,911	168,994	348,178
Cash at bank and in hand		<u>1,448,715</u>	<u>1,649,954</u>	<u>1,270,425</u>	<u>1,274,962</u>
		<u>1,605,145</u>	<u>1,862,865</u>	<u>1,439,419</u>	<u>1,623,140</u>
<b>CREDITORS</b>					
Amounts falling due within one year	18	(647,704)	(713,948)	(563,042)	(592,714)
<b>PROVISION FOR LIABILITIES</b>	20	<u>(28,671)</u>	<u>(18,714)</u>	<u>-</u>	<u>-</u>
<b>NET CURRENT ASSETS</b>		<u>928,770</u>	<u>1,130,203</u>	<u>876,377</u>	<u>1,030,426</u>
<b>NET ASSETS EXCLUDING PENSION SCHEME LIABILITY</b>		1,117,409	1,277,968	911,239	1,076,174
<b>PENSION LIABILITY</b>	23	<u>(2,559,000)</u>	<u>(1,771,000)</u>	<u>(2,559,000)</u>	<u>(1,771,000)</u>
<b>NET LIABILITIES</b>		<u>(1,441,591)</u>	<u>(493,032)</u>	<u>(1,647,761)</u>	<u>(694,826)</u>
<b>FUNDS</b>					
Unrestricted funds	22	1,118,109	1,287,317	644,021	892,070
Pension reserve	22	<u>(2,559,000)</u>	<u>(1,771,000)</u>	<u>(2,559,000)</u>	<u>(1,771,000)</u>
		<u>(1,440,891)</u>	<u>(483,683)</u>	<u>(1,914,979)</u>	<u>(878,930)</u>
Restricted funds	22	<u>(700)</u>	<u>(9,349)</u>	<u>267,218</u>	<u>184,104</u>
<b>TOTAL FUNDS</b>		<u>(1,441,591)</u>	<u>(493,032)</u>	<u>(1,647,761)</u>	<u>(694,826)</u>

The notes form part of these financial statements

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 24.11.21 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 2021**

	Notes	31/3/21 £	31/3/20 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(111,538)	141,994
Tax paid		<u>(9,957)</u>	<u>54</u>
Net cash provided by operating activities		<u>(121,495)</u>	<u>142,048</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(80,191)	(78,459)
Interest received		<u>447</u>	<u>2,158</u>
Net cash used in investing activities		<u>(79,744)</u>	<u>(76,301)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(201,239)</b>	<b>65,747</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b><u>1,649,954</u></b>	<b><u>1,584,207</u></b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b><u><u>1,448,715</u></u></b>	<b><u><u>1,649,954</u></u></b>

The notes form part of these financial statements

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Consolidated Cash Flow Statement**  
**for the Year Ended 31st March 2021**

<b>1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>			
	31/3/21	31/3/20	
	£	£	
<b>Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)</b>	(150,602)	147,309	
<b>Adjustments for:</b>			
Depreciation charges	39,316	52,686	
Interest received	(447)	(2,158)	
Decrease in debtors	56,481	(19,363)	
Decrease in creditors	<u>(56,286)</u>	<u>(36,480)</u>	
<b>Net cash provided by operations</b>	<u>(111,538)</u>	<u>141,994</u>	
 <b>2. ANALYSIS OF CHANGES IN NET FUNDS</b>			
	At 1/4/20	Cash flow	At 31/3/21
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<u>1,649,954</u>	<u>(166,239)</u>	<u>1,448,715</u>
	<u>1,649,954</u>	<u>(166,239)</u>	<u>1,448,715</u>
<b>Total</b>	<u>1,649,954</u>	<u>(166,239)</u>	<u>1,448,715</u>

The notes form part of these financial statements

## **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 £2,559,000 on the Balance Sheet. This has resulted in a deficit on the Charity's total reserves of £1,647,761 (Group: £1,441,591 deficit) as at 31 March 2021.

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 2022.

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.

