

Registered Society Number: 7038

Regulator of Social Housing Registered Number: C5050

Calder Valley Community Land Trust Limited

Report and unaudited financial statements

For the year ended 31 December 2020

Calder Valley Community Land Trust Limited
Trustees annual report for the year ended 31 December 2020

Reference and administrative details of the society, its management committee 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	
Karin Lawson	Treasurer	
John Berry		
Melvin Coleman		
Abigail Gregory		Appointed 21 September 2020
Richard Henderson		
Sally Hinton		Appointed 21 September 2020
Mark Scott		Resigned 17 March 2020
Margaret Smallwood		
Anne Sutcliffe		Appointed 21 September 2020
Catherine Wheatcroft		Appointed 27 June 2020
Kala Wild		Resigned 19 April 2021

Registered society number: 7038

Registered and principal address: Unit 23, Hebden Bridge Town Hall, St George's Street, Hebden Bridge, HX7 7BY

Bankers: Unity Trust Bank, Nine Brindley Place, Birmingham B1 2HB

Independent examiners: Third Sector Accounting, Holyoake House, Hanover St, Manchester M60 0AS

Calder Valley Community Land Trust Limited
Trustees annual report for the year ended 31 December 2020

The trustees present their report and the unaudited financial statements for the year ended 31 December 2020.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the rules of the charitable society and the Statement of Recommended Practice for registered social housing providers (2018 update).

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 2014. It was formed on 14 November 2014 and is governed by a set of rules adopted by the members. As at 31 December 2020, the society had 169 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 management committee members

The trustees who comprise the directors of the society are appointed by the members at the AGM. Trustees have powers to fill casual vacancies and to co-opt up to two co-optees between AGMs. They exercised this power during 2020 to bring Catherine Wheatcroft, Anne Sutcliffe, Sally Hinton and Prof Abigail Gregory on to the board.

We have supplemented the skills and expertise of our Trustees through the launch of an Advisory Panel in the Autumn. This is an informal grouping of local supporters with particular skills and experience relevant to the CVCLT's work, whom the trustees can call on as and when expert advice is needed.

The society's objects

The society's objects are exclusively charitable under English charitable law. The objects are: to promote for the benefit of the public the conservation protection and improvement of the physical and natural environment; and 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.

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The society's activities during 2020

Addressing housing need

Calder Valley Community Land Trust is trying to demonstrate a simple idea: that by coming together on a voluntary basis, local communities can directly bring about new affordable homes that meet real local needs. CVCLT is also a vehicle through which significant local buildings and community open space can be held legally on behalf of the community.

CVCLT addresses housing needs in our part of West Yorkshire through direct, bottom-up, initiatives. It is part of a growing community-led housing movement, proud to play its part along with several hundred community land trusts serving their own neighbourhoods in this way. 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 one of a very small number of community land trusts in Britain which have chosen to embrace the significant responsibilities of becoming a Registered Provider of Social Housing (RP). Our status means that we can draw down funding from Homes England directly, rather than partnering with an existing RP, such as a housing association. It also means that we directly have landlord responsibilities towards our tenants.

Our strategic direction and financial stability

Our 2020 AGM, and all our monthly board meetings after March, necessarily moved online, and we have found it quite possible to maintain our decision-making structures.

The pandemic has meant a regrettable delay in work towards progressing the strategic development of the organisation. Trustees, at the 'Awayday' discussions held early in 2020, discussed a trajectory for CVCLT over the next 3-5 years which would see the organisation move to the next stage where we no longer rely just on volunteer efforts. Our board of trustees is at present both strategic and operational in its work. The transition, which will lead to the appointment of our first member of staff, will enable the board to move incrementally away from direct operational responsibilities, to be able to focus much more on the CLT's strategic development which we feel is, long-term, its primary responsibility.

We cannot expect to be financially fully sustainable until we have an adequate income stream from tenants, and our financial projections suggest that this will not be until at the earliest 2025, provided that a second significant development has been completed and will begin to be income-generating. The reality is that new housing developments take a very long time to bring to fruition. We have therefore been actively seeking grant-funding to enable us to bridge the period until 2025. These efforts were put on hold during 2020 but were picked up again in 2021. We were absolutely delighted to learn in February 2021 that we have been awarded a grant of £85,000 over three years from The National Lottery Community Fund, which is to fund a member of staff. We have also received additional grant funding to meet organisational overheads.

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Birks Court, Walsden

We were delighted to complete our first new housing development, six bungalows for independent living in older age, in February 2020. Around fifty local people celebrated with us on the Community Open Day on February 29th, and were entertained by Todmorden Community Brass Band. The occasion was marked by the planting of a flowering cherry tree by the Mayors of Calderdale and Todmorden.

