



Report Number **C/25/63**

To: Cabinet
Date: 10 December 2025
Status: Non-Key Decision
Director: Andy Blaszkowicz, Corporate Director – Housing & Operations
Oportunitas Chair: Councillor Rich Holgate

SUBJECT: OPORTUNITAS – 24/25 FULL STATEMENT OF ACCOUNTS AND Q2 PROGRESS REPORT 25/26 TO 30 SEPTEMBER 2025

SUMMARY: This report outlines the company’s audited Statement of Accounts for the financial year ending 31 March 2025 and provides an update from the Board of Oportunitas Ltd (“the company”) on activities undertaken during the first two quarters for the 2025/26 financial year, including a projected outturn for the profit and loss account for the period to 31 March 2026 compared to the original forecast, based on activity to 30 September 2025. This report is in-line with the requirement contained in the Shareholder’s Agreement between the company and the Council.

REASON FOR RECOMMENDATIONS:

Cabinet is asked to agree the recommendations set out below because:-

Oportunitas Ltd (“the company”) is required to provide regular updates to Cabinet as set out in the Shareholder’s Agreement between the company and the Council.

RECOMMENDATIONS:

1. To receive and note report C/25/63.
2. To note the Full Statement of Accounts and Directors’ Report for the financial year ending 31 March 2025 (Appendix A).
3. To note the latest projected outturn for the Profit and Loss Account of Oportunitas Limited for the financial year ending 31 March 2026 (Appendix B).

1. BACKGROUND

- 1.1 The report sets out the company's audited Statement of Accounts for the financial year ending 31 March 2025 and outlines the changes from the provisional outturn position reported to Cabinet on 16 July 2025.
- 1.2 The report also provides a financial update for the first two quarters of the current year including the latest projected outturn for the company's profit and loss account for the financial year ending 31 March 2026 compared to the original forecast for the year which was set as part of the current approved Business Plan.

2 INVESTMENT PORTFOLIO UPDATE

2.1 Property Portfolio

- 2.1.1 The company's current property portfolio remains at 75 residential units and 1 commercial unit, summarised in the table below:

Address	Units	Type
Walter Tull Way, Folkestone	5	2 x 1 bed units 2 x 2 bed units 1 x 3 bed unit
2 Grove Terrace, Dover Road, Folkestone	1	1 x 4 bed unit
15 Grace Hill, Folkestone	5	5 x 1 bed units
15 Grace Hill, Folkestone	1	1 x commercial unit
82 - 84 Leyburne Road, Dover	8	8 x 2 bed units
19 Castle Hill Avenue, Folkestone	10	9 x 1 bed units 1 x 2 bed unit
84 Sidney Street, Folkestone	4	3 x 1 bed units 1 x 2 bed unit
1 Claremont Road, Folkestone	5	5 x 1 bed units
10 Radnor Park Avenue, Folkestone (Royal Victoria Hospital – Phase A)	18	15 x 2 bed units 3 x 1 bed units
8a Radnor Park Avenue, Folkestone (Royal Victoria – Phase B)	19	17x 2 bed units 2x 1 bed units
Total	76	

- 2.1.2 All existing residential properties are currently tenanted with the exception of one unit at Leyburne Road in Dover; at the time of writing this report the vacant unit is in the process of being prepared to let and will be marketed shortly. The company uses Smith Woolley as its main managing agent for the property portfolio. Where vacancies have occurred, the company's agents have worked hard to minimise void periods. Management of all the assets within the company continue to be kept under regular review.

2.1.3 The company continues to maintain a property safety register to document key areas of safety compliance across its property portfolio including, but not limited to, gas, fire, electrical and legionella. The register is continually reviewed with managing agents and then shared with the Board members each month. The September 2025 position of the register identifies no compliance issues within the portfolio.

2.2 Rental Arrears

2.2.1 At 30 September 2025 the property portfolio has tenant rental arrears of £5.2k for its property portfolio, a slight decrease of £0.6k compared to the previously reported total of £5.8k at 30 June 2025.

2.2.2 There are two tenants with rental arrears of one month or more as at 30 September 2025 and the managing agent is working closely with those tenants to actively reduce this. The position continues to be closely monitored for all the arrears and action may be taken by the company, using the Council's Legal Services team in conjunction with the managing agents, in-line with the company's Debt Management Policy.

