



Building Strong Foundations

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## Overview

We are a national charity founded in 1962 by a group of families who had a vision for creating a better life for their relatives who had learning disabilities. We pioneered the idea that everyone with a learning disability could have choices about how they live.

Today, we are trusted to support more than 2,000 adults with a learning disability across England and Wales, providing specialist care and support and housing to enable them to live with as much independence, choice, dignity and control as possible. Whether that's through Hft providing support for the person to live independently in their own home, to join day opportunities and learn new skills or through socialising and building relationships and getting experience that will help people find employment. From a few hours a week, right up to 24 hours a day, we are here for as long as someone might need us. We also support carers and families of people with a learning disability with information and advice through our Family Carer Support Service and influence change on the issues that matter most to the people we support.

We are funded in several ways: predominantly through local authorities, who fund vital care and support services, through Housing Benefit from the Department for Work and Pensions, through personal budgets and private funding and through donors, supporters and volunteers who enable us to find new ways to help more people to thrive, rather than just get by.

For every person we support, we are committed to working in partnership with them to realise their best life possible.



## Welcome from the Chair of Trustees



Like many organisations, during 2021/2022, we continued to adjust and respond to the ongoing impact of the pandemic. With the passion, commitment and care of our staff teams, adults with a learning disability have continued to be able to enjoy as much independence, choice and control to live their best life possible within the confines of the pandemic.

At a time when disruption to every-day living has been experienced by all, the Board of Trustees extends its heartfelt thanks to everyone who has helped to keep the people we support safe, happy and well. Whether it is our staff teams, supporters or volunteers, we could not have done this without you.

Myself, and the Board of Trustees are very much the custodians of the vision, passion and drive that the original group of families had for their loved ones when setting up our first service in 1962. Their pioneering spirit and dreams for the future are something we absolutely hold onto as we move into the future. As a result, in year two of our strategic plan, laying strong foundations to create a sustainable future has been more important than ever so that we are here to deliver against the vision of the founding families long into the future.

As with many in our sector, we have not been immune to the challenges of the pandemic, but increased expenditure controls and support from the Infection Control Fund have helped us to remain broadly balanced over 2021/2022. We have continued to prioritise programmes of work which will help us to create significant long-term efficiencies, provide excellent homes and outstanding care and support, while increasing the impact and reach of our charity.

At a time when demand for adult social care services is growing, we have also keenly felt the impact of growing workforce challenges across social care. With services across the sector being forced to turn down new admissions or in the worst cases, close, we have taken the opportunity to make our voice heard amongst key decision makers. Through our campaigning and influencing efforts we have called for increased support to attract and retain frontline colleagues, sharing the stark findings of our Sector Pulse Report and bringing the sector together behind joint calls for change.

Looking ahead, we're taking the opportunity over the coming year, to find out from the heart of our organisation, the people we support, and the wider population of adults with learning disabilities, what they want for their future and how Hft can help them in achieving that. The coming year marks 60 years of Hft, and I look forward to celebrating how far we've come as an organisation and looking ahead to the next 60 years and beyond.

**Amanda Bunce**  
Chair of the Hft Board of Trustees

## Introduction from the Chief Executive Officer



It is a pleasure to introduce this year's Annual Review and to reflect on the amazing contributions of our incredible staff teams, volunteers and supporters. I would like to take the opportunity to formally thank you all, on behalf of the entire Executive Board, for everything you have done to support the people in our care, their families and carers during another challenging year.

It is hard to believe that we remained very much in the thick of the Covid-19 pandemic during 2021/2022. While restrictions have now been broadly lifted and the vaccine rollout has allowed some degree of normality, for our sector the presence of the pandemic has remained a constant background challenge. Whether that's the continuity of infection prevention and control measures or remembering those who so sadly lost their lives during the pandemic, each one a loved and treasured individual. On a more positive note, over the course of the pandemic, social care has been propelled to the forefront of the public consciousness and has crept up the political agenda, so it was promising to see the introduction of the Health and Care levy, the publication of the social care and integration white papers as well as the progression of the Health and Care Bill. The promise of increased funding, improved training pathways for care and support colleagues and better integration with our peers in the health sector will be a good start to addressing some of the challenges we're experiencing in our sector.

Whilst I am hopeful that these steps will begin to move us in the right direction to address the ongoing challenges we face, we still have a long road left to travel and this is most obviously illustrated by the significant financial and workforce uncertainty all providers of learning disability providers continue to experience. Our 2021-2024 strategic plan is already focussed on building strong foundations as a platform for efficiency and effectiveness and to lay the foundations for future growth, and now that the additional Covid-19 pandemic financial support measures have been removed, this seems more important than ever.

Our recent Sector Pulse Report once again highlighted that the most significant cost pressure facing the learning disability social care sector was rising wage bills during 2021/2022. We have also

been acutely aware of this pressure at Hft and addressing the challenge of recruiting and retaining our colleagues and rewarding them appropriately for the vital work they do remains a priority. I am proud that we were able to raise the salary for our frontline teams to above the national living wage and that we have embarked on our employee engagement journey with our 'We're Listening' staff survey.

At a time when demand for adult social care services is growing against a backdrop of multiple challenges, our frontline teams have continued to deliver transformative support to the people in our care. It is thanks to their resilience and hard work that we have retained our high number of good or above Care Quality Commission (CQC) quality ratings this year. It remains essential that the support we are able to provide can meet the changing needs of the people in our care. We have changed our staffing structure across our care and support teams in order to best achieve this and we will continue to regularly review all our services to ensure they can deliver the support people in our care need. I am proud that we will always do what is right for the best interests of the people we support.

The financial results for the year show a net surplus in funds of £696k. This includes an element of exceptional income relating to an insurance claim in respect of the historical impact of COVID-19. Underlying performance for the period aside from this exceptional item is broadly break-even. As we look ahead to the future we continue to balance an emergence out of the Covid-19 pandemic with strengthening our in-year performance and planning for the long-term. Over the coming year we will:

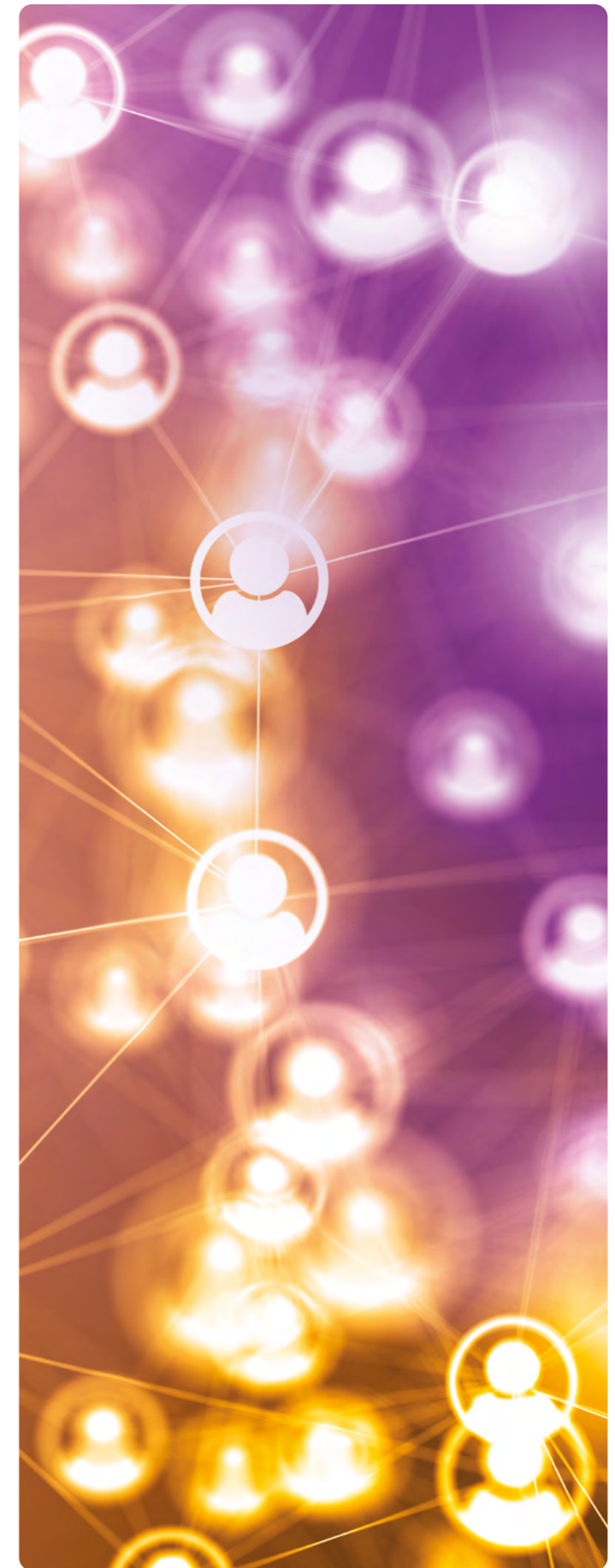
- Develop our long-term strategy: In our 60th year, we are reviewing our Vision, Mission and Values and our long-term strategy, ensuring we stay relevant and impactful in the future. Through a

detailed consultation process, adults with a learning disability have told us that a focus on employment, relationships, living independently and being able to take part in life enhancing activities and experiences will help them to live their best lives possible. Over the coming months, we will begin to detail what Hft's role will be in effecting transformative change in these areas.

- Prioritise our financial sustainability: So that we can invest in transformative projects which will help our ability to continue delivering support long into the future, we will continue to control costs where appropriate and prioritise investment where it will help us to enhance our impact on the lives of adults with a learning disability.
- People transformation: Building on the 2021/2022 progress, we have also heard the need to prioritise key areas to improve our colleague engagement via our staff engagement survey. Over the coming year, our focus will be on developing our Senior Leadership capabilities, Equality Diversity and Inclusion, Wellbeing, Change & Communication; and Teamwork and Collaboration.
- Deliver our systems transformation programme, Helix: We will continue to transform our systems and processes to simplify and ease access to important service data and streamline our administrative processes, providing more time for our care and support colleagues to reinvest back into providing quality support for the people in our care. This will include the rollout of our mobile care recording, people and finance systems.
- Improve outcomes for people we support: By the end of September 2022, we will have completed our programme of 360-degree Service Reviews, ensuring we have identified opportunities for improvement and correlating action plans across Quality, People we Support, Safety, Commercial, Compliance and our People. We will also continue to embed the changes from our local and regional structure review, enabling more managers to have more time to spend with their teams and the people we support.



**Kirsty Matthews, CEO**



## Our year in numbers:

1 April 2021 - 31 March 2022

Over **2,170** people supported



**91%** of services registered with the **CQC** rated as either **Good** or **Outstanding** (as of 31/03/22)

More than **2,500** colleagues working across our services (2,024 established, 531 relief)



**520** people involved with our Luv2meetU service with 1,849 Luv2meetU events held



Over **1,000** people with a learning disability took part in original Hft research, to inform our influencing activity

**379** people advised by our Family Carer Support Service 65 signposted to other appropriate support resources



**85** people attended 3 in-person national **Voices to be Heard** events



**559** items of new **Personalised Technology** installed in people's homes and plus 60 items loaned to services during Covid-19

**Hft** worked with partners



to support interns at 10 Project SEARCH Programmes 79 interns have been supported on our Project SEARCH programmes and 78% who graduated in July 21 have moved into paid employment

**£2.281m** raised by Hft supporters to fund our charitable services



**45** people we support attended 9 online listening events undertaken, to hear how the Covid-19 pandemic impacted the people we support

**Total Income**  
**£89,735,000**

**Total Expenditure**  
**£88,879,000**



## Our continued operational response to Covid-19

Covid-19 presented an ongoing significant challenge for all social care providers as we continued to respond and quickly ensure the safety and wellbeing of our colleagues, the people we support, and their families. A multi-department Pandemic Committee continued to meet throughout this period to review policy changes and critical issues, and to respond to constantly changing guidance and live operational issues. The Executive Board ring-fenced a weekly meeting to get oversight and assurance on all things relating to Covid-19.



All regions and central support departments continued to review and develop their business continuity plans, based on local or specific requirements. Regular communication remained crucial with our teams on the ground, to provide them with updated guidance on the best way to protect the people we support.

Internal processes remained under constant review, with more opportunities for central support colleagues to return to an office environment if a task required this.

As this was the second year of Hft dealing with the consequences of Covid-19 we became more confident and skilled in making virtual meetings more effective including with people we support and other key stakeholders.

Colleagues shielding and sickness, and the need to limit movement between homes and services, meant we needed to continue to be careful rostering colleagues appropriately and due to high levels of absence more relief staff and agency workers were utilised.

Most of our Day Services remained closed throughout periods of this year. Day Service colleagues supported other services and teams continued to work creatively to provide much needed support; developing new outreach services for those who were isolated at home, or making regular support calls to their families.

Access to Personal Protective Equipment (PPE) was maintained and good supplies were available.

Once vaccinations were introduced, we did all we could to promote uptake of the vaccine, including responding to Public Health England's request for details about all our care and support colleagues to make sure they were included in the early wave of vaccinations. We also provided resources to inform both colleagues and the people we support of the importance of the vaccine, how to access it, and to address any safety concerns they had.

Coming through this period has been challenging. We are so grateful for the hard work, commitment and dedication of all of our colleagues in ensuring minimal impact was experienced by the people we support. Our focus towards the end of this financial year and into the new year is all about moving forward, making Covid-19 part of our day to day practice and we intend to really focus on back to basics to ensure our service provision is helping the people we support achieve their desired outcomes.



## Operational developments

As we started to focus on 'business as usual' activities following on from Covid-19, we began a service wide programme of "360 Service Reviews".

These are in-depth reviews of all of our services drilling down into our effectiveness across Quality, People we Support, Safety, Commercial, Compliance and People. We have completed approximately a third of the services and are on track to achieve our target deadline of September 2022.

This year saw a review and restructure of our Care & Support leadership at a local and regional level. This review enabled the organisation to have clearer lines of accountabilities for key local roles. Its aim is also to enable managers to have more time to spend with their teams and the people we support. In 2022/2023 Hft will embed these changes and further develop its Care & Support structure to enable full delivery of the strategy and operational objectives.



### Quality of care

We continue to follow the principles of our Fusion Model of Support across our services which underpins for us what excellent care and support, and the best life possible means for adults with a learning disability.

Our Quality strategy for the past year has been to continue to strive for a 'Good' CQC rating as a minimum across all of our services. Our Quality Assurance team has been working closely with our Care & Support teams to support them as they balance the demands of the pandemic with the need to provide high-quality services, performing at 91% of our service rated CQC Good or above.



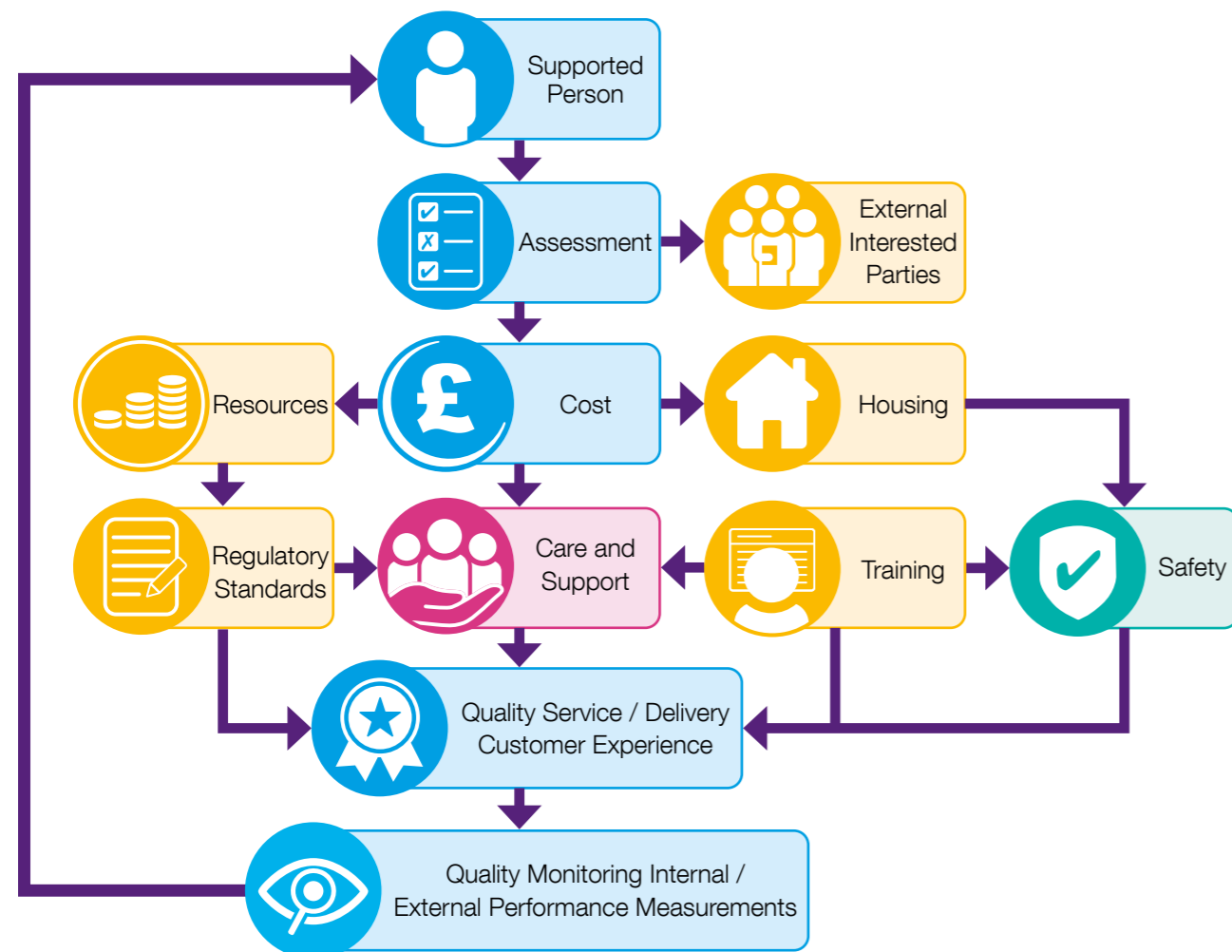
# Quality Assurance and Improvement

Looking ahead, as we move forward from the critical phase of safely continuing our service provision during the Covid-19 pandemic, our focus will also prioritise supporting colleagues in our organisation to build capabilities to lead innovative and fast paced service change and improvements through re-starting, re-designing or developing new processes, pathways and services

Moving forwards, the organisation requires a systemised, structured and sustainable approach to enable and empower colleagues who deliver care to make meaningful, measurable and sustainable improvement. To drive meaningful quality improvement, data and intelligence about our quality performance and compliance is needed. To that end, the Quality and Improvement team developed the Quality Assurance Framework (QAF).

The QAF was approved in January 2022, and launched in April 2022. It aims to deliver a combined system of internal audit undertaken by the quality and improvement team, and self-assessment undertaken in local areas, to better understand and improve the quality of our service provision, and ensure regulatory compliance. This considers the continuous feedback cycle that begins with the experience of the person we support as the driver to improve practice and quality. The process is illustrated below:

## High Level Process Flow



## Quality assurance in action: in focus - service improvements

During a review of quality and compliance at our campus sites in 2021/2022 a focused effort took place across the following sites to drive significant improvements in service delivery and site safety:

- **Ironbridge** - significant progress was made at Ironbridge in 2021/2022, and the service is now monitored regularly for assurance of continuity of maintained standards in 2022/2023.
- **Edenbridge** - continues to make improvements and with the appointment of a new registered manager during 2021/2022, there is now consistent leadership in place to carry forward the improvement plan into 2022/2023.
- **Rowde** - this had a weekly assurance programme in place in part of 2021/2022, to ensure any risks were being managed, and a decision was made for this service to be handed over to a new provider in July 2022.

All improvement plans are currently monitored by the central quality and improvement team, and will be brought into the planned QAF processes of internal audit and self-assessment, once established.

## Our new Quality Assurance Framework



Fiona, a person we support at Hft Gloucestershire, was struggling to live with other people in her residential service; as a result, her behaviour was becoming increasingly challenging. Fiona told support workers that she wanted to live alone, but her family was concerned about how she would cope.

Recognising that they were facing an important opportunity to increase the quality of Fiona's care, Hft support staff worked with her to complete mood charts and write down her feelings, and spoke at length with her family members to reassure them about the move. They supported her to visit potential flats and make her decision, and oversaw her transition from start to finish – including training her new team in how best to support her.

Since moving into her own flat, Fiona reports feeling much better, with increased wellbeing and quality of life.

Janneke Bax-Pratt, Registered Care Home Manager, says:

**“ The difference this has made to Fiona has been transformative. She now has space to be more independent, and is enjoying socialising with others successfully on her own terms. ”**





## The year ahead – 2022/2023

- Throughout 2021/2022 we have made good progress and maintained a flexible and responsive audit function with limited resources. As the Care Quality Commission (CQC) delivers their new strategy, we will look to align our quality assurance practices to the shift towards an outcome model of improvements, to learning from experiences, to continuously improve our services and people's quality of life.
- The internal audit programme and associated rating metrics (internal service ratings based on the CQC's ratings) were formally launched in April 2022. The electronic systems to undertake self-assessments are being developed with the aim of ensuring user friendly systems that allow for lean governance and meaningful outputs.
- A Quality Review Group is planned for Q3 2022/2023, which will include colleagues across portfolios. The Group will regularly review quality assurance practices, processes and procedures, quality performance and any escalations, shared learning, and will also act as a horizon scanning forum for both internal and external factors, including changes to regulatory requirements.
- In 2022/2023, we aim to develop and publish new policies for Deprivation of Liberty, Medication, and People's Finances, and update all Operational Standards in a new policy format. From April 2022, we will also ensure full implementation of the Mental Capacity Act Policy, and monitor and assure compliance through the QAF.
- We will co-produce standardised processes with colleagues where it is appropriate to do so and work together to identify and implement improvement programmes.
- Increasing the involvement of the people we support and their families in the internal audit process in 2021/2022, has directly improved services for people.