**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.

**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
Motor vehicles	- 33% 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 Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**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**

	31/3/21	31/3/20
	£	£
Donations	(3,348)	807
Grants	<u>120,260</u>	<u>152,435</u>
	<u><u>116,912</u></u>	<u><u>153,242</u></u>

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**2. DONATIONS AND LEGACIES - continued**

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

	31/3/21	31/3/20
	£	£
Calderdale MBC	-	60,000
Coronavirus Job Retention Scheme	19,898	-
ESOL : Syrian Families	12,778	14,507
National Milk Grant Scheme	918	2,280
Neighbourhood Learning for Deprived Communities	13,678	658
Staying Well Project	72,988	74,990
	<u>120,260</u>	<u>152,435</u>

**3. INCOME FROM CHARITABLE ACTIVITIES**

	31/3/21	31/3/20
	£	£
<b><u>Charitable activities income</u></b>		
Provision of employment, education and training services	476,944	700,921
Provision of childcare and family support services	2,640,317	3,396,879
Promoting health and wellbeing	270,686	72,757
Management, administration and membership	280,210	10,884
<b><u>Management fees received from projects</u></b>		
Provision of employment, education and training services	-	11,173
Management, administration and membership	-	2,161
	<u>3,668,157</u>	<u>4,194,775</u>

**4. OTHER TRADING ACTIVITIES**

	31/3/21	31/3/20
	£	£
<b><u>Income from Trading Subsidiaries</u></b>		
Elsie Whiteley Innovation Centre	448,627	484,026
Hanson Lane Enterprise Centre	-	149,402
	<u>448,627</u>	<u>633,428</u>

**5. INVESTMENT INCOME**

	31/3/21	31/3/20
	£	£
Bank interest receivable	<u>447</u>	<u>2,158</u>

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Provision of employment, education and training services	515,467	-	515,467
Provision of childcare and family support services	2,816,632	-	2,816,632
Promoting health and wellbeing	345,054	-	345,054
Management, administration and membership	19,212	276,663	295,875
Governance costs	-	41,711	41,711
	<u>3,696,365</u>	<u>318,374</u>	<u>4,014,739</u>

**7. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	31/3/21 £	31/3/20 £
Staff costs	3,070,358	3,072,529
Rates and water	8,070	7,940
Insurance	12,093	15,357
Light and heat	24,108	30,937
Telephone	42,225	62,390
Postage and stationery	43,437	57,426
Advertising	5,042	10,774
Sundries	22,982	22,410
Rent and room hire	925	114,102
Repairs and maintenance	204,145	110,323
Course costs	27,235	55,010
Training and conferences	12,409	12,740
Staff and volunteer costs	69,121	103,782
Trips and outings	-	809
Management fees paid - Project	-	33,434
Motor and travel expenses	6,868	37,214
Bad debts	(180)	-
Surestart costs	99,805	254,630
Irrecoverable VAT	12,741	13,550
Legal and professional fees	2,508	51,204
Apprenticeship levy	-	2,275
Bookkeeping and accountancy	10,386	11,474
Bank charges	3,110	2,941
Depreciation	18,977	30,312
	<u>3,696,365</u>	<u>4,113,563</u>

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**8. SUPPORT COSTS**

	Management £	Finance £	Other £	Governance costs £	Totals £
Management, administration and membership	52,262	164,028	60,373	-	276,663
Governance costs	-	-	-	41,711	41,711
	<u>52,262</u>	<u>164,028</u>	<u>60,373</u>	<u>41,711</u>	<u>318,374</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**

	31/3/21 Management, administration and membership £	31/3/20 Total activities £
Wages	45,947	73,541
Social security	4,939	7,738
Pensions	1,376	2,208
	<u>52,262</u>	<u>83,487</u>

**Finance**

	31/3/21 Management, administration and membership £	31/3/20 Total activities £
Wages	145,930	136,672
Social security	11,630	10,836
Pensions	6,468	5,136
	<u>164,028</u>	<u>152,644</u>



**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**8. SUPPORT COSTS - continued**

**Other**

	31/3/21 Management, administration and membership £	31/3/20 Total activities £
Wages	57,389	1,972
Social security	2,844	341
Pensions	140	125
	<u>60,373</u>	<u>2,438</u>