3. FINANCIAL OUTTURN TO 31 MARCH 2025

3.1 The company's provisional financial outturn for the year ending 31 March 2025, subject to Audit, was considered by Cabinet on 16 July 2025. The Board considered and approved the company's audited statement of accounts at its meeting on 26 November 2025. A copy of the outturn report to the Board and the full Statement of Accounts and Directors' Report for the financial year ending 31 March 2025 are shown in appendices A and B respectively to this report.

3.2 Profit and Loss Account for Year Ending 31 March 2025

	Provisional Outturn	Final Audited Outturn	Variance Final Outturn to Previous
	2024/25 £	2024/25 £	£
Housing Rental			
Rental Income	740,940	748,417	(7,477)
Other Income	0	0	0
Rental Expenses	(174,050)	(211,905)	37,855
Special Item - Stock Condition Survey	0	0	0
Special Item - Major External Repairs	0	0	0
Net	566,890	536,512	30,378
Grounds Maintenance			
Income	6,520	6,520	0
Expenses	(4,912)	(4,912)	0
Net	1,607	1,607	0
Overheads			
Directors Remuneration	(8,371)	(8,371)	0
FHDC Officer Support	(35,300)	(35,300)	0
Operating Expenses	(2,181)	(2,181)	0
Total Overheads	(45,852)	(45,852)	0
Loan Interest	(355,047)	(312,628)	(42,419)
Loan Restructuring Discount	1,716,785	0	1,716,785
Operating Surplus / (Deficit) for period	1,884,383	179,639	1,704,744
Unrealised Property Valuation Gain	(70,350)	(70,350)	0
Profit before Tax	1,814,033	109,289	1,704,744
Deferred Tax on Profit	(24,312)	(23,635)	(677)
Profit after Tax	1,789,721	85,654	1,704,067

3.3 The main variances to the audited outturn compared to the provisional position reported in July are outlined below.

Adjustment	Amount (£)
i) Reversal of loan interest adjustments	(42,419)
ii) Reversal of loan restructuring	1,716,785
iii) Deferred Tax	(677)
iv) Rental income	(7,477)
v) Rental expenses	37,855
Total adjustment	1,704,067

3.4 Further information regarding these changes is contained in **appendix A** (Board covering report). As noted within the report to the Board and from the adjustments above, the primary changes relate to the loan restructure. As agreed by the Board on 29 May 2024, it was recommended that the loan agreement between the Council and the company be changed to a variable interest rate of 6.88% and for this to be reviewed annually to be matched to the relevant Public Works Loan Board annuity rate at 1 April each financial year plus two percent. However, subsequent to this decision and during its implementation, it was identified by officers that further specialist technical advice was required. The Council has since commissioned this professional advice and are awaiting final reports to be received. To ensure correct governance and accounting treatment, no adjustment or accounting entries relating the loan agreement will be made in the 2024/25 accounts, particularly with deadlines for filing the Company's accounts and the need to sign the Council's accounts in December 2025. Once the further advice has been received, the appropriate accounting treatment and governance arrangements can be determined for the 2025/26 accounts.

3.5 The full Statement of Accounts shown in **appendix A** will be submitted to Companies House as a matter of public record.

3.6 Audit Opinion – it is pleasing to note the Auditor has given an unqualified opinion of the company's accounts for the financial year.

4. FINANCIAL UPDATE FOR 2025/26

4.1 The company's latest financial update for 2025/26 was reported to the Board on 26 November 2025 and a copy is shown in **appendix B** to the report. The update shows the latest projected outturn for the profit and loss account compared to both the original forecast and previous projection for the current financial year to 31 March 2026.

4.2 In summary, the company's profit and loss account is projected to make an operating profit of approximately £51.8k for the year, an of £42.1k compared to the original forecast operating profit of £9.6k. The increase is due largely to i) repairs and maintenance required on vacated properties to get them

ready for new tenants, ii) replacement windows at Claremount Road and iii) adjustments required to the loan interest payable following the reversal of the loan restructure accounting entries in the 2024/25 accounts.

- 4.3 The company's property portfolio will be revalued as at 31 March 2026 ahead of finalising the accounts for the financial year.
- 4.4 The latest projected net financial benefit to the Council from the company in 2025/26 compared to the original estimate is shown in the table below:

Shareholder Benefit	Original Estimate 2025/26 £'000	Projection 2025/26 £'000
Loan interest	364	310
Loan repayments	18	50
Staff costs - reimbursement	46	46
Members Allowances - reimbursement	12	12
Grounds Maintenance recharge	8	8
Dividend	35	0
Total Benefit	483	426
Less, FHDC capital financing cost	(550)	(532)
Net Financial Benefit/(Deficit)	(67)	(106)

- 4.5 The total deficit to the council has increased by £39k, due to not paying a dividend on 24/25 profit which has been off set in a reduction of capital financing costs.
- 4.6 A re-forecast of the Oportunitas business plan will be brought forward to Cabinet, accounting for the implications of the Renters Rights Act 2025 and loan restructure treatment as part of the budget setting for 2026/27 for Oportunitas.