## Learning and development

### Organisational safety for the people we support and our colleagues

#### • Incident reporting

There was an increase in incident reporting from 3348 reported in 2020 to 6313 reported in 2021. A positive reporting culture enables us to capture and learn from incidents that occur, so that we can see and understand the risks colleagues and people we support face day to day, and put mechanisms in place to prevent future harm.

#### • Health and safety

We achieved ISO 45001 (Occupational Health and Safety Management) certification for our safety management system. Certification to ISO standards proves that Hft works to international or national best practice, demonstrating credibility and competence to stakeholders and customers.

We also retained Hft's Contractors Health and Safety Assessment Scheme (CHAS) accreditation, demonstrating good adherence to health and safety requirements for businesses.

Expansion of the Health and Safety team from two people to five has created more capacity in the team to provide more advisory and audit support, which allows us to monitor and manage our safety management performance.

#### • Safeguarding

Hft has continued to ensure the safeguarding of "adults at risk" remains a focal point within the organisation, which is committed to ensuring all persons in our care are protected at all times.

The organisation has seen a 25% increase in incidents and safeguarding concerns raised by our colleagues as we improve incident reporting systems; reporting around 57 concerns a month to the local authorities. We have worked hard with local authorities to encourage them to review and close open safeguarding cases, in a timely fashion, to improve quality outcomes for the people we support.



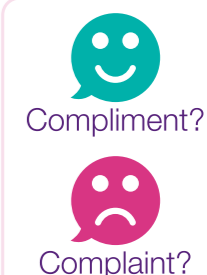
### A focus on complaints and learning from experience

Our approach is to use all feedback from the people we support as a learning opportunity. Trends and emerging themes will be collected through Hft's governance processes and to widen the learning, we will share anonymised case examples in the organisation.

We received 51 complaints from the people we support in 2021/2022. As we look to the year ahead, we are reviewing the challenges of local paper based systems and moving towards co-ordinating complaints centrally, we will develop user friendly ways in which people can raise a complaint and make sure we are hearing from the people we support about how we can improve the service they receive to improve and build on our outcome focused strategy.

Where a complaint is upheld or partially upheld, the learning identified is actioned accordingly. This can involve a range of measures including feedback, reflective practice and bespoke training held locally, with emerging themes reported through the governance structure.

An audit of our complaints management will be undertaken by our internal auditors in Q4 2022/2023.





## The year ahead 2022/2023

- Strengthening our learning frameworks and monitoring actions from incidents more closely will be a key focus in 2022/2023. As part of the Helix transformation programme, we are reviewing and updating our compliance, quality and risk management (see below) systems. This will include a review of our incident reporting processes with a focus on enabling easy to use, supported systems, which generate meaningful incident data, themes and analysis, from which we can continue to learn and improve our practices.
- We will build on the progress made in 2021/2022 on business continuity planning by reviewing and improving plans across the organisation.
- We will create a 5-year strategy for Health and Safety that looks to strengthen the solid foundation we have created in 2021/2022.
- Improvements have been made to the way we manage and report fire risk assessment actions (FRAAs) to ensure they are completed in good time. This is evidenced by the reduction in FRAAs reported in our monthly compliance statistics.
- The Hft Quality Team plans to undertake a number of internal quality audits of safeguarding throughout 2022/2023; these include:
  - Auditing safeguarding knowledge and retention of colleague learning
  - Quality of concerns/referrals raised
  - Quality of safeguarding training delivery
- We have plans to improve our safeguarding governance arrangements by:
  - Recruiting a dedicated national safeguarding lead
  - Developing a safeguarding training package for trustees and registered managers
  - A review and update of Hft's safeguarding policy
  - A review and recommencement of safeguarding forum
- A key area of focus for quality in 2022/2023 will be enhanced training for those involved in investigating incidents and serious Incidents to ensure that reporting is more accurate and therefore data capture and analysis is more effective.



## Involving the people we support

### Involvement

Our Involvement function seeks to put the people we support, and their views and experiences, at the heart of everything we do. With the challenges presented by the pandemic, we developed online, hybrid and safe-in person participation opportunities.

### Kirsty Matthews, CEO, meets with people we support

To enable our CEO to hear from the people we support, we hosted seven online chat sessions with people supported across Hft and a visit to services across Hft Gloucestershire. These sessions were an opportunity for people to talk about the support they have from Hft, what's working well, anything we could change or improve, as well as chatting about hobbies and achievements.



Kirsty meeting with Becky to chat and artist Rob, who are both supported in Gloucestershire.

### Voices to be Heard



A forum which enables people supported by Hft across the country to share their views on the support they receive and the services Hft offers.

In 2021/2022, local groups continued to meet online and some made the move to face to face meetings, the first since the pandemic began. We hosted nine online listening events to hear feedback from people on the impact of the pandemic – their health and wellbeing, support to maintain friends and relationships, experiences of online activities and keeping in touch, and their support overall from Hft. In the Autumn, we were pleased to be able to meet again in person, hosting three national events attended by 85 people.



"I feel alive again" – Henry Edgcumbe, National Voices to be Heard Chair after hosting an event in October 2021

## Coproduced Wellbeing Award



Thanks to a grant of £2,000 from the BUPA My Community Fund, we worked with four people we support to coproduce a wellbeing award for people we support called Give Me 5! The award is based on the 'Five Ways to Wellbeing' and

encourages people to do activities to promote wellbeing and mental health. Thirty-four people successfully achieved their awards. The graphic design for the award was completed by George Hope who is supported by Hft Derbyshire as part of a work experience placement with Hft's Involvement Coordinator and our marketing team.



Thirty-four people were awarded boxed gifts for promoting wellbeing and mental health.

## The experience and involvement of the people we support

Hft have set out our commitment to listening and learning from the experiences of people we support and carers and colleagues ensuring their participation in design, re-design, assessment and governance of our care, support and housing offer. We have established innovative methods of engaging with people we support, and will continue to build on this by developing a user experience strategy that ensures we collate and act on feedback from all of these various sources to improve the quality and safety of care for our people we support.

## Walk in Our Shoes Network inform our public affairs and policy activity



Our Walk in Our Shoes Network – adults with a learning disability who want to shape and participate in our public affairs and policy work. This year members worked on promoting accessible voting and helped shape Hft's Lockdown on Loneliness report and campaign.



### The year ahead 2022/2023

Our focus for this year is to further embed the voice and lived experiences of both the people we support and the wider audience of adults with a learning disability in our work, shaping and improving what we do.

- We will develop a scrutiny group made up of people we support to strengthen accountability to the people we support. This group will take forward two scrutiny projects each year and make recommendations for improvements.
- We will develop a new framework for measuring and assuring experience, to ensure the people we support and their family and friends have an outstanding experience of Hft.
- Through consultation, a new Engagement and Participation strategy and a supporting Involvement Framework will be developed.
- The people we support will be central to our plans to celebrate our 60th year.

We know that treating our People we Support with compassion, kindness, dignity and respect has a positive effect on their wellbeing and their outcomes. To improve their experience, we need to listen to our people we support, their families and carers, and respond to their feedback. We will aim to improve our position, with our goal being to ensure that user involvement in service redesign programmes and our involvement framework is continued.

## Governance and risk management

We need to continue to ensure that our governance and leadership affects Hft positively. Effective governance systems are essential to ensure that risks are managed and improvement implemented in a way that acknowledges workloads and competing priorities.

The Charity Code of Governance requires that the Hft Board of Trustees:

**“ has in place a decision-making process that is informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are set up and monitored.**

Colleagues need to understand the governance processes and be provided with information to ensure they are used and navigated appropriately. Effective risk management supports the delivery of the Hft Strategy and increases the resilience of the business against adverse events.

### • Risk management

The Risk Management Policy was last reviewed and approved by the Board of Trustees (the 'Board') on 29th July 2021 with a one-year review period.

A corporate risk register was developed, which captures Hft's key operational risks in line with the requirements of the Risk Management Policy. It is reviewed and updated monthly by our Executive Board for oversight and scrutiny.

Please refer to the internal control statement, which details the process adopted for reviewing our control framework.



### The year ahead 2022/2023

- In 2022/2023, the Risk Management Policy will be reviewed and updated further to ensure that Hft's risk appetite for its principal risk themes is accurately reflected and embedded in the way risk is managed.
- There are also plans to review departmental (known as Portfolio) and locality risk registers to ensure that a standardised approach to managing, recording, escalating and reporting risk is established across the organisation. The electronic systems to support this will also be explored as part of the Helix transformation programme, with a view to have a fully established risk management system (subject to timely development, user testing and successful piloting) in 2022/2023.
- As Hft's strategy is further developed, an analysis of risks posed to each of the key strategic objectives will be undertaken and collated to form a Board Assurance Framework (BAF). A BAF is, in essence, a risk tool for managing an organisation's strategic risks.



## Caring for the people we support



### Caring for the people we support: In focus - positive behavioural support (PBS)

The role of the PBS team is to support individuals who may be experiencing some difficulties in an area of their lives both in the short and long term. We work alongside support colleagues and managers as well as families & other support agencies to provide an environment and support package that reduces the intensity, frequency and duration of behaviours that challenge.

#### Achievements in 2021/2022

Having a physical intervention training package that is certified as meeting the Restraint Reduction Network training standards is compulsory for NHS commissioned services and an expectation for CQC regulated services across health and social care from April 2021. By passing an annual reaccreditation in a BILD Association of Certified Training package, we have demonstrated the physical intervention training package we teach complies with the RRN Training Standards.

Although completing functional assessments, training colleagues and monitoring the 'PBS approach' is the team's main role, the team have undertaken numerous additional projects and work across 2021/2022, including the development of a national database of the restrictions currently being implemented within each service to evidence how many restrictions are in place for an individual, service or region and if those restrictions are agreed following the principles of the Mental Capacity Act and then measure any increases or decreases of restrictive practices.

The team also supported the development of Helix (systems transformation programme), and continued to provide person centered training, such as Dementia focused PBS training, Sensory Integration training, Pathological Demand Avoidance training, PBS approaches to Fire Safety and Mental Health training.



#### The year ahead 2022/2023

- In 2022/2023, the team will continue to provide PBS support to individuals who may display challenging behaviour and person-centered training to their staff teams. The introduction of Helix means that improved and more detailed data analysis can take place allowing for changes and informed decisions to be made to PBS plans.
- The team will also continue working with key stakeholders, internally and externally regarding the amendment to the Mental Capacity Act Code of Practice and the introduction of LPS (Liberty Protection Safeguards).
- The PBS team will work alongside the health & safety and quality teams to introduce the national restrictive practice register. Provide information and support to colleagues when completing the register and create action plans that will ensure any restriction a person lives under is reasonable, proportionate to the risk and as least restrictive as possible.

# Quality in housing

## Providing good quality accommodation and meeting our obligations as a landlord

A full stock condition survey has been undertaken and will inform our long-term investment plan for delivery from 2022/2023.

Robust systems are in place to ensure compliance with statutory health and safety obligations. The Housing Services portfolio employs a team of professionally qualified colleagues dedicated to monitoring compliance against statutory standards including gas safety, legionella and fire safety. Work is underway to ensure that Hft can meet the forthcoming changes in fire and building safety legislation.

Whilst there are still improvements to be made with our building safety compliance these risks are now being managed more robustly. In all areas of compliance, the people we work with are in a much safer position and risks associated with building safety are declining due to greater visibility and progress with compliance programmes.

The table below outlines our progress on some of our major KPIs:

Risk	Key Performance Indicator	May 21	Aug 21	Dec 21	Mar 22	Targets
Low	<b>KPI 5 – Gas safety</b> Proportion of properties with an in-date gas safety certificate in place expressed as a percentage of the total requirement.	100%	100%	100%	100%	100%
Low	<b>KPI 6 - Fire safety FRA</b> Proportion of properties with a valid FRA in place expressed as a percentage of the total requirement.	98%	94%	100%	100%	100%
Low	<b>KPI 8 – Electrical safety</b> Proportion of properties with a valid EICR in place expressed as a percentage of the total requirement.	N/A	87%	93%	98%	100%
Low	<b>KPI 9 – Asbestos safety</b> Proportion of properties with a valid AMP in place expressed as a percentage of the total requirement.	N/A	0%	74%	100%	100%
Low	<b>KPI 10 – Water hygiene safety</b> Proportion of properties with a valid Water Safety Risk Assessment in place expressed as a % of total requirement.	N/A	0%	90%	100%	100%
Low	<b>KPI 11 – Lift safety</b> Proportion of passenger lifts with in date 'thorough examination' (LOLER) as a percentage of total requirement.	N/A	100%	100%	100%	100%

## Significant changes to services

### • Furlong Close, Rowde

During 2021, Hft took the decision to transfer the provision of care at our Rowde service to another provider, the process involved close working with residents, and their friends and families and Hft continued to provide care and support until an alternative provider was in place. Subsequently the Charity Commission agreed in January 2022, to a sale of the land and buildings to a preferred provider, which had been identified by the Friends and Families Group of furlong Close at Rowde. The sale of the land and buildings to Specialised Supported Housing (SSH) was concluded in July 2022. In turn, Wiltshire Council and other out of county commissioners, are commissioning Agincare to take on responsibility for providing care and support at the service. Agincare are intending to provide supported living, in partnership with Inclusion, for those at Furlong Close.

A condition of the sale was for the site at Rowde to continue to offer a care and support service to the current residents at Furlong Close. Our staff team were TUPE'd to Agincare and transferred on their existing terms and conditions to the new provider. A dedicated, integrated project team was put in place to ensure the service transitioned with minimum disruption to colleagues, families and people we support.

### • Bradford

Following 10 years of proudly delivering and improving Day Services in Bradford, the bulk of our Hft day contracts were transferred back to Bradford Council's new trading arm, New Choices, at the end of the financial year. This was a planned transfer of services back to Bradford Council at the end of the contract. The majority of colleagues were transferred to New Choices as part of the transition of services and a joint working group across the two organisations ensured a seamless transition with minimal disruption to the people we support, their families and colleagues.

### • Milton Heights, Oxford

The Milton Heights Campus site was closed in collaboration with Oxfordshire County Council and some supported living move on accommodation was purchased locally. The Board subsequently took the decision to sell the campus site on the open market, after planning permission had been obtained to a private sector developer. Hft has applied for planning permission on the site, in partnership with Dimensions Housing who also own part of the site. It is intended to split the sale proceeds in line with the size of our landholding. There have been some delays in obtaining planning permission, but it is anticipated that this sale will happen in autumn 2022.



# Sector expertise

## Public Affairs and Policy

Hft's Public Affairs and Policy function seeks to affect positive change for adults with a learning disability and the disability social care sector.

We do this through developing relationships with decision makers in Whitehall and Westminster and engaging with the political process. Our work is informed by the opinions of adults with a learning disability and we carry out research to support the recommendations we make.

### Involving people with a learning disability - Walk in Our Shoes Network

Hft's Walk in Our Shoes Network is a group of adults who have a learning disability and are interested in politics.

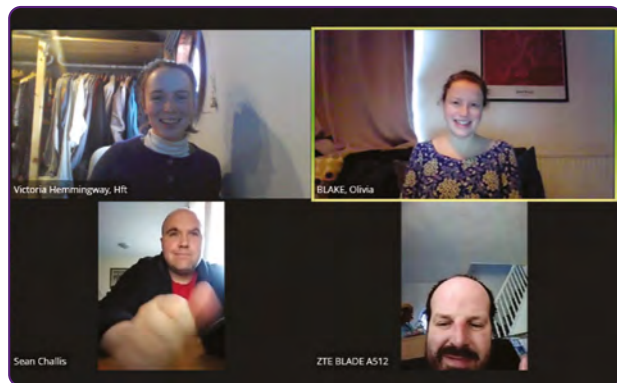
Over the past year we have work closely with them to inform our public affairs and policy activity, ensuring they have the opportunity to express an opinion on issues which matter with them, and have their voice heard by decision makers in Whitehall and Westminster.



Yvonne - taking part in a Lockdown on Loneliness workshop



Robbie - taking part in a Lockdown on Loneliness workshop



Sean and Jonathan - meet with Olivia Blake MP



Rob - taking part in a video about the local elections

## Original Research

Hft carries out original research with people with a learning disability and social care providers to support our influencing activities. The qualitative and quantitative data strengthens our calls to action and ensures recommendations for change are evidence-based.

### Lockdown on Loneliness

Based on a survey of over 1000 adults with a learning disability, Hft's Lockdown on Loneliness report and accompanying campaign highlighted chronic and enduring loneliness, and called for action on the barriers to friendship and connection which many of them face.

Our report found that:

Over 1/3 of people with a learning disability told us that they felt lonely nearly always or all the time.

Over 1/3 of people with a learning disability told us they hardly ever or never go out to socialise.

1/3 of people with a learning disability are not confident making friends.

1/3 of people with a learning disability do not feel like they are part of their local community.

People with a learning disability told us that they key barriers they face to friendship and connection are:

A lack of support

Employment and financial constraints

Public Attitudes

As a result of our campaign:

Over 110 people wrote to their MP calling for action on loneliness among people with a learning disability.



We secured a meeting with Chloe Smith, Minister for Disability, Health and Work to discuss the findings of our research.



See more about our Lockdown on Loneliness campaign here:

<https://www.hft.org.uk/get-involved/campaigns/lockdown-on-loneliness/>



**Victoria Hemmingway**  
Public Affairs and Policy Manager

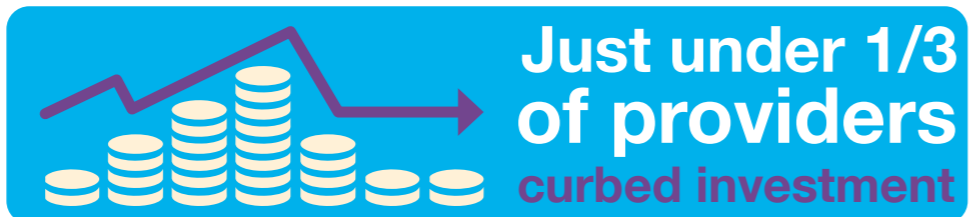
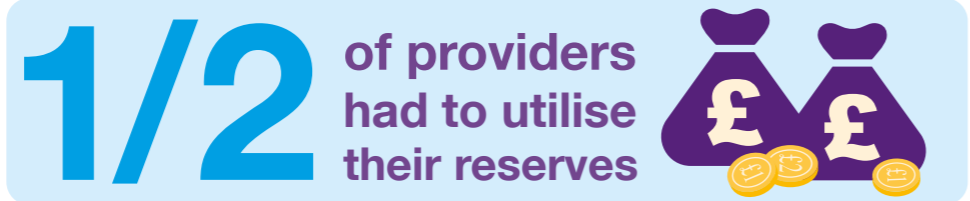
## Sector Pulse Report 2021

Hft's annual Sector Pulse Report was published in April 2022. Based on a survey of learning disability care providers, it highlighted the financial and workforce challenges they faced during the preceding year.

The report revealed that the learning disability social care sector is in an increasingly precarious position. Despite additional financial support from central government to weather the recent pandemic storm, and the promise of financial reform, the proportion of providers in deficit or seeing their surplus decrease has increased substantially over the past year, from 52% to 71%.



Providers took the following actions as a result of cost pressures...



At a time when demand for adult social care services is growing, the ability for our sector to respond is clearly compromised, and this has been further eroded by growing workforce challenges.



### Due to staff vacancies:



Following the publication of the report, our joint letter - signed by 26 CEOs from disability organisations and 6 MPs - was sent to the Minister for Care, highlighting findings and recommendations for change.

You can read our Sector Pulse Check report here:

<https://www.hft.org.uk/get-involved/campaigns/sector-pulse-check/>



### The year ahead 2022/2023

We have many exciting activities planned over the next year to engage with decision makers and push for change.

- We will be taking our Lockdown on Loneliness campaign to Parliament. We have asked MPs to attend our 'drop in' event to hear about our research and pledge to combat loneliness among adults with a learning disability.
- We will also be working closely with adults with a learning disability to outline our influencing manifesto. Based on the issues which matter most to them, the manifesto will outline the key policy issues Hft will seek to change.

## Personalised Technology

Personalised Technology team awarded a further £20,000 grant from the Gloucestershire Digital Innovation Fund to continue their work in the Gloucestershire area.

Following completion of phase one of this fund, in November 2021 our Personalised Technology (PT) team were awarded a further £20,000 to reach out to day centres across Gloucestershire to provide information on technology and set up a loan library model, enabling people to try tech before they buy.

The PT team have been working with local providers within day centres, aiming to reach up to 100 individuals. Demonstrations of the technology were being facilitated at the centres and the tech was loaned to individual's to either take home or use during their time at the day centre. Devices such as the C-Pen, which when hovered over text will read it out, enabling people to take control of things like their post and bills, easy to use remote controls and one cup kettles enabling people to control their TV or make themselves a cup of tea independently.

The loan approach enables people to try before they invest. This project is not only working with people with learning disabilities but also older people and other vulnerable groups.

Vincent Scaife, Personalised Technology Coordinator, said:

**“ We're thrilled to have received a further grant that will allow us to spread our work wider across the Gloucestershire region. We know that technology can make a real difference to people, it doesn't have to be complicated, simple low tech, low cost devices can really help people to increase or maintain their independence for as long as possible.**



## Supporting people through uncertain times

Supporting people with a learning disability through uncertain times thanks to the generosity of our wonderful donors.