**Governance costs**

	31/3/21 Governance costs £	31/3/20 Total activities £
Auditors' remuneration	5,999	6,163
Legal fees	35,712	23,770
Trustee costs	-	780
	<u>41,711</u>	<u>30,713</u>

**9. OTHER TRADING ACTIVITIES**

	31/3/21 £	31/3/20 £
<b><u>Expenditure in Trading Subsidiaries</u></b>		
Elsie Whiteley Innovation Centre	370,006	338,617
Hanson Lane Enterprise Centre	-	114,832
	<u>370,006</u>	<u>453,449</u>

**10. NET INCOME/(EXPENDITURE)**

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

	31/3/21 £	31/3/20 £
Auditors' remuneration	5,999	6,163
Auditors' remuneration – Elsie Whiteley Innovation Centre	1,957	1,900
Auditors' remuneration – Hanson Lane Enterprise Centre	-	1,900
Depreciation - owned assets	<u>39,316</u>	<u>52,686</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 Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**11. TAXATION**

	31/3/21 £	31/3/20 £
<b>Analysis of tax charge/(credit):</b>		
The tax charge/(credit) on the profit on ordinary activities for the year was as follows:		
Current tax:		
UK Corporation tax	-	-
Deferred tax	<u>9,957</u>	<u>(54)</u>
	<u>9,957</u>	<u>(54)</u>

**12. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st March 2021 nor for the year ended 31st March 2020.

**Trustees' expenses**

Trustees' expenses of £Nil (2020: £210) were paid to one trustee in the year, relating to the reimbursement of childcare costs for attendance at meetings.

**13. STAFF COSTS**

	31/3/21 £	31/3/20 £
Wages and salaries	3,152,711	3,174,346
Social security costs	224,959	215,652
Other pension costs	<u>96,417</u>	<u>72,262</u>
	<u>3,474,087</u>	<u>3,462,260</u>

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

	31/3/21	31/3/20
Charitable activities	169	178
Administrative	18	18
Governance	<u>1</u>	<u>1</u>
	<u>188</u>	<u>197</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 £286,537 (2020 - £282,604). The salaries of the key management are set by the trustees, and then reviewed by the trustees.

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	31/3/20 Total funds £	31/3/19 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	63,087	90,155	153,242	112,064
<b>Charitable activities</b>				
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	2,158	-	2,158	-
<b>Total</b>	<b>3,829,319</b>	<b>1,154,284</b>	<b>4,983,603</b>	<b>4,939,647</b>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
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
<b>Total</b>	<b>3,657,174</b>	<b>1,179,120</b>	<b>4,836,294</b>	<b>4,652,839</b>
<b>NET INCOME</b>	<b>172,145</b>	<b>(24,836)</b>	<b>147,309</b>	<b>286,808</b>
<b>Taxation</b>	<b>54</b>	<b>-</b>	<b>54</b>	<b>(3,408)</b>
<b>Other recognised gains/(losses)</b>				
Actuarial gains/(losses) on defined benefit schemes	(304,000)	-	(304,000)	(451,000)
<b>Net movement in funds</b>	<b>(131,801)</b>	<b>(24,836)</b>	<b>(156,637)</b>	<b>(167,600)</b>
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<b>(351,882)</b>	<b>15,487</b>	<b>(336,395)</b>	<b>(168,795)</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>(483,683)</b>	<b>(9,349)</b>	<b>(493,032)</b>	<b>(336,395)</b>

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**15. TANGIBLE FIXED ASSETS**