5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

- 5.1 **Legal (OS)** – Section 1 of the Localism Act 2011 confers a general power of competence on a local authority to do anything an individual can do, unless another law prevents it, or a law requires it to do something in a specific way. This report is enabled by this power to act.
- 5.2 **Finance (DL)** – This report has been prepared in conjunction with Financial Services and there are no further comments to add.
- 5.3 **Equalities (GE)** – There are no diversity or equalities implications arising from this report.
- 5.4 **Climate Change (JW)** - There are no climate change implications arising from this report.

6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officers prior to the meeting:

Daniella Loxton, Principal Accountant (Capital and Treasury)
Telephone: 01303 85 3583
Email: daniella.loxton@folkestone-hythe.gov.uk

Gavin Edwards, Board Administrator (Oportunitas Ltd)
Telephone: 01303 853436
Email: gavin.edwards@folkestone-hythe.gov.uk

Appendices:

Appendix A: Oportunitas Ltd Board Meeting 26 November 2025 – Board Paper Oportunitas Ltd Audited Statement of Accounts to 31 March 2025 & Oportunitas Ltd Statement of Accounts and Directors' Report for the financial year ending 31 March 2025

Appendix B: Oportunitas Ltd Board Meeting 26 November 2025 – Q2 Financial Update Report for 2025/26

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Oportunitas Board Meeting 26 November 2025

Oportunitas Limited – Audited Statement of Accounts to 31 March 2025

Prepared by Jonathan Smith

Summary: This paper seeks the Board’s approval of the audited Statement of Accounts for the financial year ending 31 March 2025 to enable them to be submitted to Companies House.

Recommendations:

- 1. The Board receive and note the ‘Letter of Comment’ from the Auditor (Appendix 3)**
- 2. The Board receive and approve the Statement of Accounts and Directors Report of Oportunitas Limited for the financial year ending 31 March 2025 to be signed as a correct record by the Chair (Appendix 4)**
- 3. The Board receive and approve the Letter of Representation to the Auditors to be signed by the Chair (Appendix 5)**

1. Introduction and Background

- 1.1 On 02 July 2025 the Board considered and noted the company’s provisional outturn financial position for the year ending 31 March 2025, subject to audit. The accounts have now been reviewed and independently audited by the company’s Auditor, Begbies Chartered Accountants and are required to be approved by the Board so they can be submitted to Companies House by 31 December 2025. The paper provides an explanation of the changes to the audited outturn position compared to the provisional position previously reported to the Board.
- 1.2 The Board is required to consider and approve the following documents appended to this report before they can be signed as a correct record by the Chair or one of the senior directors of the company:
 - i) The Letter of Comment from the Auditor outlining their key findings from the audit of the accounts.
 - ii) The full Statement of Accounts and Directors Report for the year ending 31 March 2025.

- iii) The Letter of Representation to the Auditors, confirming the Board agree the accounts are materially correct.

2. Changes Between the Provisional and Final Statement of Accounts

2.1 The review and audit has required some changes to be made to the Statement of Accounts compared to the provisional outturn reported to the Board on 02 July 2025.

2.1.1 **Profit and Loss Account** – Appendix 1 shows the profit after tax is £85,654. The key movements compared with the provisional outturn are summarised in the following paragraphs.

2.1.2 As agreed by the Board on 29 May 2024, it was recommended that the loan agreement between the Council and the company be changed to a variable interest rate of 6.88% and for this to be reviewed annually to be matched to the relevant Public Works Loan Board annuity rate at 1 April each financial year plus two percent. However, subsequent to this decision and during its implementation, it has been identified by officers that further specialist technical advice was required. The Council has since commissioned this professional advice and are awaiting final reports to be received. To ensure correct governance and accounting treatment, no adjustment or accounting entries relating the loan agreement will be made in the 2024/25 accounts. Once the further advice has been received, the appropriate accounting treatment and governance arrangements can be determined for the 2025/26 accounts.