The majority of our income comes from local authority contracts; however increasingly, local authority funding can only cover the bare minimum in care and support. We are very fortunate that as a registered Charity we can fundraise which enables us to offer additional opportunities for people we support; and we rely on the generous support of the public to help fund these life enhancing services for people with a learning disability.

It was a steady start to 2021/2022 as society was still dealing with the impact of the pandemic. But despite the challenges the public were facing, they still supported people with a learning disability in any way they could.

In total we raised an incredible £2.281m and we would like to thank every supporter, friends, families, volunteer and colleague for their generosity and commitment.

Some highlights:

- **It was a successful year for legacy income raising £1,485,554**
- **Andrew Collinge raised £10,000 through his annual golf day at the Royal Liverpool Golf Club**
- **Flintshire County Council's Chief Officer (Social Services), Neil Ayling, completed the historic Pilgrims' Way trek raising £2,200**
- **It's Hftea Time was launched and raised over £3,000**
- **Hft's Summer Plunge saw 21 people sign up (the most for any Hft skydive campaign) and raised over £9,000**
- **Hft attended the Virgin London Marathon and saw our amazing team of runners on Tower Bridge**



# Our charity service projects

## Luv2MeetU

Our friendship and dating agency for adults with a learning disability Luv2MeetU continued to give members the opportunities to make new friends, share interests and develop relationships, helping to combat isolation and loneliness and improve overall health and well-being.

Through a series of social activities, online events and face to face activities we supported people on their journey to achieve their goals in life becoming more involved in their local community, learning new skills, widening their circle of friends and signposting people to different opportunities and services.

During 2021/2022, Luv2MeetU supported 520 people to access 1849 social activities for our club members, made up of 1022 online events and 827 face to face activities. We provided a range of social activities across Bradford, Calderdale, Cheshire, North East Derbyshire, Kirklees, Leeds, Newcastle, Sheffield, Wakefield, Bristol, Flintshire and Wrexham and Denbighshire.

We also started the initial pilot scheme of the On-Your-Doorstep model of support, providing support to individuals to access inclusive opportunities outside of day services in their local community. We are proposing to expand this pilot scheme into a second area in 2022/2023.

Over the coming year, we will also expand the Luv2MeetU service into new areas and support more adults with a learning disability to build meaningful connections and relationships. 2022/2023 will also see the launch of our new subscription membership model which will support the long-term sustainability of the Luv2MeetU offer.

## The Family Carer Support Service

Hft's Family Carer Support Service (FCSS) supported 379 family carers in 2021/2022 and signposted a further 65 onto other organisations.

Based on our statistics, we anticipate supporting families in navigating the Court of Protection will become more commonplace going forwards. In 2022/2023, we aim to equip ourselves with the necessary knowledge and information to be able to support these families effectively, particularly those who cannot afford legal representation. We will begin a bespoke training programme in a procured joint working approach with an external solicitor in the autumn.

Our new 'Money Matters' resource is a comprehensive document which has been peer reviewed by a host of professionals. It includes detailed information on a range of topics to include disability benefits, appointeeship, lasting power of attorney, banking and wills and trusts.









We have no doubt 'Money Matters' will be invaluable to hundreds of families across the nation. In 2022/2023 we also aim to review and update our Holiday Information Guide, which was downloaded/requested 472 times during 2021/2022.



“ The difference you have made to my morale and the possible future of my family is unthinkable. I can't put into words how much I appreciate you for your professionalism, outstanding customer service and compassion and more importantly you handled my case with the dignity it deserved.

“ Thank you so much for all your help. We would never have got here without your support and tenacity. It may seem like a small thing but this will be genuinely life changing for us as we go forward.

## 379 Family Carers Supported and 65 People Signposted:

 <b>4,470</b> Support Emails	 <b>6.2K Views</b> <b>386.4 Hrs</b>
 <b>882</b> Support Calls	 <b>8813 Views</b> <b>903 Downloads</b>
 <b>72</b> Support Letters	 <b>649 Likes</b> Reach
 <b>35</b> Support Meetings	 <b>1089</b> Followers



# Project Search

In 2021/2022 we have continued to progress our involvement in the innovative supported employment initiative – Project SEARCH and are now involved in 10 DFN Project SEARCH sites as the supported employment provider.

These include:

- Bradford Teaching Hospitals
- Mid Yorkshire Hospitals
- Hockney
- Stadium Way Next
- Lancashire Count Council
- ClwydAlyn Housing Association
- PHS
- Liverpool University Hospitals
- Liverpool City Council
- Progress Housing

This year also saw Hft become the education partner on one programme where we have recruited a tutor and delivered employability L2 qualifications to the interns on the ClwydAlyn programme in Flintshire. We have done this through our accreditation and registration with the National Open College Network (NOCN). We were able to see 6 interns qualify this year and we will replicate the learnings from this programme across other sites as well as using them to develop an over 25 programme starting in September 2022.

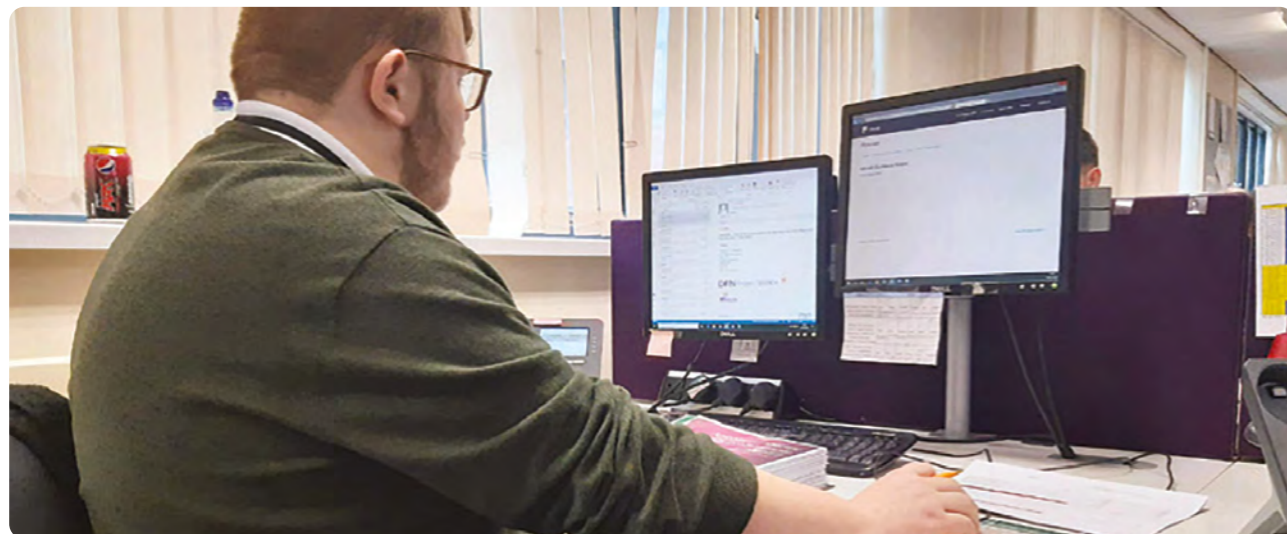
2021/2022 saw a large number of interns repeating the Project SEARCH programme as they had disruptive programmes due to the effects of COVID. However, we have seen great outcomes already from this year's intake with 36 out of the 68 interns gaining paid employment of 16+ hours per week. The programmes end in July 2022 so this figure will continue to rise.

Overall, since the first programme in 2013, we are seeing a 66% outcome of interns attaining paid employment. This is against a backdrop of the national average of only 5.1% of adults with learning disabilities having paid employment. We also track people once they have graduated from the programme, and we are showing that 91% of graduates have sustained employment for at least 6 months after graduation.

2022/2023 will see an expansion of Project SEARCH into 6 further sites:

- GXO logistics in Flintshire
- Alder Hey Children's Hospital in Liverpool
- Royal Lancashire Infirmary
- Bradford District Care Trust
- Harrogate Hospitals

This will mean that Hft are key partners in 16 Project SEARCH sites across England and Wales with a growth plan for further sites in the Midlands and Wales for future years.



## Expanding our models of care and support

### Project SEARCH Over 25 Project Pilot

In partnership with ClwydAlyn housing association as the employment partner and funded through Flintshire County Council and Hft, we have funding in place for 2 years to trial an extension to the upper age limit of the current Hft DFN Project Search offer which currently runs to age 25.

We have 8 adults with learning disabilities and Autism selected from amongst the people we support to join the programme and have identified an employability coach who has experience of working on Project SEARCH sites previously in Liverpool.

Looking ahead, the over 25 programme curriculum will be developed by a specialist tutor. Alongside the project SEARCH curriculum, in 2022/2023 we will deliver employability qualifications up to L3 through our accreditation through the National Open College Network (NOCN) registration. This will enhance the employability of the interns and build job opportunities. Part of the pilot will explore the viability of accessing

education system funding for both the under 25 and over 25 programmes. To document the progress of the interns we have also commissioned a film crew to follow the programme over the course of the first year.

### Community Connectors Pilot

The community connector model has been developed as part of the review of the Luv2MeetU programme and in line with ambitious growth plans. All previous project development workers have been redeveloped into community connectors to take a more active role in developing opportunities for the people we support.

Alongside this, we have further developed the Community Connector role as part of the new offer from Luv2MeetU, "On My Doorstep". On My Doorstep will support adults with care and support plans to access local accessible and inclusive opportunities, with appropriate support, as a shift away from building based day services. The new roles will provide leadership and guidance in developing this new approach to accessing day activities and following a pilot in Leicester in 2021/2022, will be extended to Calderdale and Shropshire over the coming year.



# Hft strategy and transformation

## Digital Transformation - Helix

**Helix** Our Helix digital transformation programme has gained pace in the last year, moving closer to implementation and the realisation of key organisational effectiveness and quality benefits.

During the year we finalised the specification and procurement of a new interfaced information system that will replace Hft's legacy systems and join up the flow of information across the organisation. Subject matter experts from housing, care and support and all areas of Hft have joined the programme to support system setup and implementation and are excited to begin implementing our new systems in the next financial year. Our care and support colleagues are looking forward to a reduced administrative burden and a more interactive approach to record keeping through the use of mobile devices for care recording, that will enable them to focus on the people they are supporting.

Helix is a significant investment for Hft, that will support our long-term financial sustainability and provide opportunities to innovate and transform the way we support and enable people with learning disabilities to live the best life possible.

## Long term horizon strategy

At our Board away days in October 2021 we began thinking about a longer strategy horizon for Hft, and subsequently began work on understanding what people with learning disabilities would like the 'best life possible' to mean for them in 2030 and beyond. This work is continuing into the new financial year, with a view to us having a strategy for Hft's long term future by the end of our 60th Anniversary year.

In the meantime, we have made progress against our current strategy, strengthening our capabilities to deliver our strategic objectives focusing on building firm foundations of organisational effectiveness, financial sustainability, outstanding people and great governance, that will enable us to provide outstanding quality and experience for the people we support through a range of projects and initiatives involving colleagues across Hft.



# Our Colleagues

As was the case for other organisations in the Social Care Sector 2021/2022 was an extremely challenging year for our colleagues as the country came out of Covid-19 lockdown and the longer-term impacts of Covid-19 on colleagues' wellbeing was seen, especially for those who had worked tirelessly throughout lockdown to ensure the people we support were safe and continued to receive good quality care and support.

To help our colleagues, we provided individual counselling and (where required) team sessions to help them through the difficult times. We also saw that some of our colleagues were struggling financially and, so launched a hardship fund using fundraised monies to enable colleagues to apply for financial support.

In 2021, we launched a new People Strategy with the purpose of; enabling Hft to attract, develop and retain the best people who are engaged, passionate and dedicated to supporting adults with learning disabilities so they can live the best life possible. Our P&O Strategy purpose will be achieved through the delivery of three goals:

- Make Talent an Advantage
- Make Hft an effective and efficient organisation
- Build a culture of pride and performance

As a result of historical funding challenges, Hft continued in 2021/2022 to lobby government for better funding for our sector, and to work with Local Authorities to increase funding to enable us to pay more competitively in the market for our frontline care and support roles. As for all providers in the social care sector, during 2020/2021 Hft had a serious recruitment and retention challenge because of Covid-19, the level of pay competitiveness in the wider job market and as a result of colleagues coming out of the Covid-19 pandemic and looking to leave the sector. The Hft Board made a bold decision to invest in increasing our basic support colleague pay from £8.91 per hour to £9.90 (ahead of the proposed increase to the national living wage to £9.50 from April 2022) and we focussed our efforts on improving our recruitment processes and candidate experience as well as launching a dedicated national recruitment campaign "Care to Join Us?" in order to attract more colleagues into Hft.



**Care to join us?**  
Hft are a national charity supporting adults with learning disabilities to live the best life possible.  
careers.hft.org.uk  
Hft Cornwall  
Vanessa Mitchell - 07901 691314  
vanessa.mitchell@hft.org.uk

**Care to join us?**  
We are hiring!  
We have full time and part time support worker positions available in Evesham, Stratford Upon Avon and Redditch.  
• We offer a fully funded Level 2 Diploma in Health and Social Care with a Top 100 apprenticeship employer (ranked 11th in 2020)  
• No experience required as we provide all the training needed for you to succeed in your role  
Hft are a national charity supporting adults with learning disabilities to live the best life possible.  
To find out more, contact:  
01789 772141  
HftWorcestershireArea@hft.org.uk  
careers.hft.org.uk

At the same time we focussed our efforts on measuring and increasing our colleague engagement; we launched our first engagement survey for many years, and completed a wide range of actions such as setting up a regular CEO briefing, organising relevant leadership and trustee visits to Hft's services, putting a new meeting structure in place for senior leaders and launching our first all colleague huddle – a live and open forum for all colleagues to ask their leadership team any questions they would like.

Following significant investment, work began in 2021 to plan the design and implementation of new modern systems across Hft. This included a new HR system which will be implemented in August 2022 and will be a key enabler to Hft becoming an effective and efficient organisation as well as providing the Trustee and Executive Board with high quality people insights to inform strategic planning and decision making.

We began an organisational restructure of our Care and Support Team to ensure we had the optimum structures and ways of working in place to deliver the best possible care and support to those we support. To ensure the change was a success and that we were embedding the right behaviours and competencies we began a skills boost programme for managers and leaders called 'Well Led' which was very positively received by those taking part and is beginning to have a positive impact.

With around 28% of our workforce currently working towards qualifications on the apprenticeship framework we continue to be a leading UK apprentice employer having been ranked 11th in the national top 100 apprenticeship employers in the UK and ranked 12th in 2022. Apprenticeships give our colleagues work-related learning, while earning a wage and help us ensure our workforce are skilled and knowledgeable and able to deliver compassionate support.

In March 2022 we were delighted to learn that we'd yet again retained our Centre of Excellence status from Skills for Care. This year's submission included a review of our virtual learning offer, which has been improved since the first lockdown; we continue to innovate and try new ways to engage with learners.



## Our Volunteers

We have 19 volunteers contributing in many different roles across Hft – Mentors, Admins, Gardeners, Drivers, Group Facilitators, Lunchtime assistants, Receptionists or helping at day services.

Our volunteers support people to get into the community and access fun activities or to go away and enjoy a short break or holiday. Whether it's supporting people with a learning disability to connect to others, or encouraging people to use their outdoor spaces, learning about growing food and plants, our volunteers help people we support to combat isolation, develop their skills and improve verbal and motor skills.



### The year ahead 2022/2023

In 2022 we have launched our ambitious People Transformation Programme which addresses three key areas:

- Effective Organisation Design – to ensure Hft has the right leadership and team structures in place
- Outstanding People – to ensure our leaders and colleagues know what is expected of them, they are invested in, developed and given the opportunity to grow
- Employee Experience Well-being & Engagement – to ensure our colleagues have good wellbeing and are highly engaged with Hft's values and purpose and are happy at work.

In April 2022 Hft was awarded Gold Accreditation from the Investors in People which is a remarkable achievement especially given the challenges we faced and shows our commitment to investing in and developing our people to achieve great things.

2021/2022 was a year of investment, fixing the fundamentals and setting the foundations to achieve our people strategy over the next few years. We have made significant progress and are confident we will achieve our aims and become an employer of choice for those wanting to make a real difference to adults in the UK with learning disabilities.

## Reference and administrative details

### Royal Patron

HRH The Princess Royal

### Trustees

**Amanda Bunce** (Chair)

**Briony Horvath** (Vice Chair to 31.03.2022)

**Simon Jones** (Vice Chair from 31.03.2022)

**Mary Ann Champion**

**Lucy Pallett** (resigned 14.10.2021)

**Paul Morgan**

**John Devapriam**

**Hilary Schrader** (retired 04.08.2022)

**Irfana Malik**

**Timothy Tamblyn** (appointed 27.05.2021)

**Hugh Piper** (appointed 26.05.2022)

**Lesley Hutchinson** (co-optee) (appointed 26.05.2022)

### Executive Management

**Kirsty Matthews** (Chief Executive)

**Becs Gratton** (Chief Operations Officer) (until 31.12.2021)

**Francis Genovese** (Chief Quality and Governance Officer from 18.07.2021 until 01.04.2022, Chief Care and Support Officer from 26.07.2022, Company Secretary from 02.08.2021 until 17.07.2022)

**Chris Hughes** (Executive Director of Environments) (until 06.04.2021)

**Louisa McCann** (Chief Commercial, Finance and IT Officer) (and Company Secretary until 02.08.2021) (until 30.11.2021)

**David Roberts** (Interim Chief Commercial Finance Director) (from 06.12.2021)

**Vanessa Edwards** (Director of Fundraising until 05.04.2021)

**Mel Corish** (Chief Strategy, Transformation and Innovation Officer)

**Jackie Jones** (Interim Chief People and Organisational Development Officer until 28.07.2021)

**Kevin Moyes** (Chief People and Organisational Development Officer from 28.07.2021 until 09.08.2022)

**Devia Gurjar** (Chief Charity and External Affairs Officer from 04.10.2021)

**Teresa Parker** (Chief Commercial Housing Officer from 11.10.2021)

### Media

 [hft.org.uk](http://hft.org.uk)

 Hft

 Hftlearningdisabilities

 Hftlearningdisabilities

 Hftonline

 HftTV

### Principal Bankers

**Lloyds Bank plc**

Canons House  
Canons Way  
Bristol  
BS1 5LL

### External Auditors

**RSM UK Audit LLP**

25 Farringdon Street  
London  
EC4A 4AB

### Internal Auditors

**Crowe UK LLP**

55 Ludgate Hill  
London  
EC4 7JW

### Solicitors

**TLT Solicitors**

1 Redcliff Street  
Bristol  
BS1 6TP

### Investment Managers

**Investec**

2 Gresham Street  
London  
EC2V 7QN

### Registered Office

5/6 Brook Office Park  
Folly Brook Road  
Emerson's Green  
Bristol  
BS16 7FL

### Reference Details

HF Trust Limited often uses the abbreviation "Hft".

The company is registered charity number 313069.

The company is registered in England and Wales as company number 734984.

## Structure, Governance and Management

### Report of the Board of Trustees

The Board submits its Annual Report and the Financial Statements for the year ended 31 March 2022.

The Annual Report and Financial Statements have been prepared in accordance with the requirements of the Companies Act 2006, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Statement of Recommended Practice 'Accounting and Reporting by Charities' ('FRS102'), and the Charities Act 2011.

### Constitution and status

HF Trust Limited ("Hft") is a company limited by guarantee (registration number 734984) registered in England and Wales and a registered charity regulated by the Charity Commission (registration number 313069). The company's governing document is the Memorandum and Articles of Association dated 19 October 2019. Hft is a membership organisation and the liability of each member is £10. Trustees of Hft are either elected by the members or nominated and appointed by the Board of Trustees. Trustees are the Directors of the Company; and are also members.

### Organisational structure and governance Board

The Board is made up of the Trustees of Hft appointed from the membership. They are diverse board, drawn from a wide background of demographic attributes and characteristics who also bring together professional, commercial and charitable sector experience. The total number of Trustees cannot be less than eight or more than fourteen.

There are two categories of Trustee:

**a) Elected:** A minimum of four and a maximum of seven members who are elected by the Members. Each Elected Trustee is elected for a three-year term and can serve two terms in total. An Elected Trustee must then take a break from office for a period of one year and may only be appointed for a third or further period of office with the agreement of the Chair and the unanimous consent of the Board and re-election by the Members.

**b) Nominated:** A minimum of four and a maximum of seven members. Appointed by the Board for their expertise and can serve two three-year terms in total. A Nominated Trustee must then take a break from office for a period of one year and may only be appointed for a third or further period of office with the agreement of the Chair and the unanimous consent of the Board.

In addition, a member can be co-opted by Board to fill a Trustee vacancy during the year. Co-opted Trustees, if they wish to continue, have to either seek election at the first Annual General Meeting after their appointment or shall be eligible for appointment as a Nominated Trustee by the Board following such Annual General Meeting.

Trustees cannot be members of staff and Trustees do not receive any remuneration or any other benefits from Hft other than payment of reasonable expenses.

The primary role of the Board of Trustees is to focus on strategic direction, growth and risk management. The Board of Trustees meets at least 4 times a year, and also holds an Annual General Meeting for members. The Executive Board also attend the Board meetings, together with other members of the senior staff management team as appropriate.

Trustee succession planning is part of the annual governance cycle with vacancies being externally advertised. The tailored Trustee induction process ensures that each Trustee is provided with a thorough and comprehensive understanding of Hft, our history, our services and the world in which we operate. The induction programme is also designed so each new Trustee has a full understanding of their role, their legal, regulatory and other responsibilities; and is aware of the commitment required throughout their tenure. Trustees undertake an annual appraisal process, reflecting on individual and collective performance. The outcomes inform the Board's training and development programme which is delivered through a combination of e-learning, formal training courses and remotely held or face to face meetings. In addition, Trustees undertake an agreed number of service visits each year.