This development, Birks Court in Walsden near Todmorden, was a pioneering partnership with the local almshouse charity John Eastwood Homes, who paid for and took over two of the completed bungalows for their own residents. Our tenants moved into the four CVCLT bungalows in early March before the first covid-19 lockdown. We have been pleased to see them settle in as the year has progressed. The bungalows, being let at affordable rents, were allocated to our tenants on the basis of (a) the tenants' ranking for housing need and waiting time on the independent KeyChoice housing list run by another local housing association and (b) a connection to the area going back at least ten years.

The capital build was financed by a combination of grants and loans, including a grant of £240,000 from Homes England, a grant and interest-free loan package from Quaker Housing Trust, a grant from our local authority, Calderdale Metropolitan Borough Council (CMBC), £94,000 in community shares, and a secured loan from our bank Unity.

Community shares

Community shares (a form of investment capital open to CVCLT as a community benefit society) are a form of ethical investment whereby individuals and local organisations who support our aims can invest directly in the organisation. Community shares are withdrawable, at par, and transfer is not permitted. They are a funding vehicle being increasingly used, for example for community shops, pubs and other not-for-profit ventures.

On October 31st we launched (at an online event) a community share issue to raise up to £270,000 towards the purchase of land and two houses immediately adjacent to the Fielden Hall, a community centre in Todmorden. CVCLT had been gifted the freehold ownership of the Hall in 2015, and when the buildings which 'bookend' the Hall came onto the market in 2020, CVCLT trustees sought to purchase them. We named the whole site 'Fielden Acre' after Todmorden's nineteenth century philanthropic Fielden family.

The Fielden Acre share offer was our first substantive use of this financial vehicle. We submitted our business plan and share offer document for accreditation, and received the Community Shares Standard Mark, which is a quality mark.

We reached the £270,000 target for the share issue early in January 2021, two weeks before the share issue was due to close, and we acknowledge the marketing help given to us by Leeds Community Homes and we were grateful to the actor Kevin Doyle for his endorsement of the Fielden Acre project. We also received funding from Homes England, REACH and the Booster Funds for preparatory work on the purchase and for the marketing of the share offer.

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£219,550 was raised from 118 individual investors and from Todmorden Town Council. This was complemented by a matched £50,000 in share capital from the Community Shares BOOSTER Programme, using funds from the Architectural Heritage Fund. (the Fielden Acre site is Grade II listed).

The community share capital, together with Homes England grant funding and an interest-only loan from the Community Foundation for Calderdale, means that we can acquire the Fielden Acre buildings (the purchase is anticipated to have taken place in early 2021). The two houses will be let by CVCLT at affordable rents, increasing our stock of homes by two!

The community share issue represents, in a very literal sense, 'buy in' by people in our community to our work. We were pleased to have this acknowledged by Social Enterprise Yorkshire & Humber who awarded us the prize of Social Enterprise: Social Investment award winner in its annual Awards ceremony.

Saving the Signal Box at Hebden Bridge Station

Hebden Bridge Signal Box is a Grade II building of considerable heritage importance which was decommissioned in October 2018. CVCLT has been working with the Friends of Hebden Bridge Station to negotiate with Network Rail for the signal box to be passed into community custodianship, with CVCLT as the agency which would hold the building. We have prepared a comprehensive business plan for the signal box and using grant funding from Hebden Royd Town Council, have appointed an architect and QS to undertake feasibility work on the building. Unfortunately, applications for grant funding to support this innovative initiative have unavoidably been held up, because of Covid-19. We plan to move forward again in 2021 when grant funding becomes available.

High Street Scheme, Hebden Bridge

We have undertaken further feasibility work on our proposed development at High Street, Hebden Bridge, funded by a revenue grant from Homes England. This was a street of high-density terraced housing which was demolished during slum clearances in the 1960s; the land has since remained fallow. In line with our desire to build wherever possible on sites which once had housing or industry rather than on greenfield sites, we had applied for planning permission for twenty new homes on this site. We were very disappointed when the CMBC planning committee, in February 2019, chose to go against the planners' recommendation, and our application was refused. We are exploring ways to resubmit the plans in ways which will meet with strong community approval and which will be financially viable. As with Rose Street, we will be working on any new proposals here in partnership with Connect Housing.

The Rose Street scheme in Todmorden

We were delighted when we were identified by CMBC, in a Cabinet paper in March 2020, as the potential development partner for a high-profile development of affordable homes in Rose Street, Todmorden. Plans for these homes are closely linked to wider discussions over the future of Todmorden's central Bramsche Square area, and this overall proposal forms part of the application from Todmorden Town Board for the Todmorden Town Fund. Our plans include partnership working with the local housing association, Connect Housing, with whom we have developed a very strong

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relationship. We look forward to working closely with the Town Board, CMBC and Connect during 2021, as the proposals for this development take firm shape.