2.1.3 In light of the above, the i) loan interest, ii) loan restructuring discount and iii) the amount of deferred Corporation Tax liability included in the provisional outturn have been revised based on the reversal of entries relating to the loan restructure as outlined in 2.1.2 above. See Appendix 3, page 2 for a summary of the adjustments made to the profit and loss account. Further, see Appendix 4, page 14 for the 'Oportunitas Limited Detailed profit and loss account for the year ended 31 March 2025' restated.

2.1.4 **Balance Sheet** – Appendix 2 shows the value of the company's net assets is £6,784,879, a decrease of £1,731,281 compared to the provisional outturn figure of £8,516,160. The decrease mirrors the adjustment for the company's decrease in its profit after tax (after reversal of the loan restructure) and is represented in the Profit and Loss Account Reserve shown on the Balance Sheet.

2.1.5 In light of the movements noted above for the profit and loss account, key impacted balance sheet notes are also restated in Appendix 2 below.

3 Audit Opinion

- 3.1 It is pleasing to note the Auditor has given an unqualified opinion of the accounts of the company for the year ending 31 March 2025. The full opinion is shown on page 4 of the Full Statement of Accounts and Directors Report document.
- 3.2 The Letter of Comment from the Auditor to the Directors outlines the issues found during the Audit of the accounts. It is not unusual for auditors to require adjustments to a set of accounts following an audit. The largest items (8 & 9) on page 2 of the Letter of Comment relate to the loan restructure.

List of appendices:

- Appendix 1: Post-Audit Profit & Loss Account for Year Ending 31 March 2025
Appendix 2: Post-Audit Balance Sheet as at 31 March 2025
Appendix 3: Letter of Comment
Appendix 4: 2024/25 Statement of Accounts and Directors Report
Appendix 5: 2024/25 Letter of Representation from Management to the Auditors

Appendix 1

Post-Audit Profit and Loss Account for Year Ending 31 March 2025

	<i>Outturn</i>	<i>Provisional Outturn</i>	<i>Final Audited Outturn</i>	<i>Variance Final Outturn to Provisional</i>
	<i>2023/24</i>	<i>2024/25</i>	<i>2024/25</i>	
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Housing Rental				
Rental Income	587,484	740,940	748,417	(7,477)
Other Income	0	0	0	0
Rental Expenses	(220,006)	(174,050)	(211,905)	37,855
Special Item - Stock Condition Survey	0	0	0	0
Special Item - Major External Repairs	0	0	0	0
Net	367,478	566,890	536,512	30,378
Grounds Maintenance				
Income	8,650	6,520	6,520	0
Expenses	(13,500)	(4,912)	(4,912)	0
Net	(4,850)	1,607	1,607	0
Overheads				
Directors Remuneration	(8,141)	(8,371)	(8,371)	0
FHDC Officer Support	(34,857)	(35,300)	(35,300)	0
Operating Expenses	(28,802)	(2,181)	(2,181)	0
Total Overheads	(71,799)	(45,852)	(45,852)	0
Loan Interest	(294,236)	(355,047)	(312,628)	(42,419)
Loan Restructuring Discount	0	1,716,785	0	1,716,785
Operating Surplus / (Deficit) for period	(3,407)	1,884,383	179,639	1,704,744
Unrealised Property Valuation Gain	778,410	(70,350)	(70,350)	0
Profit before Tax	775,003	1,814,033	109,289	1,704,744
Deferred Tax on Profit	(197,247)	(24,312)	(23,635)	(677)
Profit after Tax	577,756	1,789,721	85,654	1,704,067