## Board Committees

The Board of Trustees delegates some of its powers and functions to standing Committees, each of which covers specific aspects of the Charity's work.

Each Committee has its own terms of reference, and their reports are standing agenda items for the main Board meetings. Each Committee is chaired by a Trustee and is attended by appropriate senior members of staff. The committee structure underwent a review in 2021 and as a result changes were made to ensure the work of the committees more effectively supports that of the Board. Committees as at 31st March 2022 are as follows:

Audit & Risk Committee <b>'A&amp;R'</b>	At least 4 times a year	<ul style="list-style-type: none"> <li>To support the Trustees and subsidiary Board Members discharge their duties in relation to financial controls accountability, risk management, internal controls, and assurance.</li> <li>Ensure all risk management, controls and assurance processes are effectively managed across the whole organisation, including the subsidiaries</li> </ul>
People & Governance Committee <b>'P&amp;G'</b>	At least 4 times a year	<ul style="list-style-type: none"> <li>To oversee the recruitment of Trustees, the Chair and the Chief Executive Officer and other Board members of subsidiaries where applicable.</li> <li>To approve all Chief Officers' contractual terms and job descriptions including any bonus arrangements and to decide on any changes to the remuneration and eligibility for bonuses.</li> <li>To review and monitor delivery against any People Strategy, and any annual pay award and key service conditions of all employees.</li> <li>To oversee and regularly review the Governance Framework and provide the Board with assurance and recommendations for improvement where appropriate.</li> <li>To receive the self-assessment against the Charities Act 2011 and the Charity Code of Governance and recommend and monitor action where appropriate.</li> </ul>
Finance & Performance Committee <b>'F&amp;P'</b>	At least 4 times a year	<ul style="list-style-type: none"> <li>Oversight of budgeting and financial planning, financial reporting, and the creation and monitoring of internal controls and accountability policies to ensure the organisations financial health.</li> <li>Monitor the performance and risks of the commercial finance portfolio against the cost benefits targets in the Financial Plan.</li> <li>To review available financial resources annually, with the report on the principal internal allocation of resources, and to recommend a budget to the Board.</li> <li>Overseeing and providing accountability over the public assets and resources</li> </ul>
Quality Committee <b>'Q'</b>	At least 4 times a year	<ul style="list-style-type: none"> <li>Support the organisation to deliver its strategic quality objectives through clear monitoring, assurance and development of the objectives needed to ensure the support given by Hft, to people, contributes to them achieving their best life possible.</li> <li>The three focus areas for the Quality Committee will be to assure Hft Board on the degree to which Hft services are safe, effective and person centred</li> </ul>
Fundraising Committee <b>'F'</b>	At least 4 times a year	<ul style="list-style-type: none"> <li>Ensure that Charity and External Affairs Strategy meets Hft charitable aims.</li> <li>Oversee the preparation, review and scrutiny of the Fundraising Plan, providing advice and expertise where required.</li> <li>Monitor financial controls around fundraising including adherence to the legislative and regulatory frameworks such as but not limited to Fundraising Regulators Code of Practice, Charity Commission, Gambling Commission, ICO, HMRC, PCISSC.</li> <li>Oversee and monitor the development of and progress against the Hft brand strategy.</li> <li>Oversee and monitor the development of the Hft advocacy mandate.</li> </ul>

Other committees and working parties are established from time to time, in order to address specific issues.

The Trustees who serve on the Board and its Committees during the financial year as at 31st March 2022 are:

Name	Committees	Status	Appointed
Amanda Bunce (Chair)	P&G, F	Nominated	01/02/2018
Briony Horvath (Vice Chair to 31.03.2022)	P&G	Elected	19/10/2018
Mary Ann Champion	Q	Elected	19/09/2019
Simon Jones (Vice Chair from 31.03.2022)	A&R, F&P	Elected	20/10/2017
Paul Morgan	F	Elected	19/10/2018
John Devapriam	Q	Elected	20/06/2019
Hilary Schrader	P&G	Nominated	19/09/2019
Irfana Malik	A&R	Nominated	19/09/2019
Timothy Tamblyn	A&R, F&P	Nominated	27/05/2021

In May 2021 the Board of Trustees adopted the Charity Code of Governance. Following an external review of corporate governance, there has been focus and commitment to ensure Hft are either working towards or achieving high standards of governance whilst recognising the requirement for a programme of continued improvement.

### Operational structure

To ensure a strong Hft for the future we have taken an objective look at where we are and where we need to be. A key part of this is the need to balance our strategic focus across our three core business areas: Care and Support, Homes and Charity.

To deliver our strategy to improve and transform we have to ensure that we have the right leadership, governance and accountability at Executive level. We have recruited to an executive leadership structure that delivers commercial focus in partnership with ensuring high quality services, which strengthen our charitable status and external voice to reach as many people with learning disabilities as possible. This will restore our place as innovators through our capacity to apply market and business intelligence, so we can identify, recognise and act on opportunities for growth and development; and be able to respond in an agile and efficient way when these arise.

Our Executive Board is made up of seven Chief Officers who support our three key areas: Homes, Care and Support and Charity. The structure underpins a culture where all roles are recognised as contributing in equal measure to the success of Hft.

This is a positive time of investment in transformation for Hft as we look to the future, and these structural changes are a critical foundation allowing us to prepare the organisation for growth and to enable us to transform our services and the culture at Hft, so that we can continue to provide high quality and financially sustainable services for people with learning disabilities for years to come.

### Related parties and subsidiaries

At the balance sheet date and throughout the year, Hft had three, wholly owned subsidiary companies, which are incorporated in the United Kingdom.

Hft Trading Limited undertakes non-primary purpose trading activities; Hft Property Limited has made no commercial transactions during the year. Luv2meetU Community Interest Company, undertakes the activities of a friendship agency for adults with learning difficulties.

## Gender Pay Reporting

Hft has submitted its annual gender pay report providing a snapshot of our gender pay data as of 5 April 2021. At that time, our total workforce consisted of 762 men and 2,385 women, meaning we employed around three times as many women as we do men – a circumstance that is not unusual in the social care sector and has not significantly changed since we started gender pay gap reporting in 2017.

### Hourly pay

#### 1. Mean gender pay gap in hourly pay

The mean gender pay gap in hourly pay is the average hourly rate of pay, calculated by adding the hourly pay rate for employees then dividing by the number of employees.

Based on the mean (average) hourly rate of pay for male and female employees in the relevant pay period, our mean gender pay gap is 4.1% (women lower).

According to the Office for National Statistics, the gender pay gap among all employees increased to 15.4% in 2021, up from 14.9% in 2020, but this is still down from 17.4% in 2019.

While Hft is not complacent about gender and pay, we note that our 4.1% gap is approximately a quarter of the size of the national gap, down from a third in 2020.

#### 2. Median gender pay gap in hourly pay

The median gender pay gap in hourly pay is the middle hourly pay rate, when you arrange your pay rates in order from lowest to highest.

Based on the median (middle) hourly rate of pay for male and female employees in the relevant pay period, our median gender pay gap is 0.3% (women lower).

As mentioned above, Hft is not complacent about gender and pay, but we consider that 0.3% is not a highly significant gap.

## Bonuses

Bonuses do not play a significant part in Hft's reward strategy. This approach is not unusual in social care. Where bonuses have been paid they have mainly been awarded in recognition of the long service of our fantastic and committed colleagues and are used to encourage and reward their loyalty.

#### 3. Mean bonus gender pay gap

Based on the mean (average) bonus pay for male and female employees in the relevant pay period, our mean gender bonus gap is 3.6% (women lower).

#### 4. Median bonus gender pay gap

Based on the median (middle) bonus pay for male and female employees in the relevant pay period, our median gender bonus gap is 50% (women higher).

#### 5. Proportion of males and females receiving a bonus payment

The proportions of male and female employees who received bonus pay during the relevant pay period are as follows (percentages are rounded to one decimal place):

**Male employees: 4.3%**

**Female employees: 3.9%**

#### 6. Proportion of males and females in each pay quartile

The following table separates our entire workforce into four 'quartiles' (parts) based on the salaries that are paid to these employees. These quartiles are then further broken down into the number and proportion, expressed as a percentage, of male and female employees in each one:

Quartile	Male	Female
A (upper)	25.15%	74.85%
B (upper middle)	25.59%	74.41%
C (lower middle)	22.04%	77.96%
D (lower)	27.07%	72.93%

## Employee Consultation and Engagement We're Listening:

Hft has embarked on a purposeful, direct listening strategy, aimed at building colleague engagement and ensuring a cycle of regular feedback from colleagues. As part of this, our 'We're Listening' survey conducted with all our colleagues at the end of 2021 has offered valuable insights into our colleague experiences. The data has showed that our overall engagement score was 55% which is not where we want it to be – our target over the next 2 years is to reach 80%. We have set up thematic colleague groups and developed clear action plans to enable us to continue to increase engagement in Hft. Our May 2022 pulse survey showed a 5% increase since the previous survey. In addition, our survey results tell us that 77% of respondents believe that Equality, Diversity and Inclusion (EDI) is important at Hft. Whilst we're pleased with this result, we have also committed to further actions within our EDI strategy, including a continued focus on gender issues.

### Terms and conditions review:

In 2021, Hft embarked on a review of all employees' terms and conditions of employment in order to tackle inconsistency and increase equity across the organisation. This review will remove variations in contracts of employment and has been subject to a rigorous collective consultation process.

### Structural Fundamentals:

Hft continues with its "Structural Fundamentals" programme which includes the development of a job matching framework, benchmarking and reward strategy primarily for our Central Support Services Staff. These measures will provide an important opportunity for us to equality-proof our pay arrangements.

### Information systems and ways of working:

Hft continues our organisation-wide programme to transform our information systems and ways of working and we will start to realise the benefits of this during 2022. This transformation programme will give us:

- modern, user-friendly systems
- reliable and trustworthy data and insight
- standardised and joined-up processes

- more time back to do what we do best – providing support

The people workstream of this transformation will also enhance our ability to gather and report on people data – including on gender and pay.

## Partnership Forum

Hft entered into a Partnership Agreement with all employees in 2013. The purpose of the Agreement was to provide a framework for the Management and the Employees to participate in joint planning and decision-making processes, working as partners to jointly drive the organisation forward and solve problems. The parties in the Agreement have given a commitment to work together to promote a positive and effective relationship with the following principles;

- Joint commitment to the success of the organisation
- Joint recognition of each other's legitimate interests
- Joint commitment to employment security
- Joint focus on the quality of working life
- Joint commitment to operating in a transparent manner
- Joint commitment to add value to the arrangement

The implementation of the Partnership Agreement is facilitated through the Partnership Forum. Representatives from all areas of the organisation receive training and support to act on behalf of all employees at a local or national level.

## Equality and Diversity Policy

Hft's policy states that;

**“ We value people equally without discrimination with regard to gender, sexual orientation, age, race, beliefs, culture, chosen lifestyle or disability. This approach applies to the people we support, their families, Hft colleagues and others with whom we have contact.**

We ensure that the policy is implemented through clear statements in our recruitment advertisements and reinforced in the induction training. Specific training is given to any member of staff in a managerial or recruiter position ensuring that they are aware of the law and Hft's policies.

There are policies in place to:

- Give full and fair consideration to applications for employment with Hft made by disabled persons having regard to their particular aptitudes and disabilities.
- Continue the employment of, and arrange appropriate training for employees of the company who have become disabled persons during their employment.
- Support the training, career development and promotion of disabled persons employed by the company.

### Modern Slavery Statement

The Modern Slavery Act 2015 came into force on 29 October 2015 and introduced changes in UK law focused on increasing transparency in recruitment and supply chains. It sets out a duty on larger organisations to publicly report steps they have taken to ensure their operations and supply chains are trafficking and slavery free. As such any organisation, including charities, which supply goods or services and have a minimum annual turnover of £36 million, are required to produce an annual Anti-Slavery and Human Trafficking Statement that is approved at the highest level in the organisation and is made available on the organisation's website. Our statement can be found at:

[www.hft.org.uk/ModernSlaveryActStatement](http://www.hft.org.uk/ModernSlaveryActStatement)



## Strategic Report: Objectives, Activities and Public Benefit

### Aims and objectives

Hft's principal objectives, as stated in the Memorandum and Articles of Association, are as follows:

- To enable and support people with learning disabilities to experience fulfilling lives in ways which maximise their involvement in the community and participation as citizens, and to exercise choice.
- To offer advice to and support for those who care for people with learning disabilities.

### Principal activities

The principal activities of Hft in support of these objectives are as follows:

- The care, support and personal development of adults with learning disabilities provided in supported living and residential settings, and both building-based and home-based day services.
- The delivery of care and support is based on what a 'best life possible' looks like and all the support we offer is aimed at helping people to live with more independence and choice; excellent person-centred support, ensuring we provide quality services that are continually improving through feedback from the people we support, their families and our Involvement team.
- The provision of housing solutions for the people we support; tenancies in flats and shared houses for those in supported living and comfortable, safe spaces for residential houses.

In addition to the funded activities, as a Charity Hft chooses to provide enhanced opportunities for adults with learning disabilities through services funded through fundraised income:

- The Family Carer Support Service (FCSS) is available for any carer to access (free of charge), and provides online and telephone help, support and signposting for carers, together with other resources, such as guides to new care legislation and guides to state benefit changes.
- Through Project SEARCH we support training opportunities to support people into internships and employment.
- Our Personalised Technology service provides consultancy, advice and equipment to improve safety, and quality of life.

- Our Luv2MeetU friendship and dating agency for people with a learning disability. Members have opportunities to make new friends, share interests and develop relationships, helping to combat isolation and loneliness and improve overall health and well-being.

### Public benefit

Hft's Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives, and in developing plans for future activities.

Hft is committed to using a combination of fundraised money and reserves in order to fund the vital charitable services and projects which are provided, over and above the day-to-day delivery of care services on behalf of local authorities.

The four principal projects which fall under the charitable projects umbrella are the Family Carer Support Service, the initial set up of Project Search employment support programmes, Personalised Technology and the Luv2meetU project.



# Achievements and Performance

## Strategic plan and key drivers

Hft's aspiration is to be a leading provider of adult learning disability services in the UK. We want the best life possible for all of the people we support and to achieve this we recognise that efficiency and productivity continue to be critical, and that investment in colleagues and technology are key to long-term sustainability.

With the arrival of a new CEO in December 2020 the strategy was reviewed to ensure that it was robust to future challenges and maximised emerging opportunities. Our latest published strategic plan runs from 2021 to 2024 and sets out our three-year plan on becoming the Hft of the future. It focuses on building strong foundations to create a sustainable platform for growth and balances our efforts equally across providing innovative care and support, providing excellent homes and increasing our impact and reach as a charity. These pillars are underpinned by a series of enablers of great governance, financial sustainability, outstanding people, and organisational excellence to become a highly effective organisation. Whilst the key drivers remain relevant, the pandemic has changed the face of the sector we work in, and our organisation, and has produced challenges and opportunities which we could not have foreseen when we committed to the plan in 2020. The pandemic has also adversely impacted on the occupancy levels of our homes because of the reduction in referrals from key stakeholders. During 2022, Hft colleagues are making efforts to rekindle these relationships and raise the profile of Hft locally to improve occupancy. To develop our future long-term strategy, we have started a process of consultation in 2022/2023 with adults with learning disabilities, our colleagues and supporters so that we can identify what role Hft can play in creating a world where adults with a learning disability can live their best life possible.

Our statements reflect progress against the published strategy, with notes on the impact of the pandemic on that progress.

## Get the basics right

*We will 'get the basics right' for all our service delivery models to ensure we deliver and evidence the best life possible for all those we support.*

We maintained our position of 90% of registered services rated as good or outstanding, despite the significant challenges which the organisation faced as the result of the pandemic. Hft had one service rated Inadequate by the CQC however, this has already improved to a Requires Improvement rating.

## Financial sustainability

*Our organisation will be financially sustainable through the delivery of funded services and housing. We will invest in the processes, systems, culture and capability to ensure we are robust to both a low fee and rising wage environment.*

Operating contribution increased from the previous year despite fee stagnation, inflation and additional pressure from the increase in national living wage, and high vacancies leading to a continued reliance upon agency staff. Without the impact of the pandemic the financial results from the delivery of care would have been worse as the position was offset by the Covid related grants received.

We continued the work we had started on the turnaround of financially underperforming services and, specifically, where significant underfunding from the local authority had meant services were financially unsustainable. There is further work to review underperforming services in the coming years and determine actions required to ensure financial sustainability and to provide funds for future growth and expansion.

There was minimal opportunity for growth during the year as Hft focused its efforts on maintaining safe services through the pandemic and working to determine the future strategy. In addition, the time taken to fill voids increased due to lockdown measures as people were unable to view properties and our Hft colleagues and Local Authority referring agencies were also fully occupied with the effects of the pandemic.

The level of overheads across Hft is above benchmark best practice, in part this level will be reduced through the implementation of the Helix Transformation Programme, however additional work is being undertaken to look at other opportunities to deliver further efficiencies through a review of all

office sites particularly as we move to a more hybrid approach for ways of working.

## Systems development

*We will optimise our central support functions to gain data and insight from our systems and achieve the productivity gains they offer.*

Our ambition has grown in the year and we are undertaking a holistic systems, process and culture review and transformation project in order to deliver on this objective. We recognise a historic underinvestment in our infrastructure and the need for improved efficiency to remain competitive within the available fee structure.

## Complex Behavioural Needs services

*Our aim is to deliver consistent and sustainable services for those with complex behavioural needs.*

As we emerge from the pandemic our priority continues to be to ensure the health, safety and wellbeing of those people already in our care, as we reconsider our ambitions for the future. The ongoing lack of progress by Government to address the key challenges of the Transforming Care Agenda and make the necessary investment needed in to improving and increasing community provision, has further hindered our ability to progress with service developments in this particular area.

## Growth Opportunities

*We will continue to focus on growth opportunities.*

The work we are doing on our longer-term strategy will allow us to identify those areas of focus for Hft for business development, we anticipate the first phase of this strategic work being completed by Autumn 2022. In the shorter term we will look to ensure all our voids are filled and our income is in line with our costs.

## Property management

*We will be excellent at the development of new homes which complement existing provision and meet identified needs.*

*We will dispose of miscellaneous older stock or sites where reinvestment is not viable and re-circulate receipts within the charity.*

During the year;

- Our like-for-like housing income rates have been increased by CPI +1%.
- We have published a comprehensive asset management strategy which identifies our approach to energy efficiency, disposals and ensuring that our stock databases are updated on a regular basis and to maintain updated life cycle costing programmes for all our properties.

## Fundraising

*We will maximise income to support activity designed to provide the best life possible for the people we support.*

In the year, Hft's Fundraising department continued to secure philanthropic funds from a range of supporters to enable its work to enhance the lives of thousands of people with learning disabilities.

We aim to comply with all standards set by the Fundraising Regulator in its Code of Fundraising Practice and have a quarterly review to measure our compliance with the Code. In particular, where professional fundraisers and fundraising agencies are engaged and working on our behalf, we ensure that the solicitation statements are in place and that their activities are monitored. We also adhere to the Code as it relates to treating people fairly and, in particular vulnerable adults, to ensure that they may be protected and not subjected to unreasonable pressure to give a donation.

The Fundraising Committee also reviews our fundraising activity at regular meetings to ensure we are acting responsibly within fundraising regulations, particularly relating to vulnerable adults. They also monitor the performance of fundraising activity to ensure we deliver value for money for our supporters. We value our relationship with supporters and donors and are therefore pleased that the year saw only 6 complaints about our fundraising activity which is a 50% reduction on the previous year.

We would like to express our thanks to the following organisations, trusts and individuals who have supported us in the year to 31 March 2022, as well as those who prefer not to be named:

**Andrew Collinge**

**City of Bradford Metropolitan District Council**

**Flintshire County Council**

**Flintshire Local Voluntary Council**

**Froxfield Charitable Trust**

**G M Morrison Charitable Trust**

**Gerald Micklem Charitable Trust**

**Gloucestershire County Council**

**Good Things Foundation**

**Helen Roll Charity**

**Kingston Nursing Association**

**Kirklees Council - Community Plus**

**Leeds Community Foundation**

**National Emergencies Trust**

**Nova – Wakefield**

**Patrick & Helena Frost Foundation**

**Ros and Christopher Cliffe**

**S D Whitehead Charitable Trust**

**The Shackleton Family**

**The Bassil Shippam and Alford Trust**

**The Blair Foundation**

**The Hadley Trust**

**The Lee Family**

**The Morgan Charitable Foundation**

**The National Lottery Community Fund**

## Investments

Total invested assets increased from £6.88m to £7.26m driven by increases in asset valuations and income. The Investec portfolio closed the year at £6.3m (£6m 2021); a gross return of 5.5% on the year and the income yield was 2.25% for the year.

The Brewin Dolphin portfolio closed the year at £867k; a gross return of 7.65% on the year, compared to a prior year gross return of 27% and the income yield was 2.9% (3.05% 2021) for the year. Hft has a prudent investment strategy which balances potential returns with an appropriate level of risk.

## Environmental policy

We are committed to becoming a more sustainable organisation and for this reason we will employ in 2022 an individual with significant knowledge around how to deliver various elements of sustainability who will work with the Head of Asset Management to develop a comprehensive Sustainability Strategy.

Many of our asset management priorities are relevant to the development of our draft Sustainability Strategy, in particular we aim to:

- Implement an energy strategy to improve the quality of life for residents.
- Dispose of miscellaneous older stock or sites where reinvestment is not viable.

We recognise the impact of rising energy costs and on the ability of the people we support to pay their fuel bills. Over the next 2 years we will ensure investment is made in our stock to improve our energy efficient rates and prioritise those properties with an EPC rating lower than a C.