**CHARITY:**

	Kitchen equipment £	Office equipment £	Fixtures and fittings £
<b>COST</b>			
At 1st April 2020	99,308	51,613	23,673
Additions	-	8,093	-
At 31st March 2021	<u>99,308</u>	<u>59,706</u>	<u>23,673</u>
<b>DEPRECIATION</b>			
At 1st April 2020	99,308	51,613	21,284
Charge for year	-	540	652
At 31st March 2021	<u>99,308</u>	<u>52,153</u>	<u>21,936</u>
<b>NET BOOK VALUE</b>			
At 31st March 2021	<u>-</u>	<u>7,553</u>	<u>1,737</u>
At 31st March 2020	<u>-</u>	<u>-</u>	<u>2,389</u>
	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1st April 2020	4,732	138,274	317,600
Additions	-	-	8,093
At 31st March 2021	<u>4,732</u>	<u>138,274</u>	<u>325,693</u>
<b>DEPRECIATION</b>			
At 1st April 2020	1,577	98,171	271,953
Charge for year	1,578	16,209	18,979
At 31st March 2021	<u>3,155</u>	<u>114,380</u>	<u>290,932</u>
<b>NET BOOK VALUE</b>			
At 31st March 2021	<u>1,577</u>	<u>23,894</u>	<u>34,761</u>
At 31st March 2020	<u>3,155</u>	<u>40,103</u>	<u>45,647</u>

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**15. TANGIBLE FIXED ASSETS - CONTINUED**

**GROUP:**

	Kitchen equipment £	Office equipment £	Fixtures and fittings £
<b>COST</b>			
At 1st April 2020	99,308	254,097	222,890
Additions	-	11,163	40,178
At 31st March 2021	99,308	265,260	263,068
<b>DEPRECIATION</b>			
At 1st April 2020	99,308	206,870	125,508
Charge for year	-	19,951	14,120
At 31st March 2021	99,308	226,821	139,628
<b>NET BOOK VALUE</b>			
At 31st March 2021	-	38,439	123,440
At 31st March 2020	-	47,227	97,382
	Motor vehicles £	Long Leasehold £	Totals £
<b>COST</b>			
At 1st April 2020	4,732	91,996	673,024
Additions	-	28,851	80,191
At 31st March 2021	4,732	120,847	753,215
<b>DEPRECIATION</b>			
At 1st April 2020	1,577	91,996	525,260
Charge for year	1,578	3,668	39,316
At 31st March 2021	3,155	95,664	564,576
<b>NET BOOK VALUE</b>			
At 31st March 2021	1,577	25,183	188,639
At 31st March 2020	3,155	-	147,765

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**16. FIXED ASSET INVESTMENTS**

	GROUP Shares in group undertakings £	CHARITY Shares in group undertakings £
<b>MARKET VALUE</b>		
At 1 April 2020 and 31 March 2021	-	101
<b>NET BOOK VALUE</b>		
At 31 March 2021	-	101
At 31 March 2020	-	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

	31.3.21 £	31.3.20 £
<b><u>Summary of trading results</u></b>		
Turnover	-	149,403
Total Expenditure	-	(137,093)
Taxation	-	54
	-	12,364
Distribution to parent charity	-	(7,080)
	-	5,284
<b><u>Summary of assets and liabilities</u></b>		
Assets	1	1
Liabilities	-	-
	1	-

At 31 March 2020 the assets and liabilities of Hanson Lane Enterprise Centre Limited were transferred to Elsie Whiteley Innovation Centre Limited, and the company has been dormant throughout the financial year ending 31 March 2021.

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**16. 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		
		31.3.21	31.3.20
		£	£
<u>Summary of trading results</u>			
Turnover		503,669	457,975
Total Expenditure		(450,321)	(406,817)
Other Income		35,448	26,328
Interest payable and similar charges		-	-
Taxation		<u>(9,957)</u>	<u>1,153</u>
		78,839	78,639
Distribution to parent charity		<u>(74,465)</u>	<u>(95,113)</u>
		<u>4,374</u>	<u>(16,474)</u>
<u>Summary of assets and liabilities</u>			
Assets		448,672	551,460
Liabilities		<u>(242,407)</u>	<u>(349,569)</u>
		<u>206,265</u>	<u>201,891</u>