Appendix 2

Post-Audit Balance Sheet as at 31 March 2025

	<i>Audited</i> 31/03/2024	31/03/2025	31/03/2025	Variance (Final Outturn to Provisional)
	<i>Outturn</i> £	Provisional Outturn £	Final Audited Outturn £	£
Fixed Assets				
Investment Assets	13,681,150	13,610,800	13,610,800	0
Investment Assets Under Construction	0	0	0	0
	<u>13,681,150</u>	<u>13,610,800</u>	<u>13,610,800</u>	<u>0</u>
Current Assets				
Debtors - Other	38,238	46,207	46,768	561
VAT Reimbursement	0	4,036	0	(4,036)
Bank Account	67,953	95,500	95,500	0
	<u>106,191</u>	<u>145,743</u>	<u>142,268</u>	<u>(3,475)</u>
Current Liabilities				
Creditors : Short Term	(82,188)	(1,460)	(21,727)	(20,267)
VAT Liability	0	0	0	0
Loans (principal due within 12 months)	(83,101)	(27,712)	(49,814)	(22,102)
	<u>(165,289)</u>	<u>(29,172)</u>	<u>(71,541)</u>	<u>(42,369)</u>
Current Assets less Current Liabilities:	<u>(59,098)</u>	<u>116,571</u>	<u>70,727</u>	<u>(45,844)</u>
Total Assets less Current Liabilities:	<u>13,622,052</u>	<u>13,727,371</u>	<u>13,681,527</u>	<u>(45,844)</u>
Long Term Liabilities				
Creditors : Long Term				
Loans	(6,370,563)	(4,658,947)	(6,320,749)	(1,661,802)
Deferred Corporation Tax	(552,264)	(552,264)	(575,899)	(23,635)
	<u>(6,922,827)</u>	<u>(5,211,211)</u>	<u>(6,896,648)</u>	<u>(1,685,437)</u>
				0
Total Assets less Total Liabilities:	<u>6,699,225</u>	<u>8,516,160</u>	<u>6,784,879</u>	<u>(1,731,281)</u>
Capital & Reserves				
Share Capital	2,515	2,515	2,515	0
Share Premium	4,906,236	4,906,236	4,906,236	0
Profit & Loss Account	1,790,474	3,607,409	1,876,128	(1,731,281)
	<u>6,699,225</u>	<u>8,516,160</u>	<u>6,784,879</u>	<u>(1,731,281)</u>

Key changes to notes to the Balance Sheet

1. Creditors (Short Term)

	31 March 2024	31 March 2025 (Provisional)	31 March 2025 (Final)
	£	£	£
Other Creditors	31,733	1,460	20,950
Taxation	2059	-	-
Other Loans	83,101	27,712	49,814
Trade Creditors*	48,396	-	777
Total Creditors	165,289	29,172	71,541

*Trade creditors was noted at provisional outturn to exclude fees associated with preparation of the accounts, namely audit fees and valuation fees. These have instead been classified under 'Other Creditors' for the final outturn.

2. Loans

The Council has a loan agreement with the Company to support the acquisition of property and provide a working capital facility for short term cash flow requirements. The movement in loans over the year is summarised below. Due to the reversal of the loan restructure, the restated note is as below:

	31 March 2024	31 March 2025
	£	£
Creditors include:		
Instalments falling due for payment within 1 year	47,470	49,814
Instalments falling due for payment within 2 to 5 years	214,512	225,108
Instalments falling due for payment after more than 5 years	6,156,051	6,095,641
Total Creditors	6,418,033	6,370,563

3. Profit and Loss Account Reserve

The Profit and Loss Account Reserve is analysed in the table below

	Operating Profit/(Loss) £'000	Deferred Tax Liability £'000	Valuation Changes £'000	Total £'000
Balance B/F	(441)	(552)	2,783	1,790
Movement 2024/25	180	(24)	(70)	86
Balance C/F	(261)	(576)	2,713	1,876

The Directors
Opportunitas Limited
Civic Centre
Castle Hill Avenue
Folkestone CT20 2QY

Our Ref. DV/O8

Your Ref.

17 November 2025

Dear Sirs

**OPORTUNITAS LIMITED
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025**

There are a number of matters relating to our audit of Opportunitas Limited which need to be reported to the Directors in accordance with current audit regulations. Other than the reversal of the bookkeeping entries in respect of the loan restructure (see below), none of these matters are material and they have no effect on our audit opinion, which is unqualified.

Loan re-structure

The company's accounting records included a number of transactions in connection with a proposed re-structuring of its loan agreements with its parent, Folkestone & Hythe District Council. We understand that the re-structuring, whilst approved at both Cabinet for the Council and company board level, was never formally ratified via new loan agreements and that it has been agreed that any re-structuring of the loans will be deferred for the time-being. These accounts unwind the book entries in respect of the re-structuring and reflect the position under the existing loan agreements.

Ethical Standards

We conducted our audit in accordance with FRC's Ethical Standards. In applying the standards, we took advantage of the provisions available for small entities as disclosed in the audit report. These provisions allow us to disregard certain requirements relating to the self-review and management threat of providing non-audit services. The non-audit services provided were assistance with the preparation of financial statements, preparation of internal group reports and general taxation advice.

We believe it is appropriate to apply these provisions as the Directors are to be considered "informed management", able to make the judgements and decisions that are needed in relation to the presentation and disclosure of information in the financial statements.