## Carbon policy

As part of the Streamlined Energy & Carbon Reporting (SECR), we are required to report on energy and greenhouse gas emissions.

## Energy and Greenhouse Gas Report

Hft has appointed Carbon Footprint Ltd, a leading carbon and energy management company, to

independently assess its Greenhouse Gas (GHG) emissions in accordance with the UK Government's 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance'.

The GHG emissions have been assessed following the ISO 14064-1:2018 standard and has used the 2021 emission conversion factors published by Department for Environment, Food and Rural Affairs (Defra) and the Department for Business, Energy & Industrial Strategy (BEIS). The assessment follows the location-based approach for assessing Scope 2 emissions from electricity usage. The operational control approach has been used.

The table on the next page summarises the GHG emissions for reporting year: 1st April 2021 to 31st March 2022. As a business we have been assessing our carbon emissions since 2019 and have provided this baseline year and last year's assessment results for comparison.



Scope	Activity	Location-Based tCO <sub>2</sub> e		
		2019/20	2020/21	2021/22
Scope 1	Site gas	996.50	933.58	1,288.38
	Company car travel*	292.71	96.30	27.91
	Refrigerants	-	98.34	0.00
	Vehicle fuel usage	160.33	87.88	-
	Site LPG	116.41	80.83	-
<b>Scope 1 Sub Total</b>		<b>1,565.93</b>	<b>1,296.93</b>	<b>1,316.29</b>
Scope 2	Electricity generation	490.82	366.12	681.55
<b>Scope 2 Sub Total</b>		<b>490.82</b>	<b>366.12</b>	<b>681.55</b>
Scope 3	Well-to-Tank	-	232.08	451.13
	Employee-owned car travel (grey fleet)	-	-	61.93
	Electricity transmission and distribution	41.67	31.49	60.31
	Cash-opt out car travel	76.44	-	21.49
	Rail travel	-	-	0.41
	Bus travel	-	-	0.40
	Hire cars	-	-	30.86
	Taxi travel	-	-	0.16
Motorbike travel	-	-	0.14	
<b>Scope 3 Sub Total</b>		<b>118.11</b>	<b>263.56</b>	<b>626.83</b>
<b>Total tonnes of CO<sub>2</sub>e</b>		<b>2,174.86</b>	<b>1,926.62</b>	<b>2,624.69</b>
<b>Tonnes of CO<sub>2</sub>e per employee</b>		<b>3.03</b>	<b>2.58</b>	<b>1.25</b>
<b>Tonnes of CO<sub>2</sub>e per £M turnover</b>		<b>25.64</b>	<b>22.15</b>	<b>29.37</b>
<b>Total energy consumption (kWh)**</b>		<b>10,082,670</b>	<b>7,800,265</b>	<b>10,922,202</b>

\*In the 2021/2022 assessment the mileage distribution between company leased cars and cash-opt out car mileage claims is not known due to a staff member unexpectedly leaving the company. To account for this all mileage for 2020/2021 has been categorised as scope 1 company car travel.

\*\*Total Energy Consumption includes UK Electricity, UK Site Gas, Company Owned Vehicles and Employee-owned vehicles (grey fleet).

During 2021/2022, Hft made the decision to start to move away from our fleet car arrangement for colleagues, and to consider carefully before travelling to meetings, and consider alternative on line options.

During 2021/2022 Hft undertook an evaluation of the energy efficiency values of our properties using the (Standard Assessment Procedure (SAP ratings)). The average SAP score for our homes is 68, slightly better than the average for all homes in England. This data will be used to produce an investment plan for improve the energy efficiency of our homes during 2022/2025.

Activity	Baseline Year 2019/20	Previous Year 2020/21	Current Year 2021/22
<b>Total energy consumed (kWh)</b>	<b>10,082,669</b>	<b>7,800,265</b>	<b>10,922,202</b>
<b>Total Gross Location-Based Emissions (tCO<sub>2</sub>e)</b>	<b>2,174.86</b>	<b>1,926.62</b>	<b>2,624.69</b>
<b>Intensity ratio: tCO<sub>2</sub>e (gross Scope 1 &amp; 2, location-based) per £M revenue</b>	<b>24.25</b>	<b>19.12</b>	<b>22.36</b>

# Internal Controls Statement

The HF Trust Limited (Hft) Board has overall responsibility for establishing and maintaining the whole system of internal control for Hft and its subsidiaries and for reviewing its effectiveness.

The Hft Board recognises that no system of internal control can provide absolute assurance against material misstatement or loss or eliminate all risk of failure to achieve business objectives. The system of internal control is designed to manage key risks and to provide reasonable assurance that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of Hft's assets and interests.

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls which is embedded within the normal management and governance process. This approach includes the regular evaluation of the nature and extent of risks to which Hft is exposed and is consistent with Turnbull principles.

The process adopted by the Board in reviewing the effectiveness of the system of internal control, together with some of the key elements of the control framework includes the items listed below:

- Identification and evaluation of key risks.
- Management responsibility has been clearly defined for the identification, evaluation and control of risks.
- There is a formal and ongoing process of management review in each area of Hft's activities.
- The Executive Board regularly considers and receives reports on significant risks facing Hft and is responsible for reporting any significant changes affecting key risks.
- The Audit & Risk Committee has responsibility for monitoring progress to mitigate risk which it does at every meeting.
- Each Committee of the Board on its area of responsibility considers opportunities and risk; providing challenge and instruction to the Executive, and where appropriate escalates risks to the Audit & Risk Committee and to the Hft Board.

Following an external governance review which included a review of Hft's risk management approach, the following key improvements have been introduced/strengthened over the last year:

- a three line of defence risk and assurance model has been adopted
- corporate level risk register in place
- appointment of internal auditors, to deliver a Board approved assurance program
- departmental risk registers in place
- clear action and assurance plan to monitor risk management which the Audit & Risk Committee monitor

As a commercial business, providing care, support and housing to people while being a registered charity, Hft operate with a number of themed risks being managed at the Corporate level.

The main threats to the business are all linked and are impacted by each other. They are within the themes of our staff teams; keeping the people supported safe and satisfied; and the ability to remain financially sustainable and improve commerciality.

The Board confirms there has been no breakdown in internal control resulting in material losses, contingencies or uncertainties which would require disclosure in the financial statements during the year.

## Principal Risks

Principal Risks to Hft	Actions Being Taken to Mitigate
Failure to provide adequate care and support for the people we support in line with our obligations regarding Duty of Care.	<ul style="list-style-type: none"> <li>• Policies and operating standards in place.</li> <li>• Registered managers in place who are responsible for the delivery of care and support.</li> <li>• Leadership structure in place with leaders who have accountability for delivering care and support services.</li> <li>• Independent audit function monitoring.</li> <li>• Mandatory training completion.</li> <li>• Robust incident reporting system in place.</li> </ul>
Failure to generate sufficient income and maintain economic solvency.	<ul style="list-style-type: none"> <li>• Clear finance reporting statements, ownership and accountabilities.</li> <li>• Regular reporting financial KPI's against pre-agreed benchmarks for income and costs.</li> <li>• Financial systems and data management; finance, CRM and Housing Management.</li> <li>• Clear accountability for business case evaluation and sign off.</li> <li>• Clarity and agreement on financial models for Care and Support, Housing and Fundraising.</li> </ul>
Failure to achieve future growth plans as lack of transformation fails to deliver improvements in efficiencies and processes.	<ul style="list-style-type: none"> <li>• Benefits realisation from organisation-wide transformation programme delivers organisational effectiveness and improved competitive position.</li> <li>• Implementation of Transformation Programme Governance structure and reporting to monitor transformation delivery.</li> <li>• Implementation of annual planning process to align portfolio budgets and delivery plans to strategic objectives.</li> </ul>
Failure to recruit, retain and invest in an effective workforce.	<ul style="list-style-type: none"> <li>• Far reaching People Strategy which is all aimed at enabling Hft to be an employer of choice which retains excellently trained colleagues.</li> <li>• Recruitment &amp; retention KPIs in place to monitor performance and risk.</li> <li>• Employee engagement survey undertaken and action planning being completed.</li> </ul>
Failure to have safe buildings for the people we support to live in.	<ul style="list-style-type: none"> <li>• Completion of stock condition surveys.</li> <li>• Internal Audit completed on property compliance with resulting action plan identified.</li> <li>• Reporting on compliance from contractors.</li> <li>• KPI compliance monitoring in place and presented to key stakeholder groups.</li> </ul>
Failure to operate effectively and efficiently due to unsatisfactory/lost data, digital and IT systems.	<ul style="list-style-type: none"> <li>• IT infrastructure investment.</li> <li>• IT hardware roll out begun to improve security.</li> <li>• Server and software upgrade activity undertaken to facilitate Cyber Essentials security accreditation.</li> <li>• Training in IT skills to enable colleagues to perform their roles efficiently.</li> </ul>
Lack of ability to react to situations requiring business continuity inputs.	<ul style="list-style-type: none"> <li>• Key policies and procedures in place.</li> <li>• Care &amp; Support service continuity plans in place.</li> <li>• Winter resilience plans in place for care &amp; support service delivery.</li> <li>• Systems and IT controls in place to manage system outages.</li> </ul>



## Director's and Officers' Liability Insurance

Hft and its subsidiary companies have insurance to cover Trustees' and Officers' liability to the value of £10m, as permitted by the Companies Act 2006 at a cost of £13k (2021: £13k).

## Consideration of Directors' Responsibilities

### Section 172 Statement:

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

### The likely consequence of any decision in the long term

Our strategic objectives are part of a long-term strategy to improve the lives of people with learning disabilities both now and in the future. We review external developments and policy, and horizon scan for future trends, and ensure that our plans can be adapted as needed to meet changing circumstances and ensure sustainability.

### The interest of the company's employees

Our employees are vital to Hft and we regard on-going, regular engagement with them as a top priority. Employee engagement is important to us at Hft. Our Employee Experience Partner continues to shape, to help lead and deliver our commitment to enhanced employee experience and engagement. We involve the Partnership Forum at early stages in decision making and they meet regularly with the Executive team to share thoughts, plans and opinions. During the year they are consulted and their approval accredited on new policies, strategy, wellbeing, retention, face to face training and employee awards. For more details and examples of employee consultation and engagement, please see page 43.

### The need to foster the company's business relationships with suppliers, customers and others

Our relationship with partners, funders, suppliers, local authority commissioners, the people we support and their families are key to our effectiveness. We work with them closely to develop mutually beneficial relationships; an example of this is our supported employment initiative Project Search which you can read about in more detail on page 32.

### The impact of the company's operations in the community and the environment

We recognise our responsibility to care for the environment and aim to minimise our environmental impact in all our activities. More information on how we care for the environment can be found in our Carbon Policy and Energy and Greenhouse Gas Report on page 48.

### The desirability of the company maintaining a reputation for high standards of business conduct

Our reputation and public trust in Hft are fundamental to our future success. We use our organisational values and behaviours in our requirement for and training of both employees and volunteers to ensure that we maintain high standards. We lay out our expectations within our colleague code of practice and discuss performance during supervisions, continuing conversations and appraisals. Our procurement and ethical policies and procedures ensure that our values also are a key part of our selection of partners and suppliers. We are regulated by the Care Quality Commission and the Charity Commission and our CQC results are publicly available.

### The need to act fairly as between members of the company

We aim to be a fully inclusive organisation which is relevant and accessible for anyone with a learning disability, their families and our colleagues. We will not unfairly discriminate against anyone.

# Financial Review

The year continued to be dominated by Covid-19 and managing the impact on colleagues and the people we support.

At the start of the pandemic we took a decision that we would not furlough our colleagues and that they would continue to support our beneficiaries, and this applied to all direct staff and those in supporting roles. Like many organisations we continued to enable safe working environments for those delivering services and working from home. We invested heavily in PPE and Covid-19 related services, all of which was covered through a number of Government funded schemes and had little financial impact on the organisation.

Throughout much of 2021 the staff availability fell below 85% with a significant number of colleagues having to shield for health or sickness reasons. The remainder of our colleagues were flexible in working to cover services, however we also needed to rely on agency staffing which delivered a significant cost to the organisation.

The pandemic did impact the capital disposal programme so that property sales were delayed until the start of the 2022/2023 financial year, however the restrictions on movement and the difficulties in acquiring materials and contractors meant that the investment levels were similarly reduced in the housing portfolio.

There remain significant challenges in the funding of Care services which are subsequently reliant on being supported through other profitable channels and we continue to review the hourly rates and weekly fees to ensure that we can continue to provide sustainable services, as well as challenging ourselves on costs and overheads.

## Income

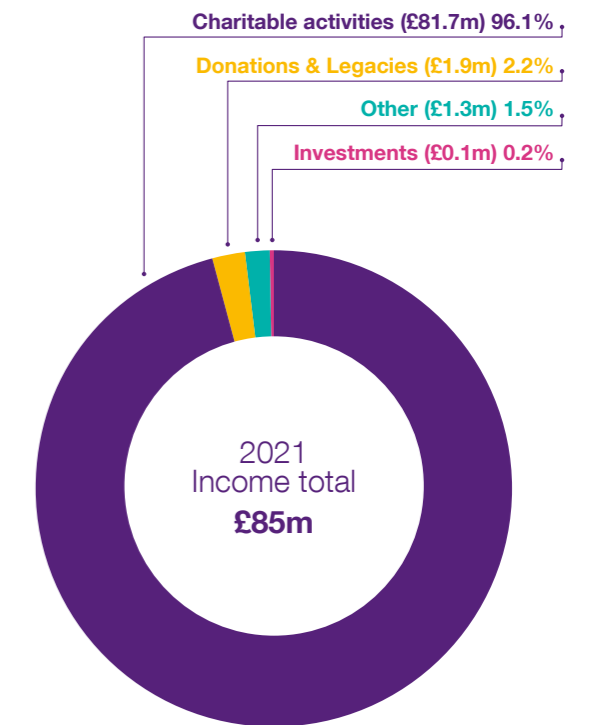
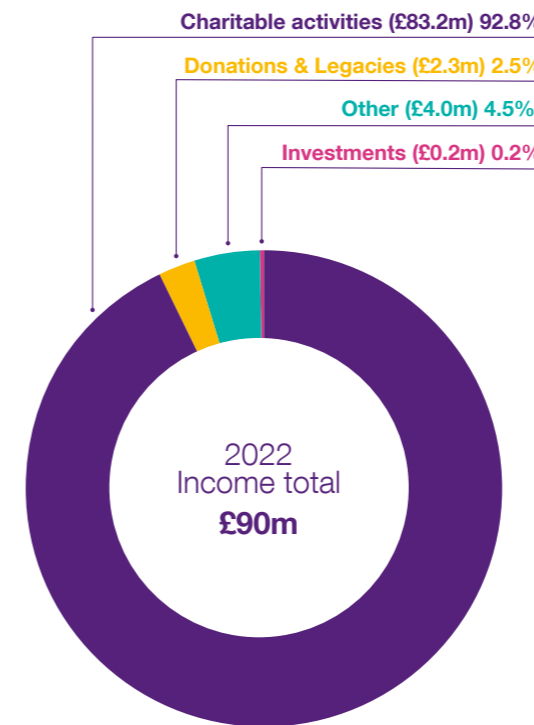
Income from charitable activities includes service fee income, special projects and community interest company income. In addition to this are trading activities, fundraising, and investment income.

Total income from organisational activities increased to £89.7m (2021: £85.0m), with increases across all income categories; £1.5m fees, £0.4m donations and legacies and £2.7m other income. Other income included a £0.7m accrual following a business interruption claim settlement (income received in April 2022) and £0.5m gain on asset disposals.

Fee income from the provision of care services to Local Authorities in the UK in the year of £83.2m represents an increase of 1.9% on 2021: £81.7m. The increase is driven by fee uplifts received during the year. Fee income delivered 93.2% of total income compared to 96.1% in 2021.

Income from donations and legacies of £2.3m increased by £0.4m on the previous year.

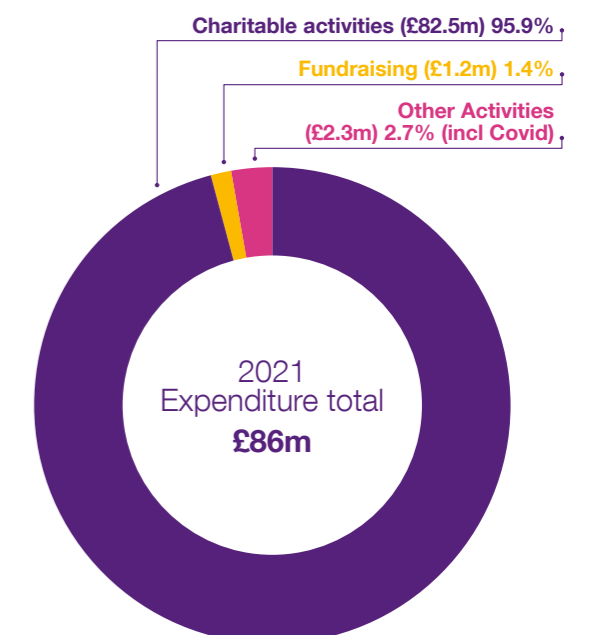
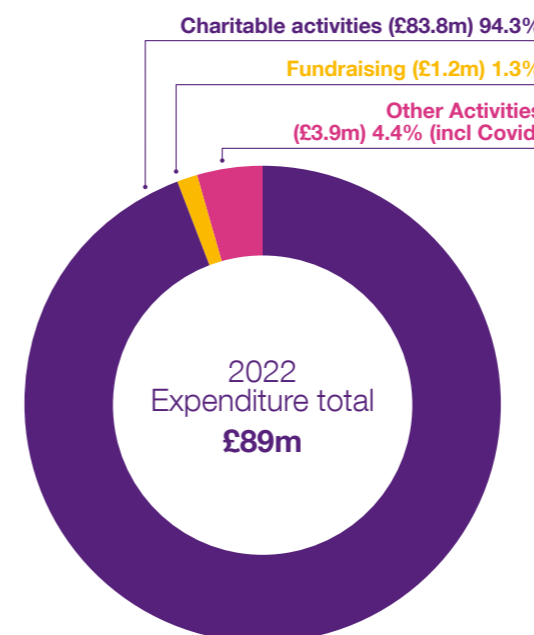
The asset disposals during the year (2021: £0.1m loss) included the sale of seven properties and generated a gain on disposal of £0.5m.



## Expenditure

Total expenditure in the year to 31 March 2022 of £88.9m (2021: £86.0m) is a £3.0m and 3.4% increase on 2021.

Care and Support services costs increased slightly in the year as services resumed following the delivery of fewer hours due to the pandemic. The effect of this was an increase in agency hours required increasing the agency cost burden by £4.4m driving higher people costs. Costs also increased as a result of a 2.2% uplift in NLW (£1.4m). Additionally, costs of £1.9m were incurred as a result of the Helix transformation project. Property costs rose by £0.5m due to significantly increased utility charges and enhanced maintenance requirements. Operationally, the costs of setting up and monitoring compliance with Covid regulations whilst being unable to recharge vehicle charges added £0.45m costs.



**The income and costs and surpluses of the core operational services are as follows:**

	2022 £'000	2021 £'000
Services income (note 3b)	82,752	81,186
Services direct costs (note 8)	(71,642)	(71,704)
Services surplus before support costs	11,110	9,482
Support costs (note 8b)	(9,117)	(9,462)
Services surplus after support costs	1,993	20

More services are being highlighted as financially unsustainable in the longer term with increased costs and lower rates of fees received, however the impact of the pandemic in reducing the hours of services delivery required through day services meant that those contracted staff were able to be redeployed to support all other services, and additionally the overhead cost in recruitment and training of colleagues reduced, both reflected in the reduction in direct costs.

A range of performance indicators are used to measure financial and operational activity and to highlight trends and potential risks. Throughout the year, the following key performance indicators are monitored and reported monthly, these are the annual comparisons:

	2022	2021
Fee Income per day (£k)	227	224
Occupancy rates (%)	92	93
Total Employment Costs (TEC) as % income	69	71
Agency costs as % Total Employment Costs	12	5
Operating Contribution as % Income	17	18
Overheads as % Income	16	13
Fundraising income v expenditure	2:1	2:1
Services rated good or above by CQC %	91	90

Fee income from local authorities increased slightly but remained largely flat year on year. There was a slight reduction in occupancy rates driven by the impact of the pandemic. Agency costs increased as a result of the pandemic, resulting in staff shielding and higher rates of sickness, part of a sector wide challenge. Fund raising had a successful year with income versus expenditure remaining at a similar level to the prior year. There was a 1% increase in services rated good or above by CQC.

**Trading activity**

The principal component of trading activities is the sale of seasonal cards and gifts which remains halted due to the pandemic. The total trading deficit in 2022 amounted to £6k (2021: £3k deficit). Hft recharges costs as incurred to this trading subsidiary.

**Charity projects**

The net expenditure on special projects in the year to 31 March 2022 of £3.0m is a £1.8m increase on the 2020/2021 net cost of £1.2m. The increase is driven by costs incurred on the Helix project of £1.1m (£0.1m 2021) and change team costs £0.5m (£0.1m 2021). Special projects also include the public benefit projects such as FCSS, Luv2meetU and the Personalised Technology project.

The Helix project, refers to a program to improve efficiencies within Hft through the upgrade of systems, better management of data and improvement to processes. The project, launched in 2021/2022, will be completed in 2022/2023 and will ensure that Hft is able to continue to grow and sustain the quality of the services it provides, into future years.

**Balance Sheet**

Reserves have increased by £696k as a result of the year's activities; the main changes in the balance sheet during the year are as follows:

Intangible assets increased by £0.5m to £1.3m a result of capitalised project costs.