Partnerships

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. We commend CMBC for its understanding of the role of community-led housing, as part of a broad housing strategy to meet local needs.

We also welcome the interest in our work shown by Homes England and appreciate the help shown by Homes England officers.

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

As well as our long-established relationship with John Eastwood Homes, CVCLT also has developed relationships with other local almshouses, and with housing associations operating in our area. We work very closely with the Fielden Centre Association, a local charity charged with the responsibility of managing Fielden Hall.

Our office in Hebden Bridge Town Hall is shared with two other local organisations, Calderdale Friends of Dorothy (a group concerned with the housing and health needs of older lesbian women) and the Fox and Goose Co-operative.

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. The trustees undertake regular self-assessment exercises of our compliance with the Code. A report on the results of this exercise was taken to the Board of Trustees in April 2021, who confirmed that the organisation is compliant 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. The Sustainability Policy contains the following statement: *CVCLT will actively strive to reduce its carbon footprint and improve*

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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.

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.

The trustees have chosen to base their Sustainability Plans for each development on the 10 Principles for One Planet Living, produced by Bioregional.

We were pleased that our Birks Court development in Walsden was chosen in 2020 as a case study in good water attenuation, by the anti-flood group Calderdale Slow the Flow. We have a Memorandum of Understanding with another local community benefit society, Pennine Community Power (PCP), and we discuss with PCP ways in which, together, we can maximise the energy generation opportunities of our developments.

Engagement with the wider CLT network

We have been pleased during 2020 to have been able to put something back into the wider community-led housing movement. Our trustees have been asked to make presentations at several CLH events and seminars, both to share our experience of successfully becoming a Registered Provider of Social Housing, and to advise other CLTs in how community share investment capital can be brought in to new community-led housing schemes.

Social impact

The trustees have for several years been concerned to develop a formalised way of measuring the organisation's social value, with a view to this information also being reported in the annual accounts. We are delighted to report that we are for the first time able to meet this aspiration. Our first social value report was issued in the summer of 2020. The report is available on our public website, at <http://www.caldervalleyclt.org.uk/docs/socialvalue.pdf>.

There are several methods that can be employed to measure social value, but because we are a relatively small organisation, we chose simple and pragmatic methods.

Three methods were used to collect the requisite information:

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1. Empirical data collection about impact of activities undertaken by CVCLT. Table 1 below gives examples;

Table 1 Examples of CVCLT's social impact

Activity	Evidence
Raising awareness around housing issues	<ul style="list-style-type: none"> • 6 public meetings held on 'Housing – An Issue' in 2018, attended by an average of 40 people. • 42 survey respondents confirmed attendance at these meetings • Monthly newsletter sent to a mailing list of 452 people • Have 782 followers on Twitter
Encouraging partnerships and organisations	<ul style="list-style-type: none"> • Attend regular meetings of RPs in Calderdale, comprising around 8 organisations • Developing close working relationship with an RP which is providing management services for tenants
Supporting community spaces	<ul style="list-style-type: none"> • Own a community facility used by up to 200 people per week, across a range of different organisations and events
Providing housing	<ul style="list-style-type: none"> • Provide housing for 5 older people in 4 bungalows • Buying 2 houses for affordable rent
Encouraging community participation	<ul style="list-style-type: none"> • 4 new trustees have been recruited, increasing the size of the Board to 12 • 9 supporters have been recruited to an Advisory Group • CVCLT has 169 members • 63 of survey respondents confirmed that they had mentioned CVCLT to friends and colleagues

2. Imputed value of Trustees' input, recognising that volunteering both has an intrinsic value for those who volunteer, and an imputed financial value given that the organisation in 2020 was entirely volunteer-run. Trustees completed a survey in which they estimated the time they spent on CVCLT activities. Table 2 summarises the findings across a range of hourly financial values;

Table 2 Imputed value of Trustees' Input

Hours/month	Board meetings	Task Groups	Core activities	All other activities	Total per month	Total per annum
Total hours	45	26	65	65.5	201.5	2418
£10/hour	£450	£260	£650	£655	£2,015	£24,180
£15/hour	£675	£390	£975	£983	£3,023	£36,270
£30/hour	£1,350	£780	£1,950	£1,965	£6,045	£72,540

3. Undertaking a social value survey, to find out how members and supporters assess the impact of the CVCLT. The survey was sent to 452 individuals on our mailing list and who are recipients of our newsletter: 101 completed responses were received. Twelve questions also used a Likert scale from 1-5 indicating the degree to which respondents agreed with the question. The findings are summarised in Table 3.