Corrected misstatements and reclassifications

The following items are the corrected misstatements identified during the course of our audit work which have been discussed and agreed with you.

Begbies Chartered Accountants and Registered Auditors, Unit 14, Park Barn, Evegate Business Park, Smeeth, Ashford TN25 6SX
t: 01580 713055 e: admin@begbiesaccountants.co.uk w: begbiesaccountants.co.uk

R G Maples, C Bates, A J Brooker, K L Dee, M Firman, C J Pexton, J N Staines (Chartered Certified Accountant), D M Valentine, C P Wain
Consultants: M J Church, S J Richards, V J Underhill
Begbies Limited Partnership Company No. LP5406 VAT Registration No. 706925916

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No	Detail	Balance Sheet	Balance Sheet	P&L	P&L	Effect on P&L
		Debit	Credit	Debit	Credit	
1	Correction of QB reserves re late credit note & invoice					
	Profit and loss account	£2,902				
	Repairs and renewals				£2,902	£2,902
2	Prepayment adjustment					
	Prepayments		£16,538			
	Insurance – double-counted			£17,351		(£17,351)
	Repairs and renewals				£813	£813
3	Year-end rental debtors adjustment					
	Debtors		£6,206			
	Rent receivable			£6,206		(£6,206)
4	Bad debt provision					
	Bad debt		£2,000			
	Bad debt (P&L)			£2,000		(£2,000)
6	Net-off FHDC intercompany balances					
	FHDC balance (Creditor)	£3,573				
	FHDC balance (Debtor)		£3,573			
7	Year-end accruals					
	Accruals		£20,949			
	Audit fee			£8,700		(£8,700)
	Property management fee			£678		(£678)
	Valuation fee			£8,155		(£8,155)
	Repairs and renewals			£3,416		(£3,416)
8	Deferred tax adjustment					
	Deferred tax creditor		£23,635			
	Deferred tax charge			£23,635		(£23,635)
9	Reversal of loan-restructuring entries					
	Loan > 1 year		£1,661,802			
	Loan < 1 year		£25,675			
	Discount loan restructuring			£1,716,785		(£1,716,785)
	Loan interest charge				£42,419	£42,419
	FHDC balance (Debtor)	£13,111				
	NET IMPACT ON P&L					(£1,740,792)

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Potentially adjusting journals

It is our duty as auditors to report to the Directors any potential adjustments that have not been made in the accounts of which there are none to bring to your attention.

Systems and controls

Our audit approach was fully substantive and did not rely on the operational effectiveness of controls. Nevertheless, in the course of our audit we examined the financial systems and controls of the company, and our opinion is that they are appropriate to the size and complexity of the company's business operations.

Other matters

We have no further comments to make regarding the qualitative aspects of the entities' accounting practices and financial reporting, and there are no further matters that we are required by auditing standards to communicate to you.

If you have any queries regarding any of the above points, please do not hesitate to contact us.

Yours faithfully


BEGBIES

**Registered number
09038505**

**Oportunitas Limited
Report and Accounts
31 March 2025**

Oportunitas Limited
Report and accounts
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Oportunitas Limited
Company Information

Current Directors

Richard Holgate (Chairman)
Clive Goddard
Paul Thomas
John Wing

Auditors

Begbies Chartered Accountants and Registered Auditors
9 Bonhill Street
London
EC2A 4DJ

Bankers

National Westminster Bank
Europa House
49 Sandgate Road
Folkestone
Kent
CT20 1RU

Registered number

09038505

Oportunitas Limited

Registered number: 09038505

Directors' Report

The directors present their report and accounts for the year ended 31 March 2025.

Principal activities

Oportunitas Ltd was incorporated in May 2014, commenced its operations in November 2014 and is a wholly owned subsidiary of Folkestone and Hythe District Council providing housing and regeneration services.

Directors

The following persons served as directors during the year:

Richard Holgate (Appointed 9 May 2025) (Chairman from 9 May 2025)

James Butcher (Resigned 9 May 2025) (Chairman to 9 May 2025)

Clive Goddard

Adrian Lockwood (Resigned 6 March 2025)

Paul Thomas (Appointed 24 April 2025)

John Wing

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Oportunitas Limited

Registered number: 09038505

Directors' Report

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 26 November 2025 and signed on its behalf.

Richard Holgate
Director

Oportunitas Limited

Independent auditor's report to the member of Oportunitas Limited

Opinion

We have audited the accounts of Oportunitas Limited (the 'company') for the year ended 31 March 2025 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out below, 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.