Tangible fixed assets decreased by £1.2m to £56.6m which includes;

- Gain on sales of disposals of £0.5m
- Impairment charge of £0.3m relating to two properties, Oldends and Ormiston.

**Current Assets**

• Debtors increased by £1.5m. Fee debtors have increased due to the timing of invoices raised and should be viewed in conjunction with the income accrual, the net increase is £2.1m. An additional £0.7m was accrued for the business interruption claim, the income was received in April 2022. This was offset by a reduction in other debtors of £0.8m due to appointeeship accounts now being nil due to a change in policy and reduction in prepayments of £0.5m.

• Creditors decreased by £0.9m in the year driven by a reduction in accrued expenses £0.6m and trade creditors £0.3m.

- The closure of the pension scheme resulted in the release of £0.7m of provisions held in relation to this. The pension fund surplus recognised in the closed final salary pension scheme reduced to £10k (£680k 2021).
- Cash decreased by £2.4m due to higher project and agency spend.

**Reserves**

At 31 March 2022 the total funds of the charity were £74.0m of which £17.4m were restricted leaving a total of unrestricted funds of £56.6m.

As explained in the note to the financial statements the Trustees have designated £45.0m of funds for fixed assets and capital projects, the reduction of £0.8m reflects the disposal of land and buildings during the period. The Trustees will continue to manage the undesignated balance available for general charitable activity. The designated funds are made up of property assets held for the long term to provide care to the people we support.

The 2021/2022 general reserve policy maintains the level of general reserves sufficient to cover 6 weeks payroll £6.9m (2021: £6.3m). At the year-end the general reserve balance was £10.9m (2021: £9.2m) (see notes 21 & 22). The free reserves balance was £862k (2021: £85k). The general reserve policy was last reviewed in August 2022 and was approved to cover 3 months payroll commencing in 2022/2023 (£15.6m).

The level of general reserve, as stated above, is sufficient to cover payroll costs and provide working capital support for major projects.

**Investment powers, policy and objectives**

Investment powers are governed by the Articles of Association, which permit the funds to be invested in the manner shown in note 12 to the financial statements. The Trustees intend that the real value of Hft's investments be maintained and enhanced over the long term by investment in a portfolio comprising common investment funds, unit trusts and equities (quoted on a recognised international stock exchange). Hft employs professional investment managers to advise on and invest the portfolio in accordance with the investment policy and mandate which is given to them.

## Statement of Trustees' responsibilities

The Trustees (who are also directors of HF Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the

preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Going Concern

The Trustees have reviewed the group's and the charity's forecasts and projections covering a period exceeding 12 months from the date of signing of the financial statements.

In this period, the Trustees have agreed to the investment in to improving the efficiency of the organisation's systems and processes. It is acknowledged, that this will require additional cash, above and beyond business as usual trading. However, given the future benefits to be gained from this investment and based on the level of existing cash, measures being put in place to manage future cash needs and estimated levels of income and expenditure, the Trustees are satisfied that the group has adequate levels of reserves to continue in operation for the foreseeable future.

Accordingly, the going concern basis has been used in preparing these financial statements. The Trustees also consider there to be no material uncertainties in the operating environment.

### Statement on Disclosure of Information to the Auditor

So far as each Trustee is aware, there is no relevant audit information of which the company's auditor is unaware.

Each Trustee has taken all the steps (such as making enquiries of other Trustees and any other steps required by the Trustee's duty to exercise due care, skill and diligence) that he or she ought to have taken in his duty as a Trustee in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The Report of the Board and Incorporated Strategic Report were approved and signed on behalf of the Board of Trustees by:



**Amanda Bunce**

Chair

Date: 07/10/22

## Independent Auditors' report to the members of HF Trust Limited

### Opinion

We have audited the financial statements of HF Trust Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Company Balance Sheets, the Group and Company Cash Flow Statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 Auditor's 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 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.

### Conclusions 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 group's or parent 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.

### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. 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.

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 course of 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 Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have 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 the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

## Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 58, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## Auditor's 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 an auditor's report 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.

## The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Care Act 2014. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and performing substantive test of details over income.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

## Use of our report

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

*RSM UK Audit LLP*

## Nicholas Sladden

(Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP,  
Statutory Auditor

Chartered Accountants

25 Farringdon Street, London, EC4A 4AB

Date: 7 October 2022



## Consolidated Statement of Financial Activities

For the year ended 31 March 2022

(Including Consolidated Income and Expenditure Account)

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
<b>Income and endowments from:</b>					
Donations and legacies	3	1,867	414	<b>2,281</b>	1,877
Charitable activities	3	83,257	-	<b>83,257</b>	81,673
Investments		175	-	<b>175</b>	144
Other	7	4,022	-	<b>4,022</b>	1,291
<b>Total</b>		<b>89,321</b>	<b>414</b>	<b>89,735</b>	<b>84,985</b>
<b>Expenditure on:</b>					
Raising funds	8	1,165	-	<b>1,165</b>	1,200
Charitable activities	8	82,860	956	<b>83,816</b>	82,468
Other	8	3,898	-	<b>3,898</b>	2,338
<b>Total</b>	<b>8</b>	<b>87,923</b>	<b>956</b>	<b>88,879</b>	<b>86,006</b>
Net gains/(losses) on investments	12	245	-	<b>245</b>	943
<b>Net income/(expenditure)</b>	<b>9</b>	<b>1,643</b>	<b>(542)</b>	<b>1,101</b>	<b>(78)</b>
<b>Other recognised (losses):</b>					
Re-measurement of defined benefit pension scheme	24	(405)	-	<b>(405)</b>	(52)
<b>Net movement in funds</b>		<b>1,238</b>	<b>(542)</b>	<b>696</b>	<b>(130)</b>
Total funds brought forward	20	55,387	17,935	<b>73,322</b>	73,451
<b>Total funds carried forward</b>	<b>20</b>	<b>56,625</b>	<b>17,393</b>	<b>74,018</b>	<b>73,322</b>

## Balance Sheet as at 31 March 2022

	Notes	Group		Company	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
<b>Fixed assets</b>					
Intangible assets	11 (a)	1,288	809	1,288	809
Tangible assets	11 (b)	56,593	57,835	56,593	57,835
Investments	12	7,265	6,882	7,265	6,882
Total fixed assets		65,146	65,526	65,146	65,526
<b>Current assets</b>					
Stocks	13	5	5	-	-
Debtors: amounts falling due within one year	14	9,509	7,968	9,477	7,942
Cash at bank and in hand	15	6,817	9,141	6,779	9,097
Total current assets		16,331	17,114	16,256	17,039
<b>Current liabilities</b>					
Creditors: Amounts falling due within one year	16	7,198	8,100	7,173	8,071
<b>Net current assets</b>		9,133	9,014	9,083	8,968
<b>Total assets less current liabilities</b>		74,279	74,540	74,229	74,494
<b>Creditors</b>					
Amounts falling due after more than one year	16	250	250	250	250
Provisions for liabilities	17	11	680	11	680
Pension liability	24	-	288	-	288
<b>Net assets</b>		74,018	73,322	73,968	73,276
<b>The funds of the group/company</b>					
Restricted funds	20/23	17,393	17,935	17,393	17,935
General reserve	20	11,664	9,649	11,614	9,603
Designated funds	20/22	44,961	45,738	44,961	45,738
Unrestricted funds excluding pension liability	20	56,625	55,387	56,575	55,341
<b>Unrestricted funds</b>		56,625	55,387	56,575	55,341
<b>Total funds</b>	21/22	74,018	73,322	73,968	73,276

As permitted by s408 Companies Act 2006, the Charity has not presented its own Income and Expenditure and related notes. The Charity's surplus for the year was £692k (2021 - deficit £0.1m).

The financial statements on pages 63 to 94 were approved and authorised for issue by the Hft Limited Board of Trustees and signed on its behalf by:



**Amanda Bunce**  
Chair

Date: 07/10/22

## Cash Flow Statement

For the year ended 31 March 2022

	Notes	Group		Company	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
<b>Cash flows from operating activities:</b>					
Net cash provided by operating activities		(1,932)	3,518	(1,926)	3,491
<b>Cash flows from investing activities:</b>					
Proceeds from assets held for disposal		1,838	633	1,838	633
Purchase of property, plant and equipment		(1,325)	(414)	(1,325)	(414)
Purchase of intangible assets		(905)	(99)	(905)	(99)
Gift aid received from subsidiaries		-	-	-	22
Net cash used in investing activities		(392)	120	(392)	142
<b>Cash flows from financing activities:</b>					
Repayments of borrowing		-	(105)	-	(105)
Net cash used in financing activities		-	(105)	-	(105)
Change in cash and cash equivalents in the reporting period		(2,324)	3,533	(2,318)	3,530
Cash and cash equivalents at the beginning of the reporting period		9,141	5,608	9,097	5,567
Cash and cash equivalents at the end of the reporting period		6,817	9,141	6,779	9,097
<b>Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>					
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>		696	(126)	692	(132)
<b>Adjustments for:</b>					
Depreciation and amortisation charges	11	1,332	2,077	1,332	2,077
Investment management charges	12	40	37	40	37
(Gains) on investments	12	(245)	(941)	(245)	(941)
Returns on investment and servicing of finance		(178)	(144)	(178)	(144)
Profit on the sale of tangible fixed assets		(516)	138	(516)	138
Fixed asset impairment	11 (b)	327	1,792	327	1,792
(Increase) in debtors		(2,222)	(762)	(2,216)	(748)
(Decrease)/increase in creditors		(902)	1,399	(898)	1,364
(Decrease) in provisions		(669)	(3)	(669)	(3)
Non-actuarial decrease in liability	24	405	52	405	52
Net cash provided by operating activities		(1,932)	3,518	(1,926)	3,491
<b>Analysis of cash and cash equivalents</b>					
Cash at bank and in hand		6,817	9,141	6,779	9,097
<b>Total cash and cash equivalents</b>		6,817	9,141	6,779	9,097

# Notes to the Financial Statements

For the year ended 31 March 2022

## 1. Principal Accounting Policies

Hf Trust Limited is a private company limited by guarantee (registration number 734984) and registered charity regulated by the Charity Commission (registered number 313069) with a registered address at 5/6 Brook Office Park, Folly Brook Road, Emerson's Green, Bristol.

### Basis of preparation

The financial statements have been prepared in accordance with the requirements of the Companies Act 2006, 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) – (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments to market value and on a going concern basis.

Hft meets the definition of a public benefit entity under FRS 102.

A summary of the more important group accounting policies, which have been applied consistently, is set out below.

### Going Concern

There are no material uncertainties about going concern. The Trustees have reviewed and approved the future plans and financial forecasts underpinning the going concern assumption. The core business model is operating at high levels of occupancy and with fee levels from purchasers in excess of the costs of service delivery and associated support costs, and this is expected to continue to be the case for the foreseeable future.

The Trustees have reviewed the group's and the charity's forecasts and projections covering a period until March 2024. In this period, the Trustees have agreed to investment into improving the efficiency of the organisation's systems and processes. It is acknowledged, that this will require additional cash, above and beyond business as usual trading. However, given the future benefits to be gained from this investment and based on the level of existing cash, measures being put in place to manage future cash needs and estimated levels of income and expenditure, the Trustees are satisfied that the group has adequate levels of reserves to continue in operation for the foreseeable future.

Trustees have considered any potential material uncertainties in the operating environment in the light of the Covid-19 pandemic and believe that mitigation for risk is in place.

### Basis of consolidation

The consolidated statement of financial activities, the consolidated balance sheet and the consolidated cash flow statement include the financial statements of the company and its subsidiaries made up to 31 March 2022. Intra group transactions and profits are eliminated fully on consolidation.

The results of the subsidiary undertakings are shown in the consolidated statement of financial activities within income and expenditure. The assets and liabilities of the subsidiary undertakings are combined with those of the company in the consolidated balance sheet and consolidated cash flow statement on a line by line basis. A separate statement of financial activities for the company is not presented as permitted by section 408 of the Companies Act 2006.

### Income

Income from all sources is included in the statement of financial activities at its fair value on a receivable basis, subject to the following specific criteria:

- Donations are recognised as soon as there is evidence of entitlement, subject to any conditions attached it is probable that the income will be received and the amount can be measured reliably.
- Legacies are recognised on receipt of income or on formal notification of entitlement to the income within a short timeframe where the income is reliably measurable.
- No amounts are included in the financial statements in respect of services donated by volunteers.

### Income from charitable activities

Fees receivable and charges for services and projects are accounted for in the period in which the service is provided or the project undertaken.

### Other income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item (s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

### Grant income

Grant income is recognised when recognition criteria are fulfilled, and deferred into future periods if it is a multi-period grant.

### Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. All irrecoverable VAT on costs is charged as a cost against the activity for which the expenditure was incurred.

### Expenditure on raising funds

Expenditure incurred on raising funds does not include the costs of promoting or marketing the charity and is apportioned to individual restricted funds on the basis of funds raised during the year.

### Expenditure on charitable activities

Service costs comprise the direct and indirect costs, including colleagues, attributable to the delivery of front-line care services for service users.

### Apportionment of support costs

Support costs are apportioned to activities, based on the relative income of the activities.

### General reserve

The general reserve comprises the working capital operating reserve of the group.

### Designated funds

The designated capital project fund comprises unrestricted funds that have been set aside by the Board of Trustees to be expended on specific current capital development commitments. The aim and use of each designated fund are set out in the notes to the financial statements.

The designated fixed asset fund represents the aggregate net book value of tangible fixed assets acquired or constructed partly or fully from unrestricted funds, less associated mortgage liabilities.

### Restricted funds

The restricted project fund comprises funds, which are to be used in accordance with specific restrictions imposed by donors, or which have been raised by the charity for particular purposes. The cost of raising such funds is charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the financial statements.

The restricted fixed asset fund represents the aggregate net book value of tangible fixed assets acquired or constructed partly or fully from restricted funds.

### Intangible fixed assets

Intangible fixed assets represent the cost of purchasing, configuring and bringing to operational readiness significant computer software applications, which have an anticipated life of between 5 to 10 years. These assets are amortised on a straight-line basis over their estimated lives, once they are fully operational.

## Tangible fixed assets

All tangible fixed assets are included in the financial statements on initial recognition at cost. Individual assets with a cost below £2,500 (£500 for laptops / desktops) are not capitalised unless they form part of a series of purchases in respect of the fitting out of a new service or project. Irrecoverable VAT incurred on the purchase of fixed assets is included in the capitalised cost.

## Impairment

Hft is required to conduct annual impairment reviews of its housing properties. Other assets are also reviewed for impairment if there is an indication that impairment may have occurred. In general, where the calculated value in use is lower than book value, an impairment adjustment is made.

In respect of impairment reviewed, Hft is required to make critical judgements and assessments against each housing property that is reviewed. The recoverable amount of each housing property is based on value in use, which requires estimates to be made in respect of the allocation of the property value to each cash generating unit and of the future economic benefit to be derived from the underlying asset. The value in use calculation at 31st March 2022 used a discount rate of 5%, with economic operating units, which was applied to cash flows extending over a 20-year period as a conservative estimate of the useful lives of properties. The impairment charge made in the year was £0.3m (2021 £1.8m).

## Depreciation

The depreciation being applied to freehold buildings was reviewed during the year and a range of rates was extended to cover different categories of buildings based on their expected useful lives and residual values. Accordingly, buildings which are substantially residential properties in good order and with residual values that exceed historical cost no longer have a requirement to be depreciated.

Depreciation is calculated to write off the cost of buildings, plant and equipment over their expected useful lives at the following rates, on a straight-line basis:

	2022	2021
Assets due for disposal	Nil	Nil
Freehold land	Nil	Nil
Freehold buildings and additions	0-5% pa on cost	0-5% pa on cost
Cyclical refurbishment of buildings	15% pa on cost	15% pa on cost
Equipment	8-15% pa on cost	8-15% pa on cost
Computers	33 $\frac{1}{3}$ % pa on cost	33 $\frac{1}{3}$ % pa on cost
Motor vehicles	25% pa on cost	25% pa on cost

Assets in the course of construction are not depreciated until complete.

## Operating leases

Income and costs in respect of operating leases are respectively credited and charged to the Statement of Financial Activities on a straight-line basis over the lease term.

## Provisions

- **Dilapidation** - Provisions for dilapidations are recognised on a lease by lease basis and are based on the best estimate of the likely committed expenditure.
- **Onerous leases** - Hft provides for all future lease costs where there is no reasonable expectation of future operating income relating to the leased asset.

## Stocks

Stocks are stated at the lower of cost and net realisable value.

## Taxation

No provision for Corporation Tax has been made in these financial statements as the company, a registered charity, is entitled to certain exemptions on its charitable activities. Taxation recoverable represents amounts deducted at source in respect of gift aid donations from individuals.

## Investments

Listed investments are recognised at cost and valued at fair value based on bid price at the balance sheet date. Realised and unrealised gains or losses on revaluation or disposal are combined in the Consolidated Statement of Financial Activities. Income from these investments is recognised in the year in which it arises.

## Pension scheme arrangements

During the year, the group operated eleven pension schemes (see note 24). Contributions to the Charity's pension schemes are charged to the Statement of Financial Activities in the year in which they become payable.

- a defined benefit pension scheme (The Hft Retirement Benefits Scheme or "RBS"). The RBS is valued every three years by a professionally qualified independent actuary, the rates of contribution payable being agreed by the actuary. In the intervening years the actuary reviews the continuing appropriateness of these rates. The RBS ceased accepting new members from 25 January 1996 and on 26 October 2005 the company ceased contributions to this scheme in respect of future accruals. Consequently, there are now no active members of this scheme. During the Scheme year ended 31 March 2020 the RBS Trustees took the decision to consider winding up the Scheme. This progressed and on the 10 March 2020 the investment assets were disinvested and the proceeds transferred to a buy-in insurance policy. The Hft RBS Trustees commenced winding up the RBS in February 2022 and are aiming to complete the winding up of the RBS by the end of 2022.
- the HF Trust Limited group personal pension plan provided by Aegon was moved into Aegon Retirement Choices (ARC) in 2019 with members having their own self-invested personal pension plan (SIPP) with ARC. The pension is open to certain categories of Hft employees.
- contributions have been made into either the National Health Service Pension Fund or the West Yorkshire Pension Fund (part of the Local Government Pension Scheme), in respect of colleagues who transferred to Hft under the Bradford day services contract.
- contributions have been made into the Oxford County Council Pension Fund (part of the Local Government Pension Scheme); in respect of colleagues who transferred to Hft under the Oxford Vale contract.
- from April 2013, contributions have been made into the Care Fund Limited group personal pension plan, in respect of colleagues joining Hft on the acquisition of the Care Fund group; with effect from the date of commencement of automatic enrolment in to The Peoples Pension Scheme (see below), the Group Personal Pension Plan closed to new members.
- from April 2013, contributions have been made into a Scottish Equitable personal pension plan, in respect of colleagues joining Hft on the acquisition of the Care Fund group. This pension plan is closed to new members.
- from April 2013, contributions have been made into a Friends Provident personal pension plan, in respect of colleagues joining Hft on the acquisition of the Care Fund group. This pension plan had one member who left in the year and the scheme is now closed.
- following the commencement of automatic enrolment, from November 2013 contributions have been made into The Peoples Pension Scheme. This is the only pension scheme offered to new members of staff.
- from April 2013, contributions have been made into a Standard Life personal pension plan, in respect of colleagues joining Hft on the acquisition of the Care Fund group. This pension plan is closed to new members.
- from April 2016, contributions have been made into a Nest pension plan, in respect of colleagues joining Hft on the acquisition of The Edward Lloyd Trust. This pension plan is closed to new members.
- from April 2016, contributions have been made into a Legal & General pension plan, in respect of colleagues joining Hft on the acquisition of The Edward Lloyd Trust. This pension plan is closed to new members.
- from February 2019, contributions have been made into the Clwyd pension scheme in respect of colleagues joining Hft on the acquisition of Flintshire day services contract.

### Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described in this note, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Depreciation and the remaining useful life of fixed assets:

The remaining useful life and expected residual values of the group's freehold buildings is a key area of estimation.

Provisions for dilapidations and leases are in relation to liabilities existing in respect of land and buildings held under operating leases. They are held at a value of the expected remaining charge on the lease and costs in association with bringing the relevant property into an acceptable state as agreed by both parties.

Asset impairments have the potential to significantly impact the financial results. In order to determine whether impairments are required the Charity estimates the recoverable amount of the asset.

This calculation is based on projecting future cash flows over a twenty-year period and using a terminal value to incorporate expectations of growth thereafter. The terminal value has been estimated using a discount factor is applied to obtain a current value ('value in use') and the result is compared to the net book value held, the deficit in value has been charged as an impairment against the assets.

Estimated future cash flows for impairment calculations are based on a rental fee limited to a rental fee of 5% of historic cost, being the net retained cash flow from rental invoices and the costs to deliver the building.

Future cash flows are discounted using a discount rate (5%) based on the cost of capital, and is impacted by estimates of interest rates, equity returns and market and country-related risks.

If the cash flow or discount rate assumptions were to change because of market conditions, the level of impairment could be different and could result in the impairment of property, plant and equipment being increased or reversed, in part or in full, at a future date.

