

Calder Valley Community Land Trust Limited

Registered society number 7038

Annual Report and Financial Statements for the year ended 31 December 2017

Calder Valley Community Land Trust Limited

Annual Report and Financial Statements for the year ended 31 December 2017

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Prepared by West Yorkshire Community Accounting Service

Calder Valley Community Land Trust Limited

Trustees' report for the year ended 31 December 2017

Reference and administrative details of the charity its trustees and advisors

The trustees during the financial year and up to and including the date the report was approved were:

Name	Position	Dates
Simon Brearley	Chair	
Andrew Bibby	Secretary	
Helen Woods	Treasurer	
Ian Vickridge		
Margaret Smallwood		
Graham Mynott		
David Nugent		
Hilary Chadwick		Resigned 5 January 2017
Hazel Neilson		Resigned 5 April 2017
Richard Henderson		
Karin Lowson	Treasurer from 1 January 2018	Co-opted 18 September 2017
Mark Scott		Elected 19 May 2017
Lynda Bruce		Co-opted 19 February

Registered society number: 7038

Registered and principal address

2 Hebble End
Hebden Bridge
HX7 6HJ

Bankers

Unity Trust Bank
Nine Brindleyplace
Birmingham
B1 2HB

Independent examiner

Simon Bostrom FCIE

West Yorkshire Community Accounting Service

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Structure, governance and management

Calder Valley Community Land Trust Ltd is a community benefit society, incorporated under the Co-operative and Community Benefit Societies Act. It was formed on 14 November 2014 and is governed by a set of rules adopted by the members. As at 31 December 2017, the society had 77 members, who each held one £1 non-transferable membership share. The society has been granted exempt charitable status by HM Revenue & Customs, number EW35609.

Method of recruitment and appointment of trustees

The trustees who comprise the directors of the society are appointed by the members at the AGM. Trustees have powers to co-opt up to two co-optees between AGMs, and they exercised this power during 2017 to co-opt Karin Lowson.

Calder Valley Community Land Trust Limited

Trustees' report (continued) for the year ended 31 December 2017

The charity's objects

To promote for the benefit of the public the conservation protection and improvement of the physical and natural environment.

To carry on for the benefit of the community the business of providing housing and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means.

Achievements and performance

CVCLT is a member-led community benefit society, which has been established to help address and meet housing needs in our part of West Yorkshire. We are the means through which community-led housing can be undertaken. We see the CVCLT potentially as a valuable resource for our communities, to enable at least some of the anticipated new housing, due to be built in the upper Calder valley between now and 2030, to be community-led. We are proud to be part of a fast-growing community-led housing network, which nationally includes at least 225 community land trusts (CLTs), and we participate in this movement through our membership of both the National CLT Network and Locality. The idea of community-led housing is about local people playing a leading and lasting role in solving local housing problems, creating genuinely affordable homes and stronger communities in ways that are difficult through current mainstream housing.

CVCLT is also a vehicle through which significant local buildings and community open space can be held legally and in perpetuity on behalf of the community. Our CLT has already demonstrated that the need for this role exists and is the legal custodian of a community centre in Todmorden.

The CVCLT board has adopted the following mission statement: "Securing a vibrant future for all in the Calder Valley by holding and developing land and buildings sustainably on behalf of the community."

The CLT's membership has grown during 2016 from 67 at the year start to 77 members at the year end. The trustees, who are elected by the members, have met twelve times during the year and have also held an 'away day' strategy session.

The trustees have established task groups to progress the CLT's currently active projects. The organisation has focused on progressing two initial developments of affordable rental housing.

The CLT is working in partnership with the local almshouse charity John Eastwood Homes to build six independent living bungalows on land at Birks Lane, Walsden, which was gifted to the trust by Calderdale MBC. This development received planning permission in December 2017 and work is expected to start in the Spring of 2018. A comprehensive funding package has been put together, through a combination of grant and loan capital. The trustees gratefully acknowledge the grant finance made available to this project by the Quaker Housing Trust; further grant funding will feature in the 2018 accounts.