In accordance with the exemption provided by FRC's Ethical Standard - Provisions Available for Audits of Small Entities, we have prepared and submitted the company's returns to the tax authorities and assisted with the preparation of the accounts.

Conclusions relating to going concern

In auditing the accounts, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the accounts 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 company's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the directors 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 accounts and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts 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 directors' report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Oportunitas Limited

Independent auditor's report to the member of Oportunitas Limited

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

- Agreement of the financial statement disclosure to underlying supporting documentation;
- Enquiries and confirmation of directors as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;
- Incorporating unpredictability into the nature, timing and extent of testing;
- Evaluation of the selection and application of accounting policies chosen by the company;
- In relation to the risk of management override of controls, by undertaking procedures to review journal entries, assess accounting estimates and identify and verify transactions outside of the usual course of operations, and evaluating whether there was evidence of any evidence of bias that represented a risk of material misstatements due to fraud;
- An assessment of the company's financial statements to material misstatement, including how fraud might occur, by consider, by considering the key risks impacting the financial statements.

Our audit was designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting misstatement resulting from fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentation or through collusion.

There are inherent limitations in the audit procedures performed, The further removed instances of noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the accounts is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Oportunitas Limited
Independent auditor's report
to the member of Oportunitas Limited

Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Daniel Valentine ACA
(Senior Statutory Auditor)

for and on behalf of

Begbies Chartered Accountants and Registered Auditors
Statutory Auditor

..... 2025

9 Bonhill Street
London
EC2A 4DJ

Oportunitas Limited
Profit and Loss Account
for the year ended 31 March 2025

	2025	2024
	£	£
Turnover	754,937	596,134
Cost of turnover	(4,912)	(13,500)
Gross profit	750,025	582,634
Administrative expenses	(257,758)	(292,557)
Revaluation of investment properties	(70,350)	778,410
Operating profit	421,917	1,068,487
Interest payable	(312,628)	(294,237)
Profit before taxation	109,289	774,250
Tax on profit	(23,635)	(197,247)
Profit for the financial year	85,654	577,003

Oportunitas Limited
Registered number:
Balance Sheet
as at 31 March 2025

09038505

	Notes	2025 £	2024 £
Fixed assets			
Tangible assets	4	13,610,800	13,681,150
Current assets			
Debtors	5	46,768	38,238
Cash at bank		95,500	67,953
		<u>142,268</u>	<u>106,191</u>
Creditors: amounts falling due within one year	6	(71,541)	(165,289)
Net current assets/(liabilities)		<u>70,727</u>	<u>(59,098)</u>
Total assets less current liabilities		<u>13,681,527</u>	<u>13,622,052</u>
Creditors: amounts falling due after more than one year	7	(6,320,749)	(6,370,563)
Provisions for liabilities		(575,899)	(552,264)
Net assets		<u>6,784,879</u>	<u>6,699,225</u>
Capital and reserves			
Called up share capital		2,515	2,515
Share premium		4,906,236	4,906,236
Profit and loss account		1,876,128	1,790,474
Shareholder's funds		<u>6,784,879</u>	<u>6,699,225</u>

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

Richard Holgate
Director

Approved by the board on 26 November 2025

Oportunitas Limited
Statement of Changes in Equity
for the year ended 31 March 2025

	Share capital	Share premium	Profit and loss account	Total
	£	£	£	£
At 1 April 2023	2,515	4,906,236	1,213,471	6,122,222
Profit for the financial year	-	-	577,003	577,003
At 31 March 2024	<u>2,515</u>	<u>4,906,236</u>	<u>1,790,474</u>	<u>6,699,225</u>
At 1 April 2024	2,515	4,906,236	1,790,474	6,699,225
Profit for the financial year	-	-	85,654	85,654
At 31 March 2025	<u>2,515</u>	<u>4,906,236</u>	<u>1,876,128</u>	<u>6,784,879</u>

Oportunitas Limited
Notes to the Accounts
for the year ended 31 March 2025

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention, as modified to include investment properties at fair value, and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

The accounts are prepared in sterling, which is the functional currency of the company. Monetary amounts in these accounts are rounded to the nearest £.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the rendering of services and the rent of investment property. Turnover from rent of investment property is recognised by reference to the date rents become payable under tenancy agreements.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference. No current tax liability is recognised in the current or prior year but a deferred tax liability is accrued in respect of investment property revaluations.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably. The provision carried in the current and prior year account is in respect of deferred tax on property revaluations.