## 2. Prior Year Consolidated Statement of Financial Activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000
<b>Income and endowments from:</b>			
Donations and legacies	817	1,060	<b>1,877</b>
Charitable activities	81,673	-	<b>81,673</b>
Investments	144	-	<b>144</b>
Other	1,291	-	<b>1,291</b>
<b>Total</b>	<b>83,925</b>	<b>1,060</b>	<b>84,985</b>
<b>Expenditure on:</b>			
Raising funds	1,200	-	<b>1,200</b>
Charitable activities	81,027	1,437	<b>82,464</b>
Other	2,338	-	<b>2,338</b>
<b>Total</b>	<b>84,565</b>	<b>1,437</b>	<b>86,002</b>
Net gains/(losses) on investments	943	-	<b>943</b>
<b>Net income/(expenditure)</b>	<b>303</b>	<b>(377)</b>	<b>(74)</b>
Tax payable	(4)	-	<b>(4)</b>
Other recognised gains/(losses):			
Re-measurement of defined benefit pension scheme	(52)	-	<b>(52)</b>
Net movement in funds	247	(377)	<b>(130)</b>
Total funds brought forward	55,139	18,312	<b>73,451</b>
Total funds carried forward	55,387	17,935	<b>73,322</b>

## 3. Income and Endowments

### (a) Donations and legacies

Group and Company	2022 £'000	2021 £'000
Strategic Partnerships	<b>433</b>	790
Regional & community	<b>104</b>	302
Donor marketing	<b>259</b>	226
<b>Donations</b>	<b>796</b>	1,318
Legacies	<b>1,485</b>	559
<b>Total donations and legacies</b>	<b>2,281</b>	1,877

Included within donations is £47k of Gift Aid reclaimed (2021: £68k). Income from Friends Groups of £9k (2021: £19k) is included in donations and includes amounts held by groups.

The expenditure incurred by the Friends Groups has remained minimal during the year and continues to not be material in results based on management estimates. It has not proved practical to obtain expenditure records from individual Friends Groups; however, the Board does not consider that the effect is material and it has no effect on the net incoming resources for the year (2021: no effect).

### (b) Income from Charitable Activities

Group and Company	2022 £'000	2021 £'000
Service income	<b>82,752</b>	81,186
Special projects	<b>441</b>	396
Community Interest Company income	<b>64</b>	91
<b>Total</b>	<b>83,257</b>	81,673

## 4. Hft Trading Limited

Hft has a wholly owned trading subsidiary, which is incorporated in England and Wales, with a registered office at 5/6 Brook Office Park, Folly Brook Road, Emersons Green, Bristol. Hft Trading Limited (company registration 02764761) undertakes non-primary purpose trading activities, namely the retail sale of Hft branded cards and gifts. The distributable net profit is distributed to Hft. A summary of the trading results of the subsidiary are shown below.

	2022 £'000	2021 £'000
Turnover	-	-
Cost of sales	-	-
Gross profit	-	-
Administration	<b>(6)</b>	(3)
Loss before Gift Aid payment	<b>(6)</b>	(3)
Retained profit brought forward	-	25
Gift Aid payment to the company	-	(22)
Retained in subsidiary	<b>(6)</b>	-
Analysis of net assets/liabilities:		
Current assets	<b>22</b>	22
Current liabilities	<b>(28)</b>	(22)
Net liabilities	<b>(6)</b>	-

## 5. Hft Property Limited

Hft has a wholly owned property subsidiary, which is incorporated in the England and Wales, with a registered office at 5/6 Brook Office Park, Folly Brook Road, Emersons Green, Bristol. Hft Property Limited (company registration 03216502) develops property to provide residential accommodation for people with learning disabilities. There has been no trade in the current or previous year. A summary of the net assets is shown below.

	2022 £'000	2021 £'000
Operating expenditure	(2)	-
Loss	(2)	-
Current assets	4	4
Current liabilities	(6)	(4)
Net liabilities	(2)	-

## 6. LUV2MeetU Community Interest Company

Hft is the sole member of a company limited by guarantee. Luv2meetU Community Interest Company and Wales, with a registered office at 5/6 Brook Office Park, Folly Brook Road, Emersons Green, Bristol and the operating office address at Euroway House, Roydsdale Way, Bradford, BD4 6SE. A summary of the trading results is shown below.

	2022 £'000	2021 £'000
Turnover	64	91
Operating expenditure	(68)	(80)
Net (loss)/income	(4)	11
Retained profit brought forward	17	10
Tax charge	-	(4)
Retained in subsidiary	13	17
Current assets	15	23
Current liabilities	(2)	(6)
Net assets	13	17

## 7. Other Income

Other income comprises:

	2022 £'000	2021 £'000
Exceptional (CV19 and business interruption claim)	3,506	1,429
Gains/(Losses) on disposal of tangible fixed assets	516	(138)
Total other income	4,022	1,291

Exceptional income includes income received from local authorities resulting from the pandemic for infection control and work force retention. A £0.8m business interruption insurance claim was also received in relation to the pandemic.

## 8. Expenditure

### a) Analysis of expenditure

	Direct staff costs £'000	Other direct costs £'000	Support costs £'000	Total 2022 £'000	Total 2021 £'000
Raising funds	662	250	253	1,165	1,200
<b>Charitable activities:</b>					
Service costs	59,788	11,854	9,117	80,759	81,165
Special projects	834	2,156	-	2,990	1,216
Community Interest company costs	67	-	-	67	80
Subsidiary	-	-	-	-	3
	60,689	14,010	9,117	83,816	82,464
<b>Other:</b>					
Marketing and publicity costs	245	199	-	444	450
Subsidiary activities costs	-	-	-	-	3
Investment management fees	-	40	-	40	37
Exceptional (including CV19)	1,954	973	-	2,927	1,636
Governance	-	-	487	487	212
	2,199	1,212	487	3,898	2,338
<b>Total expenditure</b>	63,550	15,472	9,857	88,879	86,002

Special project costs relate to projects funded from charitable sources and the purchase of specific items of equipment for services. All activities are carried out directly by the company.

Exceptional costs include all expenditure related to maintaining the organisation throughout the pandemic, including PPE (Personal Protective Equipment), training, computer equipment for colleagues and clients, temporary infrastructure improvements to enable access and visits and exceptional colleague costs.

### b) Analysis of support costs

	Raising funds £'000	Service costs £'000	Total 2022 £'000	Total 2021 £'000
Operations	39	1,396	1,435	1,423
Human Resources	75	2,713	2,788	2,332
Finance and Company Secretary	35	1,270	1,305	1,662
Estates	41	1,491	1,532	1,483
Information Technology	57	2,046	2,103	2,599
Governance	-	487	487	212
Corporate Management	6	201	207	184
<b>Total support costs</b>	253	9,604	9,857	9,895

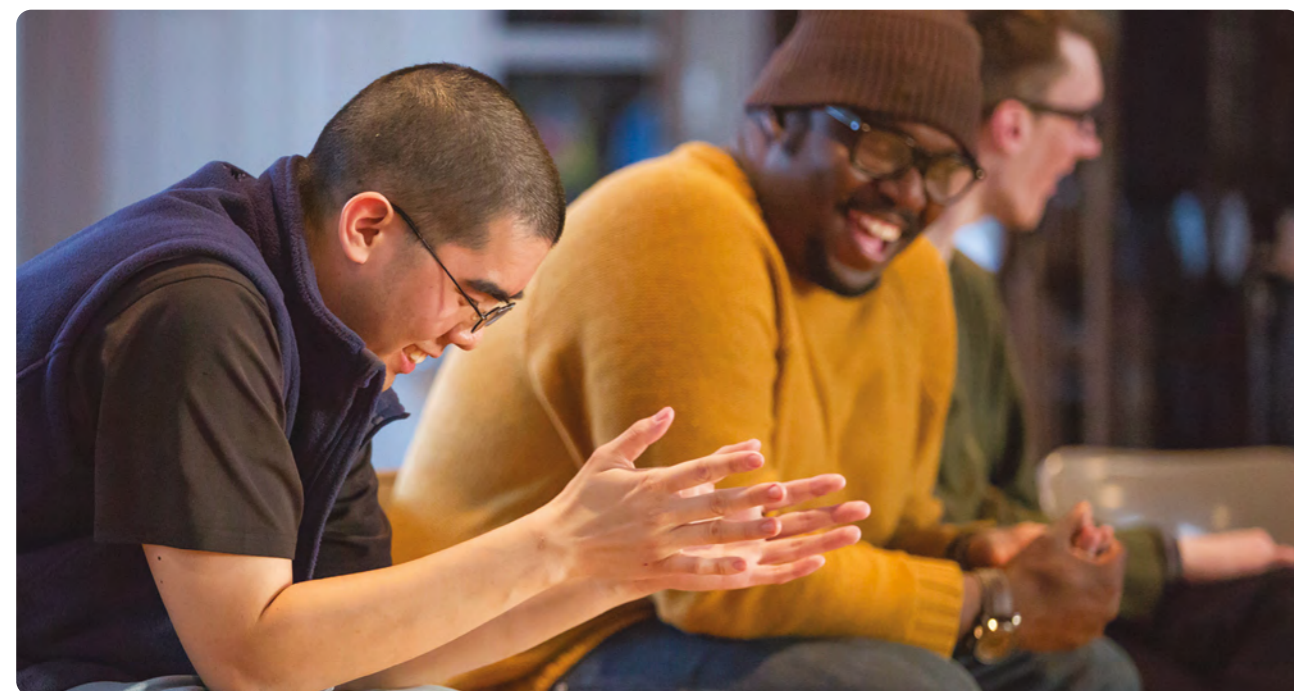
### c) Analysis of professional and Trustee costs

	2022 £'000	2021 £'000
Internal assurance	33	43
External audit, tax advice and assurance	59	59
Legal, professional & consultancy fees	153	33
Trustee expenses and meeting costs	2	4
Trustee liability and other insurance costs	12	12
<b>Total professional and Trustee costs</b>	<b>259</b>	151

### 9. Net Income / (Expenditure)

Net income/(expenditure) is stated after charging:

	2022 £'000	2021 £'000
<b>Operating lease charges:</b>		
Land & buildings	1,095	1,259
Motor vehicles	582	644
Auditor's remuneration (company £47k; 2021: £46k)	52	46
Auditor's remuneration – tax advice, assurance reports	7	13
Impairment of fixed assets	327	1,792
Depreciation	906	1,526
Amortisation	426	551
(Profit)/loss on the sale of fixed assets	(516)	138



### 10. Employees

The average number of persons employed by the group & parent charity during the year and their salary and wages costs were:

	Number	2022 £'000	Number	2021 £'000
<b>Salaries:</b>				
Fundraising	14	586	23	724
Services & Projects	2,722	48,026	2,909	48,422
Special Projects	41	834	44	797
Support & Governance	241	6,575	177	6,021
	<b>3,018</b>	<b>56,021</b>	3,153	55,964
<b>Other staff costs:</b>				
National Insurance costs		4,446		4,335
Pension costs		1,862		1,517
		<b>62,329</b>		61,816

The total emoluments of employees earning more than £60k (including benefits in kind, but excluding employer's pension contributions) fall within the following bandings:

	2022 No.	2021 No.
£60,001 - £70,000	9	7
£70,001 - £80,000	4	1
£90,001 - £100,000	2	2
£100,001 - £110,000	4	-
£110,001 - £120,000	-	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-

For those colleagues whose emoluments exceed £60k per annum, pension contributions amounting to £14k (2021: £31k) were paid for the provision of money purchase benefits. All of these staff benefits accruing under the Group Personal Pension Plan and, in addition, twelve have accrued benefits of £68k under the defined benefit pension scheme (since the closure of the scheme).

Included within the employment costs are redundancy and termination payments totalling £412k (2021: £312k). These payments are recognised as soon as the liability to the charity crystallises under the terms of the agreement with the employee.

Key management personnel are deemed to be the Trustees together with the Executive Management team. The total emoluments of the Executive Management team were as follows:

Group and parent	2022 £'000	2021 £'000
Emoluments	855	358
Employers national insurance contributions	109	43
Employers pension fund contributions	39	12
	<b>1,003</b>	413

No member of the Executive management team received any other remuneration such as long-term incentive schemes, shares or compensation for loss of office. No member of the Executive Management team waived any emoluments.

The Trustees received no emoluments during the year (2021: £nil). The aggregate amount of expenses incurred by Trustees during the year amounted to £nil (2021: £nil) due to remote meetings during the pandemic.

## 11. (a) Intangible Fixed Assets

Group and company		Computer software
<b>Cost:</b>	At 1 April 2021	<b>2,394</b>
	Additions	<b>905</b>
	At 31 March 2022	<b>3,299</b>
<b>Amortisation:</b>	At 1 April 2021	<b>1,585</b>
	Charge for the year	<b>426</b>
	At 31 March 2022	<b>2,011</b>
<b>Net book value:</b>	At 31 March 2022	<b>1,288</b>
	At 31 March 2021	<b>809</b>

Included within the computer software is £0.8m (2021: nil) of assets in the course of construction.

## 11. (b) Tangible Fixed Assets

Group & Company		Freehold land & buildings	Plant and equipment	Motor vehicles	Total £'000
		£'000	£'000	£'000	
<b>Cost:</b>	At 1 April 2021	77,089	1,036	729	<b>78,855</b>
	Additions	1,218	107	-	<b>1,324</b>
	Disposals	(2,604)	(3)	-	<b>(2,607)</b>
	At 31 March 2022	75,703	1,140	729	<b>77,572</b>
<b>Depreciation:</b>	At 1 April 2021	19,385	905	729	<b>21,019</b>
	Charge for the year	873	33	-	<b>906</b>
	Impairment loss	327	-	-	<b>327</b>
	Disposals	(1,271)	(3)	-	<b>(1,274)</b>
	At 31 March 2022	19,314	935	729	<b>20,978</b>
<b>Net book value: At 31 March 2022</b>		<b>56,389</b>	<b>204</b>	-	<b>56,593</b>
	At 31 March 2021	57,704	131	-	<b>57,835</b>

In the opinion of the Trustees there is no material difference between the carrying value of the land and buildings above, and the market value.

Impairment charges are shown as a cost to Charitable Activities in the SOFA.

## 12. Fixed Asset Investments

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Market value:				
At 1 April 2021	<b>6,882</b>	5,834	<b>6,882</b>	5,834
Income reinvestment	<b>178</b>	144	<b>178</b>	144
Net gain/(loss) on investment assets	<b>245</b>	941	<b>245</b>	941
Investment management charges	<b>(40)</b>	(37)	<b>(40)</b>	(37)
At 31 March 2022	<b>7,265</b>	6,882	<b>7,265</b>	6,882

Investments are represented by:

	Cost	Market Value		Gross income	
	2022 £'000	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Investments listed in the UK:					
Common investment funds	<b>60</b>	<b>58</b>	63	-	-
Fixed Interest	<b>1,207</b>	<b>1,212</b>	1,424	<b>42</b>	36
Equity shares	<b>1,278</b>	<b>1,777</b>	1,749	<b>55</b>	55
Property and other funds	<b>1,359</b>	<b>1,622</b>	1,290	<b>49</b>	43
Cash	<b>556</b>	<b>556</b>	201	-	-
	<b>4,460</b>	<b>5,225</b>	4,727	<b>146</b>	134
Investments listed outside the UK:					
Equity shares	<b>1,485</b>	<b>2,040</b>	2,155	<b>29</b>	26
Company & Group	<b>5,945</b>	<b>7,265</b>	6,882	<b>175</b>	160

There are no particular investments which are considered to be individually material in the context of the overall investment portfolio, in either year. Hft owns the whole of the issued share capital of Hft Trading Limited: 100 ordinary shares of £1 each issued at par. Hft Trading Limited is registered in England and Wales.

Hft owns the whole of the issued share capital of Hft Property Limited: two ordinary shares of £1 each issued at par registered in England and Wales. In addition, as the sole member of a company limited by guarantee, Hft wholly controls Luv2meetU Community Interest Company. Luv2meetU Community Interest Company is incorporated as a Community Interest Company and registered in England and Wales.



### 13. Stocks

Stocks of £5k (2021: £5k) comprise bought in items for Hft Trading Limited.

### 14. Debtors

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
<b>Due within one year:</b>				
Loan due from Hft Trading Limited	-	-	10	10
Other amounts due from subsidiary				
-Hft Property Limited	-	-	1	-
-Hft Trading Limited	-	-	9	-
Loan due from Dimensions (UK) Ltd	42	42	42	42
Fees and grants	4,988	4,379	4,936	4,339
Other debtors	-	789	-	793
Prepayments	701	1,240	701	1,240
Accrued income	3,778	1,518	3,778	1,518
	<b>9,509</b>	7,968	<b>9,477</b>	7,942

The loan due from Hft Trading Limited is unsecured and renewable annually. Interest is charged at the base lending rate of Lloyds Bank plc.

The loan due from Dimensions (UK) Limited represented an advance for the purchase of a property and was secured against this property. The loan was repayable only on the sale of the property, together with specified proportions of the excess of the sale proceeds over the advance. The loan carries no interest.

### 15. Cash at the bank and in hand

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Cash and bank balances	6,817	9,141	6,779	9,097
	<b>6,817</b>	9,141	<b>6,779</b>	9,097

## 16. Creditors

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
<b>Due within one year:</b>				
Other amounts due from subsidiary -Hft Property Limited	-	-	-	3
Interest free loans (see note 18)	148	158	148	158
Trade creditors	2,021	2,343	2,002	2,315
Taxation and social security payable	1,240	1,086	1,240	1,082
Other creditors	7	117	3	117
Accruals	3,356	3,961	3,354	3,961
Deferred income	426	435	426	435
	<b>7,198</b>	<b>8,100</b>	<b>7,173</b>	<b>8,071</b>
<b>Due after more than one year:</b>				
Mortgage loans (see note 19)	250	250	250	250
	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>
<b>Mortgage loans – repayable after more than one year:</b>				
In more than five years	250	250	250	250
	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>

	Group £'000	Company £'000
<b>Deferred income reconciliation</b>		
At 1 April 2021	435	435
Released during year	(435)	(435)
Provided during year	426	426
<b>At 31 March 2022</b>	<b>426</b>	<b>426</b>

Deferred income comprises income received in respect of fees relating to services provided after 31 March 2022.

## 17. Provisions for Liabilities

Group & Company - Movement during the year	At 1 April 2021 £'000	Additions £'000	Releases £'000	At 31 March 2022 £'000
Repairs provision	1	-	-	1
RBS Buyout Provision	679	-	669	10
	680	-	669	11

The RBS Buyout provision of £10k (2021: £679k) for professional fees and capital cost in relation to the buyout of the RBS pension scheme has been finalised in 2022. See note 24 (a).

## 18. Interest Free Loans

The interest free loans are repayable on demand. At 31 March 2022, the interest free loans were wholly covered by cash and investments.

## 19. Mortgage

Mortgage loans	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Cornwall County Council	250	250	250	250
	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>

(a) The mortgage loan of £250k is an interest free loan secured by a first charge on the freehold property of the Cornwall Day Centre which is held in the books with a net book value of £465k. The loan will become repayable if Hft should terminate the agreement, dated January 1992, with Cornwall County Council for the provision by Hft of accommodation and services for individuals with learning disabilities. In addition, the loan will become repayable if Hft should sell, lease or cease to use the day centre for individuals with learning disabilities.



## 20. Statement of Funds

	Restricted Funds £'000	General Reserve £'000	Designated Funds £'000	Total Unrestricted Funds £'000	Total Funds £'000
<b>Company At 1 April 2021:</b>	17,935	9,603	45,738	<b>55,341</b>	<b>73,276</b>
Income	414	89,250	-	<b>89,250</b>	<b>89,664</b>
Expenditure	(956)	(87,079)	(777)	<b>(87,996)</b>	<b>(89,952)</b>
Other recognised gains/(losses)	-	(160)	-	<b>(160)</b>	<b>(160)</b>
<b>At 31 March 2022</b>	<b>17,393</b>	<b>11,614</b>	<b>44,961</b>	<b>56,575</b>	<b>73,968</b>
<b>At 1 April 2020</b>	18,312	6,745	48,345	<b>55,091</b>	<b>73,402</b>
Income	1,060	83,836	-	<b>83,836</b>	<b>84,896</b>
Expenditure	(1,437)	(81,870)	(2,608)	<b>(84,477)</b>	<b>(85,914)</b>
Other recognised gains/(losses)	-	891	-	<b>891</b>	<b>891</b>
<b>At 31 March 2021</b>	<b>17,935</b>	<b>9,603</b>	<b>45,738</b>	<b>55,341</b>	<b>73,276</b>
<b>Group At 1 April 2021:</b>	17,935	9,649	45,738	<b>55,387</b>	<b>73,322</b>
Income	414	89,321	-	<b>89,321</b>	<b>89,735</b>
Expenditure	(956)	(87,146)	(777)	<b>(88,063)</b>	<b>(89,019)</b>
Other recognised gains/(losses)	-	(160)	-	<b>(160)</b>	<b>(160)</b>
<b>At 31 March 2022</b>	<b>17,393</b>	<b>11,664</b>	<b>44,961</b>	<b>56,625</b>	<b>74,018</b>
<b>At 1 April 2020</b>	18,312	6,794	48,345	<b>55,139</b>	<b>73,451</b>
Income	1,060	83,927	-	<b>83,927</b>	<b>84,987</b>
Expenditure	(1,437)	(81,961)	(2,608)	<b>(84,569)</b>	<b>(86,006)</b>
Other recognised gains/(losses)	-	891	-	<b>891</b>	<b>891</b>
<b>At 31 March 2021</b>	<b>17,935</b>	<b>9,649</b>	<b>45,738</b>	<b>55,387</b>	<b>73,322</b>

**Restricted funds** - Comprises the project fund and the fixed asset fund (see note 23).

**Unrestricted funds** - The general reserve represents the working capital operating reserve of the group. The designated fund comprises the capital project fund and the fixed asset fund (see note 22).

**Transfers** - The fixed asset transfers reflect the net funds expended on tangible fixed assets during the year. Land and buildings acquired from restricted funds are held in the restricted fixed asset fund. The designated funds are made up of property assets held for the long term to provide care to the people we support.