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	GROUP 31.3.21	GROUP 31.3.20	CHARITY 31.3.21	CHARITY 31.3.20
	£	£	£	£
Trade debtors	107,512	66,509	59,757	22,082
Amounts owed by group undertakings	-	-	51,708	201,332
VAT	-	-	13,370	8,288
Other debtors	48,918	146,402	44,159	116,476
	<u>156,430</u>	<u>212,911</u>	<u>168,994</u>	<u>348,178</u>

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	GROUP 31.3.21	GROUP 31.3.20	CHARITY 31.3.21	CHARITY 31.3.20
	£	£	£	£
Trade creditors	44,732	96,238	36,315	75,478
Amounts owing to group undertakings	-	-	23,754	-
Social security and other taxes	48,959	45,844	48,959	45,844
Wages control account	18,021	15,679	18,021	15,679
VAT	3,948	7,048	-	-
Pension schemes	7,133	4,881	7,133	4,881
Accruals and deferred income	524,911	544,258	428,860	450,832
	<u>647,704</u>	<u>713,948</u>	<u>563,042</u>	<u>592,714</u>

**19. LEASING AGREEMENTS**

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

	31/3/21	31/3/20
	£	£
Within one year	7	7
Between one and five years	28	28
In more than five years	5	12
	<u>40</u>	<u>47</u>

**20. PROVISIONS FOR LIABILITIES**

	GROUP 31.3.21	GROUP 31.3.20	CHARITY 31.3.21	CHARITY 31.3.20
	£	£	£	£
Deferred tax	28,671	18,714	-	-



**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**21. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	Unrestricted funds £	Restricted funds £	31/3/21 Total funds £	31/3/20 Total funds £
Fixed assets	188,639	-	188,639	147,765
Current assets	1,615,929	24,216	1,640,145	1,862,865
Current liabilities	(686,459)	(24,916)	(711,375)	(732,662)
Pension liability	<u>(2,559,000)</u>	<u>-</u>	<u>(2,559,000)</u>	<u>(1,771,000)</u>
	<u>(1,440,891)</u>	<u>(700)</u>	<u>(1,441,591)</u>	<u>(493,032)</u>

**22. MOVEMENT IN GROUP FUNDS**

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
<b>Unrestricted funds</b>				
General fund	1,287,317	(169,575)	367	1,118,109
Pension reserve	<u>(1,771,000)</u>	<u>(788,000)</u>	<u>-</u>	<u>(2,559,000)</u>
	(483,683)	(957,575)	367	(1,440,891)
<b>Restricted funds</b>				
Calderdale Food Network	-	789	-	789
Community Led Homes (Start Up Support)	-	275	-	275
Community Organisers	-	(503)	-	(503)
DEFRA	-	2,552	-	2,552
Employment Services - Holiday Kitchen	456	-	(456)	-
ESOL Project costs	4,294	-	-	4,294
Groundwork	(3,077)	(375)	-	(3,452)
Inclusive Economy	-	(2,324)	-	(2,324)
Inspire	-	(118)	-	(118)
Neighbourhood Learning for Deprived Communities	324	13,627	-	13,951
Place Based Social Action	-	(1,995)	-	(1,995)
Prosperous Calderdale	-	(362)	-	(362)
Sessional staff	(89)	-	89	-
Staying Well Project	(13,611)	(2,550)	-	(16,161)
Together Calderdale Project	<u>2,354</u>	<u>-</u>	<u>-</u>	<u>2,354</u>
	<u>(9,349)</u>	<u>9,016</u>	<u>(367)</u>	<u>(700)</u>
<b>TOTAL FUNDS</b>	<u>(493,032)</u>	<u>(948,559)</u>	<u>-</u>	<u>(1,441,591)</u>