The second development is more ambitious, and involves bringing back housing to an area of Hebden Bridge ('High Street') where terraced houses were razed to the ground in slum clearances in the early 1960s. The CLT has appointed architects for this development, and detailed surveys of the site have been undertaken. The trustees are working on the basis that the proposal will be ready for a planning application in spring 2018. The development, as presently conceived, is for 23 units, made up of one-, two- and three-bedroomed flats for rent at affordable rents. These flats are primarily, although not exclusively, designed for young people; there is a particular need for affordable housing to enable our young people priced out of the commercial housing market to stay in the valley. Trustees expect to use the legal powers open to them to launch a community share issue during 2018. The land is being passed to the CLT from Calderdale MBC at nil cost.

Calder Valley Community Land Trust Limited

Trustees' report (continued) for the year ended 31 December 2017

Achievements and performance - continued

The freehold of the Fielden Hall (previously known as Fielden Centre), a Grade II listed former school which is now a well-equipped and well-used community centre, was gifted to the CLT by its previous private owners in 2016. The previous owners had done much to restore the once-derelict building and saw the CLT as the vehicle to hold the building on behalf of the community. The CLT works closely with a separate charity, the Fielden Centre Association, which continues to manage the centre. The building acquired a wedding licence during 2016, and several weddings have now been held.

Trustees have held a number of discussions during 2017 over possible custodianship of other community assets locally and these discussions are continuing.

Trustees anticipate that the organisation will be in a position to begin work towards a third housing development once the first two developments have progressed to the planning stage. Land is being sought, but nothing suitable has yet been identified. The trustees have chosen to focus initially on the towns of Todmorden, Hebden Bridge and Mytholmroyd, but consider that the remit of CVCLT could also extend to other towns in the Calder valley such as Sowerby Bridge and Elland. Any such extension, however, would be dependent on community support for the work of the CVCLT in these towns.

We also recognise that there are other routes than new-build to address our local housing problems, and to this end we are prepared to explore the renovation of older empty properties.

As part of our strategic development, the trustees took the decision in 2017 that the CLT would apply for both Investment Partner (IP) and Registered Provider (RP) status with the Homes and Communities Agency (now renamed Homes England). This will enable CVCLT to have potential access to grant-funding for its developments from the government's Affordable Homes Programme (administered by the HCA). By seeking recognition as an RP (previously known as a Registered Social Landlord) CVCLT is demonstrating its determination to build its work locally over the longer term to create the housing our communities need. Our RP status will give confidence to future partners and tenants that we are a professionally run organisation with high standards of governance and strong financial management. The application for IP status was submitted in the autumn of 2017, and the full application for RP status was submitted in January 2018.

CVCLT operates on the basis that it can meet its charitable objectives more effectively and efficiently by working in close partnership with other organisations. These include the local authority, Calderdale Metropolitan Borough Council (CMBC). Following discussions which first began before incorporation in early 2014, CVCLT has built up a strong relationship with the members and officers of CMBC. We commend CMBC for its understanding of the role of community-led housing, as part of a broad housing strategy to meet local needs. This partnership has been demonstrated by two CMBC Cabinet decisions to pass unused land at nil cost into the ownership of CVCLT.

CVCLT has also welcomed support from the two town councils, Todmorden Town Council and Hebden Royd Town Council, both of which have made small grants to CVCLT.

Calder Valley Community Land Trust Limited

Trustees' report (continued) for the year ended 31 December 2017

Governance

We have adopted the Charity Governance Code (previously known as Good Governance: A Code for the Voluntary and Community sector). <https://www.charitygovernancecode.org/en>. This Code was endorsed by the Charity Commission in 2017 when it withdrew its own CC10 Good Governance document. All trustees have received a copy of the Code, and new trustees receive it when taking up office.

The key provisions of the Code usefully summarise the main areas of governance where trustees are concerned to ensure good practice:

1. Organisational purpose

The board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably.

2. Leadership

Every charity is led by an effective board that provides strategic leadership in line with the charity's aims and values.

3. Integrity

The board acts with integrity, adopting values and creating a culture which help achieve the organisation's charitable purposes. The board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly.

4. Decision-making, risk and control

The board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored.

5. Board effectiveness

The board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions.

6. Diversity

The board's approach to diversity supports its effectiveness, leadership and decision-making.

7. Openness and accountability

The board leads the organisation in being transparent and accountable. The charity is open in its work, unless there is good reason for it not to be.

The trustees undertook a self-assessment exercise of our compliance with the Code in late 2017, each trustee independently and anonymously scoring their assessment of each of the seven key provisions. As a result, the trustees' firm view is that the society is meeting all the conditions to be in compliance with the Charity Governance Code.