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Table 3 Results of the survey of members and supporters

<p>Areas in which CVCLT was relatively successful and engaged with their supporters and the community</p> <ul style="list-style-type: none"> ● Activities associated with CVCLT <ul style="list-style-type: none"> ○ 80% regularly read the Newsletter; ○ 60% tell their friends and colleagues about the CVCLT ○ 42% attended the public meetings on 'Housing – an Issue' ● Aims and objectives of CVCLT <ul style="list-style-type: none"> ○ 87% understood quite or very well the aims of CVCLT (mean rating of 4.2) ○ 71% have increased knowledge of housing need and issues locally (mean rating of 4.0), and 82% nationally (mean rating 4.1) ● The contribution of CVCLT <ul style="list-style-type: none"> ○ 78% considered CVCLT had contributed significantly towards raising awareness about housing issues (mean rating 4.1) ○ 78% considered CVCLT had contributed significantly towards creating homes (mean rating 4.0) ○ 79% considered CVCLT had contributed significantly towards acquiring buildings and space on behalf of the community (mean rating 4.1) ○ 78% considered CVCLT had been successful in engaging with the community (mean rating 4.1)
<p>Areas in which CVCLT was less successful in engaging with supporters and the community</p> <ul style="list-style-type: none"> ● Activities associated with CVCLT <ul style="list-style-type: none"> ○ 62% are quite or very knowledgeable about the CVCLT's activities (mean rating 3.8) ● Aims and objectives of CVCLT <ul style="list-style-type: none"> ○ 51% are quite or very knowledgeable about the role of community land trusts (mean rating 3.8) ○ 46% are quite or very knowledgeable about the role of social housing providers nationally (mean rating 3.4) ○ 51% are quite or very knowledgeable about community shares (mean rating 3.4) ● The contribution of CVCLT <ul style="list-style-type: none"> ○ 61% considered CVCLT had been successful in addressing issues of equity and inequality (mean rating 3.7)
<p>Priorities for CVCLT over the period 2020-2022</p> <ul style="list-style-type: none"> ● Of the 86 who responded to this question: <ul style="list-style-type: none"> ○ 73% gave creating affordable homes as a priority ○ 19% gave raising awareness of housing issues ○ 12% gave acquiring heritage and disused buildings on behalf of the community
<p>Demography of respondents</p> <ul style="list-style-type: none"> ● 85% lived in Upper Calder valley ● 58% were women ● 75% were aged 60 years and over ● 96% were white British

Value for Money metrics

As an RP, we are required by the Regulator to include information on the set of Value for Money metrics designed for social housing providers. The results are shown in table 4.

Table 4 shows the results of our calculations for the VFM calculations as required by the Regulator for Social Housing. Because 2020 was our first year as a landlord with tenants in 4 properties and who moved in part way through the year, our results will not be comparable to those published by the Regulator for social providers with more than 1,000 properties. Nonetheless, in several categories, such as ROCE, operating margins and gearing, our results are similar, giving us confidence that we are managing our costs and assets carefully, and that we are not overstretched by excess debts.

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Table 4 Value for Money metrics

Metric	Description	CVCLT Result
1. Reinvestment (%): efficiency	Investment in properties (new build/stock) as a % of value of total properties held	15.6%
2a New supply delivered (%): effectiveness	Number of new social housing units delivered in the year as % total social housing units owned at period end	100%
2b New supply delivered (%): effectiveness	Number of new non-social housing units delivered in the year as % total non-social housing units owned at period end	0%
3. Gearing (%): efficiency	How much of the adjusted assets are made up of debt and the degree of dependence on debt finance	72.8%
4. EBITDA MRI Interest cover (%): efficiency	Measures the level of surplus that an RP generates compared to interest payable	846.9%
5. Headline social housing cost per unit: economy	Assesses headline social housing cost per unit as defined by the Regulator	£1,478
6a. Operating margin (%): efficiency	Profitability of operating assets before exceptional expenses, for social lettings only	37.4%
6b. Operating margin (%): efficiency	Profitability of operating assets before exceptional expenses, for all activities	9.0%
7. Return on capital employed (%): efficiency	Compares the operating surplus to total assets less current liabilities	4.4%

Assessment of compliance with the Governance and Financial Viability standard

We have undertaken a self audit against the Governance and Financial Viability standard. The report describing the results of the self-audit was discussed and approved by the Trustees at our Board Meeting in April 2021. We confirm our compliance with the standard.

Covid Policy

Trustees discussed and agreed at our Board Meeting in July 2020 a covid policy which covered all aspects of our activities, including management of our tenants. We duly wrote to our tenants explaining the policy and highlighting how this would protect them in respect of all housing issues.

The trustees' annual report has been approved by the trustees on 14 / 06 / 2021 and signed on their behalf by

Andrew Bibby

Andrew Bibby
(Secretary)

**Independent reporting accountant's report to the members of
Calder Valley Community Land Trust Limited
For the year ended 31 December 2019**

We report on the accounts for the year ended 31 December 2020 set out on pages 12 to 23.