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**22. 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 £
<b>Unrestricted funds</b>				
General fund	3,054,563	(3,224,138)	-	(169,575)
Pension reserve	-	-	(788,000)	(788,000)
	<u>3,054,563</u>	<u>(3,224,138)</u>	<u>(788,000)</u>	<u>(957,575)</u>
<b>Restricted funds</b>				
Active Calderdale	44,268	(44,268)	-	-
Architectural Heritage Fund - Hopwood Triangle	10,000	(10,000)	-	-
Building Better Opportunities - Hopeful Families	156,585	(156,585)	-	-
Calderdale Food Network	789	-	-	789
Calfund	11,147	(11,147)	-	-
Census Project	381	(381)	-	-
CFFC - Calderdale Food Mixer	1,000	(1,000)	-	-
Community Led Homes (Start Up Support)	9,775	(9,500)	-	275
Community Organisers	(503)	-	-	(503)
Connecting Opportunities	163,036	(163,036)	-	-
Daycare Centres - Jubilee Nursery	163,300	(163,300)	-	-
Daycare Centres - Siddal Nursery	67,631	(67,631)	-	-
Daycare Centres - Sowerby New Road Nursery	23,956	(23,956)	-	-
Daycare Centres - Todmorden Nursery	64,146	(64,146)	-	-
DEFRA	5,500	(2,948)	-	2,552
ESOL: Syrian Families	12,778	(12,778)	-	-
Food Parcel Delivery - Covid 19	9,305	(9,305)	-	-
Groundwork	(1)	(374)	-	(375)
Harnessing Power of Communities	757	(757)	-	-
Inclusive Economy	26,550	(28,874)	-	(2,324)
Individuals Fund	370	(370)	-	-
Inspire	-	(118)	-	(118)
Little Gems Nursery	83,557	(83,557)	-	-
Neighbourhood Learning for Deprived Comm.	13,678	(51)	-	13,627
Place Based Social Action	(235)	(1,760)	-	(1,995)
Place Based Social Action - Let's Get Socially Active	76,924	(76,924)	-	-
Prosperous Calderdale	58,412	(58,774)	-	(362)
Sehat - P2C CCLORS	68,560	(68,560)	-	-
Social Action Hub	1,304	(1,304)	-	-
Staying Well Project	73,238	(75,788)	-	(2,550)
Together Calderdale Project	33,371	(33,371)	-	-
	<u>1,179,580</u>	<u>(1,170,564)</u>	<u>-</u>	<u>9,016</u>
<b>TOTAL FUNDS</b>	<u>4,234,143</u>	<u>(4,394,702)</u>	<u>(788,000)</u>	<u>(948,559)</u>

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**22. MOVEMENT IN GROUP FUNDS - continued**

**Comparatives for movement in funds**

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

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**22. MOVEMENT IN GROUP FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
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>
<b>Restricted funds</b>				
Active Calderdale	16,401	(16,401)	-	-
Building Better Opportunities - Hopeful Families	161,195	(161,195)	-	-
Calderdale Food Network	14,135	(14,135)	-	-
Calfund	12,621	(12,621)	-	-
Community Organisers	503	(503)	-	-
Connecting Opportunities	174,262	(174,262)	-	-
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)	-	-
Employment Services - Holiday Kitchen	807	(351)	-	456
ESOL Project costs	20,000	(15,706)	-	4,294
ESOL : Syrian Families	14,507	(15,518)	-	(1,011)
Groundwork	16,000	(19,077)	-	(3,077)
Harnessing Power of Communities	81	(81)	-	-
Isolation fund	350	(350)	-	-
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)	-	-
Place Based Social Action	57,819	(57,819)	-	-
Sessional staff	-	(89)	-	(89)
Social Action Hub	372	(372)	-	-
Staying Well Project	74,991	(92,447)	-	(17,456)
Together Calderdale Project	25,036	(22,682)	-	2,354
	<u>1,154,284</u>	<u>(1,179,120)</u>	<u>-</u>	<u>(24,836)</u>
<b>TOTAL FUNDS</b>	<u>4,983,603</u>	<u>(4,836,240)</u>	<u>(304,000)</u>	<u>(156,637)</u>

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**22. MOVEMENT IN GROUP FUNDS - continued**