Environmental impact

CVCLT trustees adopted a formal Sustainability Policy in early 2017, following discussions and an open workshop held between trustees and CVCLT members in September 2016. Members of the society, particularly those with experience of sustainability issues, were involved in developing the Sustainability Plans prepared for the two individual developments, at Walsden and High Street, Hebden Bridge.

The CLT's Sustainability Policy contains the following statement: CVCLT will actively strive to reduce its carbon footprint and improve the local environment for the long-term benefit of the communities it serves. Climate change, fuel poverty, public health, flood resilience and environmental stewardship are the main drivers behind this commitment.

Calder Valley Community Land Trust Limited

Trustees' report (continued) for the year ended 31 December 2017

Environmental impact - continued

The three strategic aims and objectives of the CVCLT are shown in the box below.

Reducing our carbon footprint: We aim to reduce the amount of energy – including embodied energy – used by the homes we develop, the buildings we manage and the activities we undertake.

Using resources wisely: Through careful procurement and robust recycling, we aim to consume fewer resources and produce less waste and/or pollution.

Encouraging positive behaviour: We aim to encourage and enable the people we house and the communities with whom we work to use less energy, reduce their fuel bills, consume fewer resources and produce less waste. We will support them in doing this and encourage positive behaviour change.

Social impact

The trustees are keen as soon as feasible to develop a formalised way of measuring the organisation's social impact, with a view to this information also being reported together with the annual accounts.

Financial review

The net income for the year was £57,307, including net income of £1,087 on unrestricted funds and net income of £56,220 on restricted funds.

Reserves

The charity's free reserves, excluding fixed assets, at the year end were £4,506.

At this stage in the development of the society, the trustees are still looking to build up the level of free reserves, while acknowledging that until rental income is generated from the developments in progress the bulk of the society's income will come in the form of restricted grant funding. Trustees anticipate that a reserves policy, following best practice in the charity sector, will be appropriate for the 2018 financial year and trustees will therefore be working during 2018 towards adopting an appropriate policy

Signed on behalf of the board of trustees:

Signed..... (Trustee)

Name.....

Date.....

Calder Valley Community Land Trust Limited

Independent examiner's non-statutory report to the trustees of Calder Valley Community Land Trust Limited

We report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2017, which are set out on pages 8 to 14.

Respective responsibilities of the trustees and the examiners

The society is an exempt charity, and, as such is under no statutory obligation to prepare accounts in any prescribed format or to undergo any kind of external scrutiny. However, the trustees consider that the association's activities are analogous to those of a charity registered with the Charity Commission and so as a matter of good practice they require the accounts to be subject to a form of external scrutiny. The trustees have, therefore, engaged us to carry out an independent examination of the accounts based on the procedures set out in the general Directions given by the Charity Commission (as far as they would be applicable and relevant if the association was a registered charity) and to report whether particular matters have come to our attention.

Basis of independent examiners' statement

Our examination comprised of a review of the accounting records kept by the association and a comparison of the accounts presented with those records. It also included consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

We have completed our examination. We confirm that no material matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

We have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Date:

West Yorkshire Community Accounting Service

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Calder Valley Community Land Trust Limited
Statement of Financial Activities
(including summary income and expenditure account)
for the year ended 31 December 2017

	Notes	2017	2017	2017	2016
		Unrestricted	Restricted	Total	Total
		funds	funds	funds	funds
		£	£	£	£
Income from:					
Grants and donations	(2)	-	106,233	106,233	20,050
Asset transfer		-	-	-	41,000
Membership fees		179	-	179	571
Rent Fielden Centre		2,400	-	2,400	2,050
Other income		2,229	-	2,229	2,164
Total income		4,808	106,233	111,041	65,835
Expenditure on:					
Consultancy		-	42,370	42,370	1,050
Legal and regulatory fees		-	2,549	2,549	1,031
Advertising and publicity		75	828	903	497
Rent and venue hire		139	267	406	511
Travel and subsistence		-	-	-	193
Insurance		2,780	-	2,780	1,321
Memberships and subscriptions		-	250	250	183
Training and development		-	896	896	-
Accountancy and independent examination		480	305	785	372
Bank charges		72	-	72	36
Repairs and maintenance		175	2,548	2,723	-
Grant repayment		-	-	-	1,823
Total expenditure		3,721	50,013	53,734	7,017
Net income / (expenditure)		1,087	56,220	57,307	58,818
Transfers between funds		-	-	-	-
Net movement in funds		1,087	56,220	57,307	58,818
Fund balances brought forward		44,342	22,214	66,556	7,738
Fund balances carried forward	(3)	45,429	78,434	123,863	66,556

All incoming resources and resources expended derive from continuing activities.