Respective responsibilities of the Board of Trustees and the independent reporting accountant

The society's Board of Trustees is responsible for the preparation of the accounts, and they consider that the society is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our procedures consisted of comparing the accounts with the books of account kept by the society and making such limited enquiries of the officers of the society as we considered necessary for the purpose of this report. These procedures provide the only assurance expressed in our opinion.

Opinion

In our opinion:

- the revenue account and balance sheet for year ended 31 December 2020 are in agreement with the books of account kept by the society under section 75 of the Co-operative and Community Benefit Societies Act 2014;
- having regard only to, and on the basis of the information contained in the books of account, the revenue account and balance sheet for the year ended 31 December 2020 comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- the society met the financial criteria enabling it to disapply the requirement to have an audit of the accounts for the year specified in section 84 of the Co-operative and Community Benefit Societies Act 2014.

Third Sector Accountancy Limited

Third Sector Accountancy Limited

Reporting Accountants

Statutory Auditor

Holyoake House

Hanover Street

Manchester M60 0AS

Date 14 / 06 / 2021

Calder Valley Community Land Trust Limited
Statement of comprehensive income
(including revenue account)
Year ended 31 December 2020

	Notes	2020 £	2019 £
Turnover		389,156	55,215
Cost of sales		(296,681)	-
		<hr/>	<hr/>
Gross surplus/(deficit)		92,475	55,215
Administrative expenditure		(62,094)	(29,591)
Other operating income		4,529	5,958
		<hr/>	<hr/>
Operating surplus / (deficit)		34,910	31,582
Interest payable and similar charges		(3,335)	-
		<hr/>	<hr/>
Surplus/(deficit) on ordinary activities for the year before tax	5	31,575	31,582
		<hr/>	<hr/>
Surplus/(deficit) for the year after tax		31,575	31,582
		<hr/>	<hr/>
Total comprehensive income for the year		<hr/> <hr/>	<hr/> <hr/>

Calder Valley Community Land Trust Limited

Balance sheet
Year ended 31 December 2020

		2020	2019
		£	£
Fixed assets			
Tangible fixed assets - housing properties	10	662,175	577,681
Tangible fixed assets - other	11	21,000	21,000
		<u>683,175</u>	<u>598,681</u>
Current assets			
Housing stock for sale	12	-	250,990
Debtors	13	1,362	6,859
Cash at bank and in hand		45,829	97,644
		<u>47,191</u>	<u>355,493</u>
Creditors: amounts falling due within one year	14	(6,680)	(314,952)
Net current assets / (liabilities)		<u>40,511</u>	<u>40,541</u>
Total assets less current liabilities		<u>723,686</u>	<u>639,222</u>
Creditors: amounts falling due after more than one year	15	(521,323)	(468,456)
Total net assets / (liabilities)		<u><u>202,363</u></u>	<u><u>170,766</u></u>
Reserves			
Share capital	18	94,169	94,147
Restricted funds	17	-	-
Unrestricted funds		108,194	76,619
Total Reserves		<u><u>202,363</u></u>	<u><u>170,766</u></u>

The notes on pages 15 - 23 form part of the financial statements.

The financial statements were approved and authorised for issue by the Board:

Simon Brearley

Simon Brearley, Chair

Karin Lowson

Karin Lowson, Treasurer

Andrew Bibby

Andrew Bibby, Secretary

14 / 06 / 2021

Date

Calder Valley Community Land Trust Limited
Statement of changes in equity
Year ended 31 December 2020

	Share capital £	Restricted funds £	Income and expenditure reserve £	Total £
At end date 2019 and start date 2020	94,147	-	76,619	170,766
Surplus for the year	-	-	31,575	31,575
Total comprehensive income	94,147	-	108,194	202,341
Share capital issued	22	-	-	22
At end date 2020	94,169	-	108,194	202,363

1 Summary of significant accounting policies

a General information and basis of preparation

Calder Valley Community Land Trust Limited is a registered society, and a private registered provider of social housing in the United Kingdom. The address of the registered office is given in the information on page 3 of these financial statements.

Calder Valley Community Land Trust Limited constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland* (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2018, and with the Accounting Direction for private registered providers of social housing in England 2019. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Cooperative and Community Benefit Societies Act 2014. The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Accounting Directive 2019.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The society adopted the Housing SORP in 2018.

b Tangible fixed assets

Tangible fixed assets (including social housing properties) are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended such as the cost of acquiring land and buildings, development costs, interest charges on loans during the development period and expenditure on improvements. Expenditure on improvements will only be capitalised when it results in incremental future benefits such as increasing rental income, reducing maintenance costs or resulting in a significant extension of the useful economic life of the property.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land	- Indefinite
Housing properties - structure	- 1%, over 100 years
Housing properties - other components	- 3% - 7%, over 15 - 30 years
Other property, plant and equipment	- There are no other assets other than "Fielden Hall".