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

	At 1/4/19 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
<b>Unrestricted funds</b>				
General fund	1,115,118	2,624	367	1,118,109
Pension reserve	(1,467,000)	(1,092,000)	-	(2,559,000)
	(351,882)	(1,089,376)	367	(1,440,891)
<b>Restricted funds</b>				
Calderdale Food Network	-	789	-	789
Community Led Homes (Start Up Support)	-	275	-	275
Community Organisers	-	(503)	-	(503)
DEFRA	-	2,552	-	2,552
Employment Services - Holiday Kitchen	-	456	(456)	-
ESOL Project costs	-	4,294	-	4,294
ESOL : Syrian Families	1,011	(1,011)	-	-
Groundwork	-	(3,452)	-	(3,452)
Inclusive Economy	-	(2,324)	-	(2,324)
Inspire	-	(118)	-	(118)
Little Gems Nursery	10,307	(10,307)	-	-
Neighbourhood Learning for Deprived Communities	324	13,627	-	13,951
Place Based Social Action	-	(1,995)	-	(1,995)
Properous Calderdale	-	(362)	-	(362)
Sessional staff	-	(89)	89	-
Staying Well Project	3,844	(20,006)	-	(16,162)
Together Calderdale Project	-	2,354	-	2,354
	<u>15,487</u>	<u>(15,820)</u>	<u>(367)</u>	<u>(700)</u>
<b>TOTAL FUNDS</b>	<u>(336,395)</u>	<u>(1,105,196)</u>	<u>-</u>	<u>(1,441,591)</u>

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**22. 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 £
<b>Unrestricted funds</b>				
General fund	6,883,882	(6,881,258)	-	2,624
Pension reserve	-	-	(1,092,000)	(1,092,000)
	6,883,882	(6,881,258)	(1,092,000)	(1,089,376)
<b>Restricted funds</b>				
Active Calderdale	60,669	(60,669)	-	-
Architectural Heritage Fund - Hopwood Triangle	10,000	(10,000)	-	-
Building Better Opportunities - Hopeful Families	317,780	(317,780)	-	-
Calderdale Food Network	14,924	(14,135)	-	789
Calfund	23,768	(23,768)	-	-
Census Project	381	(381)	-	-
CFFC - Calderdale Food Mixer	1,000	(1,000)	-	-
Community Led Homes (Start Up Support)	9,775	(9,500)	-	275
Community Organisers	-	(503)	-	(503)
Connecting Opportunities	337,298	(337,298)	-	-
Daycare Centres - Jubilee Nursery	373,907	(373,907)	-	-
Daycare Centres - Siddal Nursery	163,692	(163,692)	-	-
Daycare Centres - Sowerby New Road Nursery	91,350	(91,350)	-	-
Daycare Centres - Todmorden Nursery	164,674	(164,674)	-	-
DEFRA	5,500	(2,948)	-	2,552
Employment Services - Holiday Kitchen	807	(351)	-	456
ESOL Project costs	20,000	(15,706)	-	4,294
ESOL : Syrian Families	27,285	(28,296)	-	(1,011)
Food Parcel Delivery - Covid 19	9,305	(9,305)	-	-
Groundwork	15,999	(19,451)	-	(3,452)
Harnessing Power of Communities	838	(838)	-	-
Inclusive Economy	26,550	(28,874)	-	(2,324)
Individuals Fund	370	(370)	-	-
Inspire	-	(118)	-	(118)
Isolation fund	350	(350)	-	-
Little Gems Nursery	166,980	(177,287)	-	(10,307)
Neighbourhood Learning for Deprived Communities	14,336	(709)	-	13,627
Park Ward Neighbourhood Development Plan	6,533	(6,533)	-	-
Place Based Social Action	57,584	(59,579)	-	(1,995)
Place Based Social Action - Let's Get Socially Active	76,924	(76,924)	-	-

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**22. MOVEMENT IN GROUP FUNDS - continued**

Prosperous Calderdale	58,412	(58,774)	-	(362)
Sehat - P2C CCLORS	68,560	(68,560)	-	-
Sessional staff	-	(89)	-	(89)
Social Action Hub	1,677	(1,677)	-	-
Staying Well Project	148,229	(168,235)	-	(20,006)
Together Calderdale Project	58,407	(56,053)	-	2,354
	<u>2,333,864</u>	<u>(2,349,684)</u>	-	<u>15,820</u>
<b>TOTAL FUNDS</b>	<u>9,217,746</u>	<u>(9,230,942)</u>	<u>(1,092,000)</u>	<u>(1,098,382)</u>

**Transfers between funds**

Transfers between funds have been made to reallocate overspends on restricted fund projects and to reallocate restricted fund opening balances which have been expended within the year to the satisfaction of the restriction in place.