Calder Valley Community Land Trust Limited

Balance sheet

as at 31 December 2017

	2017	2017	2017	2016
	Unrestricted £	Restricted £	Total £	Total £
Fixed assets				
Tangible assets	(4) 41,000	22,800	63,800	41,000
Total fixed assets	<u>41,000</u>	<u>22,800</u>	<u>63,800</u>	<u>41,000</u>
Current assets				
Debtors and prepayments	(5) 336	-	336	948
Cash at bank and in hand	4,651	65,634	70,285	25,047
Total current assets	<u>4,987</u>	<u>65,634</u>	<u>70,621</u>	<u>25,995</u>
Current liabilities: amounts falling due within one year				
Creditors and accruals	(6) 481	10,000	10,481	372
Total current liabilities	<u>481</u>	<u>10,000</u>	<u>10,481</u>	<u>372</u>
Net current assets / (liabilities)	<u>4,506</u>	<u>55,634</u>	<u>60,140</u>	<u>25,623</u>
Net assets	<u>45,506</u>	<u>78,434</u>	<u>123,940</u>	<u>66,623</u>
Funds				
Income and expenditure account:				
Unrestricted funds	45,429	-	45,429	44,342
Restricted funds	-	78,434	78,434	22,214
Total income and expenditure account	<u>45,429</u>	<u>78,434</u>	<u>123,863</u>	<u>66,556</u>
Share capital	(7) 77	-	77	67
Total funds	<u>45,506</u>	<u>78,434</u>	<u>123,940</u>	<u>66,623</u>

The financial statements were approved by the trustees on

Signed: Name (Secretary)

Signed: Name (Trustee)

Signed: Name (Trustee)

Calder Valley Community Land Trust Limited

Notes to the accounts

for the year ended 31 December 2017

1 Accounting policies

Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

Reconciliation with previous Generally Accepted Accounting Practice In preparing the accounts

The trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. They have determined that no such restatement is required.

Whilst no changes have been made in respect of the move to FRS 102, the trustees have decided to adopt the Charities SORP. As an exempt charity the trustees are not actually under a legal obligation to prepare accounts in accordance with the SORP, however this is encouraged by the Charity Commission.

The most significant effect of this is the recognition of grant income. This was previously matched to expenditure. The comparative figures have been restated in respect of this change. The change to the previous year was to move £18,850 from deferred income to grant income.

Going concern

The trustees are satisfied that there are no material uncertainties about the charity's ability to continue.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

Expenditure and liabilities

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

Calder Valley Community Land Trust Limited

Notes to the accounts

for the year ended 31 December 2017

1 Accounting policies

Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Freehold land : nil

Fielden centre: nil, due to the trustees considering the estimated residual value of the asset not to be materially different from the carrying amount.

Other freehold property: over 50 years from the year in which the asset was purchased or completed.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

Calder Valley Community Land Trust Limited

Notes to the accounts continued

for the year ended 31 December 2017

2 Grants and donations	2017	2017	2017	2016
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Big Potential	-	64,387	64,387	-
Calderdale Flood Relief	-	2,548	2,548	-
Charities Aid Foundation	-	-	-	-
Hebden Royd Town Council	-	-	-	400
Locality	-	19,298	19,298	18,850
Quaker Housing Trust	-	20,000	20,000	-
Todmorden Pride	-	-	-	400
Todmorden Town Council	-	-	-	400
	<u>-</u>	<u>106,233</u>	<u>106,233</u>	<u>20,050</u>

3 Restricted funds	Balance b/f	Incoming	Outgoing	Transfers	Balance c/f
	£	£	£	£	£
CLT Network - Start up	889	-	889	-	-
See and believe it	378	-	378	-	-
Walsden consultancy	2,097	-	2,097	-	-
Big Potential	-	64,835	35,641	-	29,194
Quaker Housing Trust	-	20,000	-	-	20,000
Calderdale MBC	-	2,548	2,548	-	-
High Street	18,850	18,850	8,460	-	29,240
	<u>22,214</u>	<u>106,233</u>	<u>50,013</u>	<u>-</u>	<u>78,434</u>