Fielden Hall is a community centre leased to a community group. No depreciation has been charged because the trustees believe the residual value to be greater than the carrying value in the accounts.

Major components of housing properties, such as roofs, windows, boilers, have been accounted for and depreciated separately from the connected housing property, over their expected useful economic lives and are included in housing properties.

The useful economic lives of all tangible fixed assets are reviewed annually.

c Stock

Stock consists of partially completed units of houses intended for sale. The value of such stock is included at the lower of cost or net realisable value. In general, cost is determined by costs incurred in the construction of property including associated costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation.

d Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in other administrative expenses.

e Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a financing transaction it is measured at present value.

f Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. The level at which an impairment is assessed is the project (the cash generating unit (CGU)).

If such indication exists, the recoverable amount is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in expenditure through the statement of comprehensive income.

g Tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

h Turnover and other income

Turnover represents rental and service charges income receivable in the year net of rent and service charge losses from voids, revenue grants from the government (local authorities) and the Homes and Communities Agency, and the amortisation of social housing grants.

i Government grants

Social housing grants can be claimed towards the cost of major works and have been received to finance the development of housing properties. These grants are recognised at the fair value of the asset received or receivable. As the assets are accounted for using the cost model then the government grant is accounted for using the accruals model. The difference between the fair value of the asset and the consideration is recognised as a liability and amortised over the useful economic life of the asset. This amortisation is recognised within turnover.

Government grants received as a contribution to revenue expenditure are recognised in the statement of comprehensive income on a systematic basis over the period in which the landlord recognises the related costs for which the grant is intended to compensate. The related expenditure is included under administrative expenses. Grants are recognised in the same period as the related expenditure provided the conditions for receipt have been satisfied and there is reasonable assurance that the grant will be received.

Calder Valley Community Land Trust Limited
Notes to the financial statements (continued)
Year ended 31 December 2020

j Judgements and key sources of estimation uncertainty

During 2018, Calder Valley Community Land Trust Limited (CVCLT) had been working on the development of land given to CVCLT by Calderdale Metropolitan Borough Council (CMBC). CVCLT received grants from numerous bodies, as detailed in the accounts, to draw up the scheme. Grants were spent on engineering, surveying and architect fees. The scheme was submitted for planning permission in the summer of 2018, but was not considered at a CMBC Planning Committee until February 2019, when it was narrowly refused planning permission. CVCLT is reviewing the scheme, with the intention to develop one that is financially viable and addresses the concerns raised at the Planning Committee. The scheme is likely to be resubmitted in 2021.

The trustees in preparing these accounts have taken the view that the High Street project will probably go ahead and that therefore the costs that have so far been capitalised are not impaired.

The total effect of this impairment, if recognised in the 2020 accounts, would be as follows:

Write off professional fees currently included as fixed assets	80,103
Release related grants currently deferred	(49,273)
	<hr/>
Net loss to recognise on abortive High Street project	30,830
	<hr/> <hr/>

No judgements (apart from the above) have been made in the process of applying the above accounting policies which have a significant effect on amounts recognised in the financial statements.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include the assumption that the High Street project will be granted planning permission, as discussed above.

2 Social housing turnover and costs

	2020	2019
	£	£
Rents receivable excluding service charges	19,922	-
Service charges receivable	1,068	-
Revenue grants receivable	52,694	44,535
Capital grants receivable	25,458	10,680
	<hr/>	<hr/>
Total turnover	99,142	55,215
Social housing activity expenditure	62,094	29,591
	<hr/>	<hr/>
Operating surplus/(deficit) from social housing activities	37,048	25,624
	<hr/> <hr/>	<hr/> <hr/>
Net surplus/(deficit) from social housing activities	37,048	25,624
	<hr/> <hr/>	<hr/> <hr/>
Amortised government grants	25,458	10,680
	<hr/> <hr/>	<hr/> <hr/>

Calder Valley Community Land Trust Limited
Notes to the financial statements (continued)
Year ended 31 December 2020

3 Financial assistance and other grant receivable

The total accumulated amount of financial assistance and other grant received or receivable at the date of the statement of financial position, based upon properties owned at that date, was as follows:

	2020	<i>2019</i>
	£	<i>£</i>
Recognised in the Statement of Comprehensive Income		
	196,898	<i>128,746</i>
Held as deferred income	336,952	<i>309,444</i>
	<hr/>	<hr/>
	533,850	<i>438,190</i>
	<hr/> <hr/>	<hr/> <hr/>