**23. 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 2021 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 2021 was £6,211,000 the present value of the assets was £3,652,000 leaving a net pension liability of £2,559,000 at 31 March 2021.

Contributions

The employer contributions made to the scheme during the year were £40,000 (2020: £33,000). £Nil was unpaid at the year end.

The employers' regular contributions to the Fund for the accounting period ending 31 March 2022 are estimated to be approximately £17,000.

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.

**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**23. EMPLOYEE BENEFIT OBLIGATIONS - continued**

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

	<u>31 March 2021</u>	<u>31 March 2020</u>
	(%)	(%)
Discount rate	2.05	2.30
Inflation - CPI	2.80	1.90
Pension increases	2.80	1.90
Pension accounts revaluation rate	2.80	1.90
Salary increases	2.00	3.15

**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.

	<u>Asset split at</u> <u>31 March 2021</u>	<u>Asset split at</u> <u>31 March 2020</u>
	(%)	(%)
Equities	79.7	77.5
Property	3.8	4.5
Government bonds	8.3	9.6
Corporate bonds	4.6	5.1
Cash	2.0	1.9
Other	1.6	1.4
<b>Average Return / Total</b>	<b>100.00</b>	<b>100.0</b>

**Reconciliation of funded status to Balance Sheet**

	<u>Value as at</u> <u>31 March 2021</u>	<u>Value as at</u> <u>March 2020</u>
	£000's	£000's
Fair value of assets	3,652	3,100
Present value of funded liabilities	(6,211)	(4,871)
Pension asset / (liability) before consideration of paragraph 41	(2,559)	(1,771)
Unrecognised asset due to limit in paragraph 41	-	-
<b>Net pension asset/(liability)</b>	<b>(2,559)</b>	<b>(1,771)</b>



**HALIFAX OPPORTUNITIES TRUST**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31st March 2021**

**23. EMPLOYEE BENEFIT OBLIGATIONS - continued**

Analysis of profit and loss charge

	<u>Period ending</u> <u>31 March 2021</u> <u>£000's</u>
<b>Operating cost:</b>	
Current service cost	167
Past service cost	-
Interest cost	-
Curtailment cost	23
Settlement cost	-
<b>Financing cost:</b> Interest on net defined benefit liability / (asset)	41
<b>Expense recognised</b>	<b>231</b>

Changes to the present value of the defined benefit obligation

	<u>Period ending</u> <u>31 March 2021</u> <u>£000's</u>
Opening defined benefit obligation	4,871
Current service cost	167
Interest expense on defined benefit obligation	111
Contributions by participants	27
Actuarial (gains) / losses on liabilities	1,160
Net benefits paid out	(148)
Past service cost	-
Net increase in liabilities from disposals / acquisitions	-
Curtailment cost	23
Settlements	-
<b>Closing defined benefit obligation</b>	<b>6,211</b>

Changes to the fair value of assets

	<u>Period ending</u> <u>31 March 2021</u> <u>£000's</u>
Opening fair value of assets	3,100
Interest income on assets	70
Remeasurement gains / (losses) on assets	563
Contributions by the employer	40
Contributions by participants	27
Net benefits paid out	(148)
Net increase in assets from disposals and acquisitions	-
Settlements	-
<b>Closing fair value of assets</b>	<b>3,652</b>

**24. 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.

**25. RELATED PARTY DISCLOSURES**

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

There were no related party transactions for the year ended 31st March 2021.

**26. 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.

**27. ULTIMATE CONTROLLING PARTY**

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