## 21. Analysis of Group Net Assets Between Funds

Representation of fund balances	Restricted Funds £'000	General Reserve £'000	Designated Funds £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
<b>Group</b>					
Tangible & intangible assets	11,382	1,288	45,211	<b>57,881</b>	58,644
Fixed asset investments	-	7,265	-	<b>7,265</b>	6,882
Cash and bank balances	6,011	806	-	<b>6,817</b>	9,141
Other current assets	-	9,514	-	<b>9,514</b>	7,973
Current liabilities	-	(7,198)	-	<b>(7,198)</b>	(8,100)
Long-term liabilities	-	-	(250)	<b>(250)</b>	(538)
Provision for liabilities and charges	-	(11)	-	<b>(11)</b>	(680)
Net assets	17,393	11,664	44,961	<b>74,018</b>	73,322
<b>Company</b>					
Tangible & intangible assets	11,382	1,288	45,211	<b>57,881</b>	58,644
Fixed asset investments	-	7,265	-	<b>7,265</b>	6,882
Cash and bank balances	6,011	768	-	<b>6,779</b>	9,097
Other current assets	-	9,477	-	<b>9,477</b>	7,942
Current liabilities	-	(7,173)	-	<b>(7,173)</b>	(8,071)
Long-term liabilities	-	-	(250)	<b>(250)</b>	(538)
Provision for liabilities and charges	-	(11)	-	<b>(11)</b>	(680)
Net assets	17,393	11,614	44,961	<b>73,968</b>	73,276
<b>Prior year Representation of fund balances</b>					
<b>Group</b>					
Tangible & intangible assets	11,847	808	45,988	<b>58,644</b>	62,394
Fixed asset investments	-	6,882	-	<b>6,882</b>	5,834
Cash and bank balances	6,088	3,053	-	<b>9,141</b>	5,608
Other current assets	-	7,973	-	<b>7,973</b>	7,212
Current liabilities	-	(8,100)	-	<b>(8,100)</b>	(6,599)
Long-term liabilities	-	(288)	(250)	<b>(538)</b>	(315)
Provision for liabilities and charges	-	(680)	-	<b>(680)</b>	(683)
Net assets	17,935	9,649	45,738	<b>73,322</b>	73,451
<b>Company</b>					
Tangible & intangible assets	11,847	809	45,988	<b>58,644</b>	62,394
Fixed asset investments	-	6,882	-	<b>6,882</b>	5,834
Cash and bank balances	6,088	3,009	-	<b>9,097</b>	5,568
Other current assets	-	7,942	-	<b>7,942</b>	7,205
Current liabilities	-	(8,071)	-	<b>(8,071)</b>	(6,601)
Long-term liabilities	-	(288)	(250)	<b>(538)</b>	(315)
Provision for liabilities and charges	-	(680)	-	<b>(680)</b>	(683)
Net assets	17,935	9,605	45,738	<b>73,276</b>	73,402

## 22. Designated Funds - Group

Designated funds comprise the following individual funds:

	At 1 April 2021 £'000	Expenditure £'000	Fixed asset transfers £'000	Fund transfers £'000	At 31 March 2022 £'000
Designated fixed asset fund	45,738	(777)	-	-	44,961

The fixed asset fund represents the net book value of all unrestricted tangible fixed assets, less associated mortgage liabilities.



## 23. Restricted Funds - Group and Company

	At 1 April 2021 £'000	Income £'000	Transfer £'000	Expenditure £'000	At 31 March 2022 £'000
<b>General service restrictions:</b>					
Gloucestershire	125	12	-	(15)	122
Sheffield	22	1	(5)	-	18
The Wirral	28	9	(14)	(6)	17
Kent South	44	12	27	(4)	79
South Oxfordshire	13	2	9	-	24
Herts & Essex	68	14	38	(30)	90
Devon	275	4	-	(5)	274
Leeds	36	-	-	(2)	34
Bedfordshire	40	32	-	(14)	58
Arden Vale	31	6	-	(14)	23
Cornwall	86	16	17	(14)	105
Kingston-upon-Thames	35	5	9	(9)	40
North Oxfordshire	34	-	6	(6)	34
Bristol	4	8	6	(9)	9
Bradford	81	10	(10)	(1)	80
Kent North	80	42	(81)	(9)	32
Sussex	262	85	34	(82)	299
Shropshire	28	11	-	(8)	31
Leicestershire	24	8	(6)	(6)	20
London	22	21	10	(13)	40
Wiltshire	20	1	(21)	-	-
Lancashire	3	2	16	(2)	19
Newcastle	6	3	(1)	(3)	5
Flintshire	48	35	14	(12)	85
Other project grants: L2MU, PT	542	75	181	(227)	571
Newcastle Edward Lloyd Trust	877	-	-	-	877
<b>Other restrictions:</b>					
Edenbridge legacy	645	-	-	-	645
Extra Special Trust	774	-	4	-	778
Tiverton Drop-In Centre	57	-	-	-	57
Design for Life - East Midlands	408	-	-	-	408
Design for Life - Lancashire	53	-	(3)	-	50
West Sussex - Community Fund	137	-	-	-	137
General Regional Funds	682	-	(230)	-	452
Others Grants & Donations	498	-	-	-	498
Restricted project fund	6,088	414	-	(491)	6,011
Restricted fixed asset fund	11,847	-	-	(465)	11,382
<b>Total restricted funds</b>	<b>17,935</b>	<b>414</b>	<b>-</b>	<b>(956)</b>	<b>17,393</b>

During the year a review of restricted funds was undertaken which resulted in enhanced clarity over historic misallocation of expenditure between regionally held funds. Costs which had been incurred for specific projects had been misallocated leaving specifically restricted funds as available whilst general restricted funds were depleted. In undertaking this exercise costs have now been allocated to the correct funds with no net impact on overall restricted funds but less specific restrictions on regional pots.

**General Service restrictions** - Funds donated specifically for services which comprises of donations to be spent locally on people we support and larger donations to be spent on building works.

**Edenbridge Legacy** - A specific donation of £1m from Mrs Potts for general use benefitting the people we support in Kent North – funds have been used to develop the hostel on site.

**Extra Special Trust** - donated £774k for the income to be used to provide people we support with exceptional items to enhance their lives.

**Tiverton Drop-in Centre** - In 2009 Sea Mead Charitable Trust donated £408k to support development of the Tiverton Drop-in Centre and to support an individual in his woodwork craft.

**Design for Life - East Midlands:** For the building and furnishing of 8 apartments in Kibworth Leicestershire.

**Design for Life - Lancashire:** A long term appeal headed primarily by Andrew Collinge and Joan McClarnon to refurbish buildings at Stanley Grange, Preston. The majority of these funds were transferred with the sale of Stanley Grange in the year ending 31st March 2016.

**West Sussex - Community Fund:** Since 2011 the Gerald Micklem Charitable Trust has donated £458k primarily for day services at Walberton concentrating mainly on Sussex Orchards. Money is given annually for the coming financial year.

**General Regional Funds** - Regional fundraising for general regional purposes, for future services and goods that are not funded by Local Authorities.

**Other grants & donations** - This includes individual smaller donations of less than £30k.

## 24. Pension Commitments

### (a) Home Farm Trust Retirement Benefits Scheme

During the year the group operated a defined benefits pension scheme (the "RBS") on 26 October 2005 the company ceased contributions to this scheme in respect of future accruals. Consequently, there are now no active members of this scheme. During the Scheme year ended 31 March 2020 the RBS Trustees took the decision to consider winding up the Scheme. This progressed and on the 10 March 2020 the investment assets were disinvested and the proceeds transferred to a buy-in insurance policy. The Hft RBS Trustees commenced winding up the RBS in February 2022 and are aiming to complete the winding up of the RBS by the end of 2022.

The scheme is administered by the Trustees of the scheme and provides benefits based on final pensionable salary.

The assets of the fund are held independently from those of the group and are invested in an insurance policy with Rothesay. Contributions are assessed on the advice of an independent qualified actuary on the basis of valuations using the projected unit method. The most recent full valuation of the scheme was as at 31 March 2017.

## FRS 102 - assumptions, asset, liability and reserves disclosures

The full valuation of the scheme as at 31 March 2022 was performed by the scheme actuary, an employee of Capita plc.

### Employee benefit obligations

The assets and liabilities of the scheme on an FRS102 basis were:

Group and Company	2022 £'000	2021 £'000
Fair value of scheme assets	12,289	13,087
Present value of defined benefit obligation	(12,133)	(13,375)
<b>Surplus/(deficit) in scheme</b>	<b>156</b>	<b>(288)</b>
Restriction on asset limit under paragraph 28.22 FRS 102	(156)	-
<b>Defined benefit asset/(liability) recognised in the balance sheet</b>	<b>-</b>	<b>(288)</b>

### Expense Recognised in the Statement of Financial Activities

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

Group and Company	2022 £'000	2021 £'000
Net interest on defined benefit liability	-	-
Restriction on net interest due to paragraph 28.22 FRS 102 asset limit	-	-
<b>Total recognised in statement of financial activities</b>	<b>-</b>	<b>-</b>

### Amounts taken to Other Comprehensive Income

Group and Company	2022 £'000	2021 £'000
Actual return on scheme assets - gains and (losses)	(986)	1,328
Less: amounts included in net interest on the defined benefit liability	(239)	(271)
Return on scheme assets excluding interest income	(1,225)	1,057
Actuarial gains and (losses)	976	(1,109)
Changes to the asset restriction under paragraph 28.22 FRS 102	(156)	-
<b>Re-measurement loss recognised in Consolidated SoFA</b>	<b>(405)</b>	<b>(52)</b>

### Changes in the present value of the defined benefit obligation

Group and Company	2022 £'000	2021 £'000
Opening defined benefit obligation	13,375	12,544
Benefits paid	(508)	(554)
Interest cost	242	276
Remeasurement (gains) and losses	(976)	1,109
Past service costs	-	-
Closing defined benefit obligation	12,133	13,375

### Changes in the fair value of scheme assets

Group and Company	2022 £'000	2021 £'000
Fair value of scheme assets at beginning of period	13,087	12,313
Interest income	239	271
Re-measurement gains and (losses)	(1,225)	1,057
Return on scheme assets excluding interest income	-	-
Contributions by employer	696	-
Benefits paid including expenses	(508)	(554)
<b>Closing fair value of scheme assets</b>	<b>12,289</b>	<b>13,087</b>

### The major categories of scheme assets as a percentage of total scheme assets:

Group and Company	2022 £'000	2021 £'000
Equities and other growth assets	0%	0%
Government bonds	0%	0%
Corporate bonds	0%	0%
Insured annuities	98.7%	98.5%
Cash	1.3%	1.5%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Pension costs are allocated solely against unrestricted reserves.

### Principal actuarial assumptions:

Group and Company	2022 Per annum	2021 Per annum
Discount rate	2.65%	1.85%
Retail prices index (RPI) inflation	4.00%	3.45%
Consumer prices index (CPI) inflation	3.00%	2.45%
Future increases in deferred pensions	3.00%	2.45%
Rate of increase to pensions in payment	3.60%	3.20%
RPI (max 5% pa)	3.60%	3.20%
Discretionary increase (per 6/4/1997 pension)	None	none

### Post retirement mortality

2PA tables with Core CMI 2019 projections subject to a long-term improvement of 1.25%.

### Cash commutation:

Members assumed to commute pensions benefits for tax free cash at retirement equal to 75% of the maximum permitted.

	2022 Per annum	2021 Per annum
Future life expectancy of male aged 65 at balance sheet date	21.7	21.6
Future life expectancy of male achieving age 65 20 years after balance sheet date	23.7	23.0
Future life expectancy of female aged 65 at balance sheet date	23.1	23.6
Future life expectancy of female achieving age 65 20 years after balance sheet date	25.2	25.1

### (b) Self-Invested Personal Pension

The HF Trust Limited group personal pension plan provided by Aegon was moved into Aegon Retirement Choices (ARC) in 2019 with members having their own self-invested personal pension (SIPP) with ARC. The pension remains open to certain categories of Hft employees.

The company contributions to this plan are dependent on individual contracts of employment, varying between 3% and 9% of earnings. Members of this plan will contribute a minimum percentage of earnings as defined by government policy.

The assets of the plan, which are held separately from those of the company, are invested with Aegon Plc. The pension charge for the year was £163k (2021: £165k). The charge for the year includes £64k (2021: £66k) contributed under an employee salary-sacrifice scheme. An amount of £8k was owing to the plan in respect of contributions as at 31 March 2022 (2021: £8k).

Contributions paid and costs incurred, by the company, are charged as expenditure in the year in which they are payable, in accordance with the rules on accounting for defined contribution pension schemes in FRS 102.

### (c) NHS Pension Scheme

Contributions have been made to the NHS Pension Scheme in respect of colleagues transferred to the company under the Bradford day services contract (since February 2012) and Oxford Vale contract (since September 2012).

The NHS Pension Scheme is an approved multi-employer defined benefit scheme. Hft is unable to identify its share of the assets and liabilities of the scheme at the balance sheet date and as such is treated as a defined contribution scheme in accordance with FRS102.

Contributions to the scheme are charged to the SOFA in the period in which they fall due. The current contribution rate is 14.38% as determined by Government Actuary using the Projected Unit Method. The amount charged to the SOFA was £277k (2021: £201k) and contributions owing to the scheme as at 31 March 2022 were £22k (2021: £16k).

#### (d) Local Government Pension Scheme

The company is classified as an admitting body for the West Yorkshire Pension Fund and Oxford County Council Pension Fund following the transfer of staff under the Bradford day services and Oxford Vale contracts.

The share of the deficit on each of these schemes attributable to the company has been calculated by the scheme actuaries and in the opinion of the Trustees is not material individually or in total. The schemes are accordingly accounted for as defined contribution schemes and contributions to the scheme are charged to the SOFA in the period in which they fall due.

The company's contribution rate payable to the West Yorkshire Pension Fund is 0% and to the Oxford County Council Pension Fund is In April 20 contribution rate was 19.9%, from May 20 - 5 members changed to 30.1% and 1 member to 23.8%. In Jan 2021 the 5 members decreased to 26.1% of earnings, as determined by the scheme actuary in each case.

The amount charged to the SOFA in respect of both schemes was £84k (2021: £72k) and contributions owing to the schemes as at 31 March 2022 were £7k (2021: £5k).

In respect of the NHS pension scheme, and the West Yorkshire Pension Fund and the Oxford County Council Pension Fund, the main contributory bodies to these 3 schemes are publicly funded statutory bodies. Hft is responsible, under the agreements by which it provides pensions from these 3 pensions funds to its colleagues, for the contributions in respect of those employees only, and has no liability for any other participating entities' obligations in respect of the schemes.

As a part of the new service in Flintshire Hft pays into the Clwyd Pension Fund. Contributions into the scheme are 20.1% and totalled £106k (2021: £133k) during the year with £11k (2021: £10k) owing to the scheme in respect of contributions.

#### (e) Care Fund Group Personal Pension Plan

During the year, contributions have been made to the Care Fund Limited group personal pension plan in respect of employees transferred on acquisition of the Care Fund group. With effect from the date of commencement of automatic enrolment into The Peoples Pension Scheme (see below), the Group Personal Pension Plan closed to new members.

The group contributions to this plan are dependent on individual contracts of employment, varying between 3% and 13% of earnings and are calculated based on individual salaries at 1 April each year.

Contributions paid and costs incurred, by the group, are charged to expenditure in the year in which they are payable, in accordance with the rules on accounting for defined contribution pension schemes in FRS 102.

The assets of the plan, which are held separately from those of the group, are invested with Standard Life plc. The pension charge for the year was £20k (2021: 23k). An amount of £2k was owing to the plan in respect of contributions as at 31 March 2021 (2021: £2k).

#### (f) The Peoples Pension Scheme

To meet its legal obligations, from its staging date of 1 September 2013, the group commenced automatic enrolment of staff into The Peoples Pension Scheme; the scheme operates under a Master Trust.

Auto enrolment contributions are 8% of qualifying earnings with the company paying 3% and employees 4%.

Contributions paid and costs incurred, by the group, are charged as expenditure in the year in which they are payable, in accordance with the rules on accounting for defined contribution pension schemes in FRS102.

The pension charge for the year was £887k (2021: £880k). An amount of £75k was owing to the plan in respect of contributions as at 31 March 2022 (2021: £71k).

#### (g) Other pension schemes

During the year, contributions have been made towards schemes in respect of employees transferred on acquisition of the Care Fund group and the Edward Lloyd Trust. The group contributions to this plan are fixed amounts, dependent on individual contracts of employment.

Contributions paid & costs incurred, by the group, are charged as expenditure in the year in which they are payable, in accordance with the rules on accounting for defined contribution pension schemes in FRS 102.

The assets of the plan, which are held separately from those of the group, are invested with Scottish Equitable plc, Friends Provident plc, Nest and Legal & General. The pension charge for the year was £8k (2021: £7k). An amount of £0.5k was owing to the plan in respect of contributions as at 31 March 2022 (2021: £0.4k).

### 25. Financial Commitments

Total minimum commitments for non-cancellable operating leases are as follows:

	2022		2021	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Amounts payable within one year	630	321	684	493
Amounts payable between one and five years	1,707	453	1,913	665
Amounts payable in over five years	2,124	-	3,202	-
	4,461	774	5,799	1,158

### 26. Capital Commitments

There are no capital commitments to report.

### 27. Contingent Liabilities

There are no contingent liabilities to report.

### 28. Post Balance Sheet Events

After the balance sheet date in 2022 two properties were sold and the following proceeds received: Moss Close sold for £0.4m in May 2022 and Rowde Campus sold for £1.4m in July 2022.

## 29. Related Party Transactions

Hf Trust Limited is the parent company within a group that prepares consolidated financial statements. The parent company has the following transactions with other group companies:

Hft has a loan of £10k due and an outstanding balance of £9k from Hft Trading Limited. A management charge of nil was incurred by Hft Trading Limited (2021: £nil).

Hft has no outstanding balance due from LUV2MEETU CIC. Costs of £65k were recharged to LUV2MEETU CIC (2021:£74k).

### (a) Related transactions in parent company for year ending 31 March 2022:

	Sales £'000	Purchases £'000	Debtor £'000	Creditor £'000
HFT Property Limited	-	-	1	-
HFT Trading Limited	-	-	19	-
Luv2meetU	65	-	-	-
<b>Total</b>	65	-	20	-

### (b) Related transactions in parent company for year ending 31 March 2021:

	Sales £'000	Purchases £'000	Debtor £'000	Creditor £'000
HFT Property Limited	-	-	-	3
HFT Trading Limited	-	-	19	-
Luv2meetU	-	-	-	-
<b>Total</b>	-	-	19	3

During the year, no Trustees of Hft were also Trustees of related parties.

## 30. Capital

The charity is a parent company limited by guarantee. Each member has undertaken to contribute £10 to the assets of the group to meet its liabilities if called on to do so. The total amount guaranteed by members at 31 March 2022 is £1k (2021: £1k).



## 31. Financial Instruments

The company's financial instruments are as follows:

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Financial assets				
Debt instruments				
Loan due from Dimensions UK	42	42	42	42
<b>Total</b>	<b>42</b>	<b>42</b>	<b>42</b>	<b>42</b>
Equity Investments				
Listed investments	7,265	6,882	7,265	6,882
Financial Liabilities				
Mortgage loans	250	250	250	250
Interest free loans	148	158	148	158
<b>Total</b>	<b>398</b>	<b>408</b>	<b>398</b>	<b>408</b>

### Equity Instruments

Equity instruments that are listed on a regulated stock exchange are measured at fair value using observable market inputs. The inputs used in valuing the instruments include indexes provided by these regulated markets.



### 32. Restricted Funds Prior Year - Group and Company

	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Fixed asset transfers £'000	At 31 March 2021 £'000
<b>General service restrictions:</b>					
Gloucestershire	134	21	(15)	(19)	121
Sheffield	31	13	(22)	(0)	22
The Wirral	46	27	(8)	(37)	28
Kent South	35	17	(1)	(7)	44
South Oxfordshire	134	1	(121)	(0)	13
Herts & Essex	77	88	(55)	(41)	68
Devon	325	4	(41)	(13)	275
Leeds	78	3	(44)	(1)	36
Bedfordshire	72	14	(40)	(5)	40
Arden Vale	27	22	-	(18)	31
Cornwall	19	62	14	(25)	69
Cornwall (RMH)	17	-	-	-	17
Kingston-upon-Thames	71	11	-	(47)	35
North Oxfordshire	64	2	(30)	(2)	34
Bristol	9	3	(1)	(7)	4
Bradford	61	29	-	(8)	81
Kent North	269	19	(154)	(54)	80
Sussex	279	88	(23)	(81)	262
Shropshire	42	20	(16)	(18)	28
Leicestershire	23	10	(9)	(0)	24
London	33	25	(6)	(30)	22
Wiltshire	125	8	(94)	(18)	20
Lancashire	-	27	(23)	(0)	3
Newcastle	16	1	(11)	(0)	6
Forest of Dean	7	-	-	(2)	4
Flintshire	37	68	-	(57)	48
Other project grants: L2MU, PT	361	478	18	(315)	542
Newcastle Edward Lloyd Trust	877	-	-	-	877
<b>Other restrictions:</b>					
Edenbridge legacy	645	-	-	-	645
Extra Special Trust	774	-	-	-	774
Tiverton Drop-In Centre	57	-	-	-	57
Design for Life - East Midlands	408	-	-	-	408
Design for Life - Lancashire	53	-	-	-	53
West Sussex - Community Fund	137	-	-	-	137
General Regional Funds	-	-	682	-	682
Others Grants & Donations	498	-	-	-	498
Restricted project fund	5,835	1,060	-	(807)	6,088
Restricted fixed asset fund	12,473	-	-	(630)	11,847
<b>Total restricted funds</b>	<b>18,312</b>	<b>1,060</b>	<b>-</b>	<b>(1,437)</b>	<b>17,935</b>