Fund name

Purpose of restriction

CLT Network - Start up	Towards legal fees for the development of management, lease agreements and the business plan
See and believe it	For member training and information sharing with other CLT's
Walsden consultancy	Funding from Community Foundation for Calderdale towards legal and consultancy fees for the Walsden bungalows
Big Potential	Funding to develop organisational readiness
Quaker Housing Trust	Contribution towards development costs of bungalows for older people at Birks Lane, Walsden
Calderdale MBC	Contribution towards flood resilience work at Fielden Centre
High Street	Funding from Locality and CAF towards development costs at High Street, Hebden Bridge. The balance includes £22,800 which relates to the architect's fees being capitalised. The properties will be depreciated in the year of completion. There is also a short term liability of £10k within this fund, being loan finance from CAF.

Calder Valley Community Land Trust Limited

Notes to the accounts continued

for the year ended 31 December 2017

4 Tangible assets

	High Street	Fielden Centre	Walsden Land	Total
Cost	£	£	£	£
At 1 January 2017	-	21,000	20,000	41,000
Additions	22,800	-	-	22,800
At 31 December 2017	<u>22,800</u>	<u>21,000</u>	<u>20,000</u>	<u>63,800</u>
Depreciation				
At 1 January 2017	-	-	-	-
Charge for year	-	-	-	-
At 31 December 2017	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net book value				
At 31 December 2017	<u>22,800</u>	<u>21,000</u>	<u>20,000</u>	<u>63,800</u>
At 31 December 2016	<u>-</u>	<u>21,000</u>	<u>20,000</u>	<u>41,000</u>

5 Debtors and prepayments

	2017	2016
	£	£
Debtors	267	267
Prepayments	69	681
	<u>336</u>	<u>948</u>

6 Creditors and accruals

	2017	2016
	£	£
Loans and overdrafts	10,000	-
Accruals	481	372
	<u>10,481</u>	<u>372</u>

7 Share capital

The share capital is made up of 77 members who have each paid £1.

8 Trustees' expenses

During the year no trustee was paid expenses (previous period: 1 committee member and £79 for travel).

9 Related party transactions

There were no related party transactions during the year.

Calder Valley Community Land Trust Limited

Statement of Financial Activities including comparatives for all funds

(including summary income and expenditure account)

for the year ended 31 December 2017

	2017 Unrestricted funds £	2016 Unrestricted funds £	2017 Restricted funds £	2016 Restricted funds £	2017 Total funds £	2016 Total funds £
Income from:						
Grants and donations	-	1,200	106,233	18,850	106,233	20,050
Asset transfer	-	41,000	-	-	-	41,000
Membership fees	179	571	-	-	179	571
Rent Fielden Centre	2,400	2,050	-	-	2,400	2,050
Other income	2,229	2,164	-	-	2,229	2,164
Total income	4,808	46,985	106,233	18,850	111,041	65,835
Expenditure on:						
Consultancy	-	-	42,370	1,050	42,370	1,050
Legal and regulatory fees	-	60	2,549	971	2,549	1,031
Advertising and publicity	75	327	828	170	903	497
Rent and venue hire	139	419	267	92	406	511
Travel and subsistence	-	-	-	193	-	193
Insurance	2,780	1,321	-	-	2,780	1,321
Memberships and subscriptions	-	183	250	-	250	183
Training and development	-	-	896	-	896	-
Accountancy and independent exam	480	372	305	-	785	372
Bank charges	72	36	-	-	72	36
Repairs and maintenance	175	-	2,548	-	2,723	-
Grant repayment	-	-	-	1,823	-	1,823
Total expenditure	3,721	2,718	50,013	4,299	53,734	7,017
Net income / (expenditure)	1,087	44,267	56,220	14,551	57,307	58,818
Transfers between funds	-	-	-	-	-	-
Net movement in funds	1,087	44,267	56,220	14,551	57,307	58,818
Fund balances brought forward	44,342	75	22,214	7,663	66,556	7,738
Fund balances carried forward	45,429	44,342	78,434	22,214	123,863	66,556