4 Accommodation owned and in management

	Number of units at 1 January 2020	Number of units at 31 December 2020
Social housing		
Housing for older people:		
Affordable Rent	-	4
	<hr/>	<hr/>
	-	4
	<hr/> <hr/>	<hr/> <hr/>

5 Surplus / (deficit) on ordinary activities

Surplus / (deficit) on ordinary activities is stated after charging / (crediting):

	2020	<i>2019</i>
	£	<i>£</i>
Depreciation of tangible fixed assets	18,791	-
Government grants	(68,152)	<i>(33,715)</i>
	<hr/> <hr/>	<hr/> <hr/>

6 Payments to members, trustees, and officers

There were no fees, remuneration or expenses paid to members, Board of Trustees members and officers.

7 Staff costs

There were no employees during the year.

The key management personnel are the Board of Trustees who are unpaid. The aggregate remuneration of the key management personnel is therefore Nil.

8 Related parties, related party transactions and trustees' expenses

There were no related party transactions during the year.

Apart from one trustee receiving reimbursement of postage expenses of £22, no trustee or any person connected with them received any remuneration or reimbursed expenses during the year. No trustee was paid for their work as trustee.

9 Tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

10 Tangible fixed assets – housing properties

	Fielden Acre	High Street	Walsden	Total
Cost:				
At 1 January 2020	-	75,703	501,978	577,681
Additions	3,700	4,400	95,185	103,285
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	3,700	80,103	597,163	680,966
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation:				
At 1 January 2020	-	-	-	-
Charge for year	-	-	18,791	18,791
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2020	-	-	18,791	18,791
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value:				
At 31 December 2020	3,700	80,103	578,372	662,175
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2019	-	75,703	501,978	577,681
	<hr/>	<hr/>	<hr/>	<hr/>

Note 11 - continued

A total of accumulated impairments of £10,680 are recognised in the opening position for High Street. Additionally see note 1(j) regarding a possible further impairment to the High Street assets.

All the housing properties were freeholds.

The housing properties Fielden Houses are at the pre-purchase stage. These properties will become part of the social housing stock should the purchase go through.

Housing properties for High Street were at the pre-planning application stage, so no depreciation has been charged. The Walsden Housing properties were completed and rented out during 2020.

The Walsden housing properties have been pledged as security for the loans from Quaker Housing Trust (loan: £25,000) and the Unity Trust Bank (loan: £170,000).

11 Tangible fixed assets – other

	Freehold building:	
	Fielden Hall	Total
Cost:		
At 1 January 2020	21,000	21,000
Additions	-	-
	<hr/>	<hr/>
At 31 December 2020	21,000	21,000
	<hr/> <hr/>	<hr/> <hr/>
Net book value:		
At 31 December 2020	21,000	21,000
	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2019	21,000	21,000
	<hr/> <hr/>	<hr/> <hr/>

No accumulated impairments are recognised in the opening position.

No depreciation was charged for Fielden Hall as the trustees believe that the residual value exceeds the carrying value.

Fielden Hall is a grade II listed building, gifted to Calder Valley Community Land Trust Limited by the previous owners, and there is a restriction on the use of this asset. The Hall is managed by a separate charity, the Fielden Centre Association, and used by the community for a variety of purposes. The gift of Fielden Hall has been valued at 10 x the current rental value, which is our best estimate of its fair value, due to the restrictions placed on its use. Calder Valley Community Land Trust Limited does not wish to increase the rent charged, which covers maintenance and overheads.

Calder Valley Community Land Trust Limited
Notes to the financial statements (continued)
Year ended 31 December 2020

12 Stock

	2020	2019
	£	£
Partially completed bungalows for sale	-	250,990
	<u> </u>	<u> </u>

13 Debtors

	2020	2019
	£	£
Trade debtors	-	138
Other debtors	-	108
Prepayments and accrued income	1,362	6,613
	<u> </u>	<u> </u>
	1,362	6,859
	<u> </u>	<u> </u>

14 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	12	31,897
Quaker Housing Trust loan	1,250	-
Government grants deferred - note 16	2,887	30,581
Accruals and deferred income	2,531	252,474
	<u> </u>	<u> </u>
	6,680	314,952
	<u> </u>	<u> </u>

15 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Quaker Housing Trust loan	21,242	23,743
Unity Trust Bank Loan	166,016	165,850
Government grants deferred - note 16	334,065	278,863
	<u> </u>	<u> </u>
	521,323	468,456
	<u> </u>	<u> </u>

Bank loans and other loans totalling £195,000 are secured on the Walsden housing properties. The amount due in instalments after more than 5 years is £160,300.

The Quaker Housing Trust loan of £25,000 is repayable over 20 years in equal annual instalments at 0% interest. The Unity Trust Bank loan is repayable over 25 years and interest is payable at 2.5% on the principal amount of £170,000. Additional administration, legal and loan related survey and valuation fees of £6,657 will be amortised over the life of the loans.

Calder Valley Community Land Trust Limited
Notes to the financial statements (continued)
Year ended 31 December 2020

16 Deferred income

	As at 1 January 2020 £	Grant received £	Spent in year £	As at 31 December 2020 £
Revenue grants - due in less than one year				
Big Potential	13,683	-	(13,683)	-
Reach Fund	10,000	-	(9,889)	111
Calderdale Council (small grants committee)	1,844	-	-	1,844
Calderdale Council (Homes England)	554	5,000	(5,554)	-
Hebden Royd Town Council	4,500	-	(3,568)	932
	<u>30,581</u>	<u>5,000</u>	<u>(32,694)</u>	<u>2,887</u>
Capital grants - due in more than one year				
Calderdale MBC - land at Birks Lane, Walsden, 2016	20,000	-	(6,667)	13,333
Locality - money re architects fees for High Street 2017	21,360	-	-	21,360
Calderdale MBC - land at High Street, Hebden Bridge, 2018	10,000	-	-	10,000
Power to change (High Street)	11,503	-	-	11,503
Homes England - grant for Walsden	180,000	60,000	(16,107)	223,893
Calderdale MBC - project Walsden	36,000	4,000	(2,684)	37,316
Homes England - grant for Fielden Houses	-	4,415	-	4,415
Homes England - grant for High Street	-	12,245	-	12,245
	<u>278,863</u>	<u>80,660</u>	<u>(25,458)</u>	<u>334,065</u>
Total deferred grants	<u>309,444</u>	<u>85,660</u>	<u>(58,152)</u>	<u>336,952</u>

Calder Valley Community Land Trust Limited
Notes to the financial statements (continued)
Year ended 31 December 2020

17 Analysis of movements in restricted funds

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2020 £
Funder					
Booster Fund, Cooperatives UK	-	10,000	(10,000)	-	-
Total	-	10,000	(10,000)	-	-

Comparative period

	1 January 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2019 £
Funder					
Quaker Housing Trust	20,000	-	-	(20,000)	-
Total	20,000	-	-	(20,000)	-

Name of

Description, nature and purposes of the fund

Quaker Housing Trust Contribution towards development costs of bungalows for older people at Birks Lane, Walsden. As this was not a government grant it was taken straight to income but carried forward as a restricted fund into 2018. The funds were actually expended in 2018 but recorded as expended from unrestricted funds in error. The balance was transferred to unrestricted funds in 2019.

Booster Fund, Cooperatives for Fielden Acre (Fielden Houses), towards costs of raising community shares
UK

18 Share capital

	2020 £	2019 £
Shares of £1 each brought forward	94,147	94
Shares issued during the year	22	94,053
Shares of £1 each carried forward	94,169	94,147

Calder Valley Community Land Trust Limited

Detailed revenue account for the year ended 31 December 2020

	2020		2019	
	£	£	£	£
Turnover				
Rental income				
Rent receivable	19,922		-	
Service charge receivable	1,068		-	
		20,990		-
Other income				
Revenue grants	52,694		44,535	
Capital grants released	25,458		10,680	
Sale of housing stock	290,014		-	
		368,166		55,215
		389,156		55,215
Cost of sales - Housing stock		(296,681)		-
Gross surplus/(deficit)		92,475		55,215
Expenditure				
Estate costs				
Responsive maintenance	341		350	
Planned maintenance	2,648		-	
Landlords supply	1,732		-	
Insurance	4,001		1,158	
		8,722		1,508
Office overheads				
Post, stationery, photocopier and telephone	186		-	
Insurance	223		44	
Rent and venue hire	2,798		1,541	
Other office expenditure	201		-	
		3,408		1,585
Other management expenses				
Membership and subscriptions	500		163	
Project management	-		400	
Accountancy	1,720		2,308	
Bank charges	209		104	
Website and marketing	1,711		667	
Consultancy	3,731		11,269	
Architects fees	3,068		-	
Legal and regulatory fees	-		225	
Other professional fees	560		-	
Trustee expenses	22		178	
Other expenses	-		504	
Community share offer costs	17,145		-	
Irrecoverable VAT	2,507		-	
Depreciation	18,791		-	
Impairment	-		10,680	
		49,964		26,498
Total operating costs		62,094		29,591

Calder Valley Community Land Trust Limited

Detailed revenue account (continued)
for the year ended 31 December 2020

Other operating income

Donations	288	131	
Other rental income	4,241	5,088	
Other income	-	739	
			5,958

Operating surplus

34,910 31,582

Interest payable

(3,335) -

Surplus before tax

31,575 31,582

Surplus after tax

31,575 31,582