2 Audit information

The audit report is unqualified.

Senior statutory auditor:	Daniel Valentine ACA
Firm:	Begbies Chartered Accountants and Registered Auditors
Date of audit report: 2025

Oportunitas Limited
Notes to the Accounts
for the year ended 31 March 2025

3 Employees	2025	2024
	Number	Number
Average number of persons employed by the company	<u>0</u>	<u>0</u>

The Directors of Oportunitas and the staff who support the company are the employees of the parent organisation, Folkestone and Hythe District Council.

4 Tangible fixed assets		Investment properties
		£
Cost		
At 1 April 2024		13,681,150
Additions		-
Deficit on revaluation		<u>(70,350)</u>
At 31 March 2025		<u>13,610,800</u>
Depreciation		
At 31 March 2025		<u>-</u>
Net book value		
At 31 March 2025		<u>13,610,800</u>
At 31 March 2024		<u>13,681,150</u>

Freehold land and buildings:	2025	2024
	£	£
Historical cost	10,918,376	10,918,376
Cumulative depreciation based on historical cost	-	-
	<u>10,918,376</u>	<u>10,918,376</u>

The investment properties were valued at 31 March 2025 by Sibley Pares, Chartered Surveyors, an independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the investment properties being valued. The investment properties have been valued on the basis of open market value and using comparable property data, in accordance with the current RICS Valuation Standards by the Royal Institution of Chartered Surveyors.

5 Debtors	2025	2024
	£	£
Trade debtors	888	1,468
Amounts owed by group undertakings and undertakings in which the company has a participating interest	15,221	-
Other debtors	30,659	36,770
	<u>46,768</u>	<u>38,238</u>

Oportunitas Limited
Notes to the Accounts
for the year ended 31 March 2025

6 Creditors: amounts falling due within one year	2025	2024
	£	£
Other loans	49,814	83,101
Trade creditors	777	48,396
Taxation and social security costs	-	2,059
Other creditors	20,950	31,733
	<u>71,541</u>	<u>165,289</u>

7 Creditors: amounts falling due after one year	2025	2024
	£	£
Other loans	<u>6,320,749</u>	<u>6,370,563</u>

8 Loans	2025	2024
	£	£
Creditors include:		
Instalments falling due for payment within one year	49,814	47,470
Instalments falling due for payment within two to five years	225,108	214,512
Instalments falling due for payment after more than five years	6,095,641	6,156,051
	<u>6,370,563</u>	<u>6,418,033</u>
Secured bank loans	<u>6,370,563</u>	<u>6,418,033</u>

Amounts payable to Folkestone and Hythe District Council are secured by fixed and floating charges over the company's properties.

9 Related party transactions

The company has taken advantage of the exemption in FRS 102 whereby it has not disclosed transactions with its ultimate parent company. Such transactions were on normal commercial terms as part of the company's ongoing investment and operating activities.

10 Controlling party

For the current and previous year, the company was a wholly owned subsidiary of Folkestone and Hythe District Council.

11 Other information

Oportunitas Limited is a private company limited by shares and incorporated in England. Its registered office is: c/o Folkestone and Hythe District Council, Castle Hill Avenue, Folkestone, CT20 2QY.

Oportunitas Limited
Detailed profit and loss account
for the year ended 31 March 2025

This schedule does not form part of the statutory accounts

	2025 £	2024 £
Turnover		
Ground maintenance income	6,520	8,650
Rental income	748,417	587,484
	<u>754,937</u>	<u>596,134</u>
 Cost of sales		
Council's charge for grounds maintenance	<u>4,912</u>	<u>13,500</u>
 Administrative expenses		
Employee costs:		
Recharge from Folkestone and Hythe District Council	8,371	8,141
	<u>8,371</u>	<u>8,141</u>
General administrative expenses:		
Bank charges	52	103
Insurance	30,819	26,808
Software	625	553
Repairs and maintenance	75,387	106,266
Other property costs	20,943	23,858
Bad debts	7,607	-
Sundry expenses	252	1,250
	<u>135,685</u>	<u>158,838</u>
Legal and professional costs:		
Audit fees	8,709	8,349
Solicitors fees	426	295
Consultancy fees	11,863	35,646
Property management fees	57,404	45,311
Council management fees	35,300	34,857
Other legal and professional	-	1,120
	<u>113,702</u>	<u>125,578</u>
	<u>257,758</u>	<u>292,557</u>
 Other gains and (losses)		
Investment property revaluations	<u>(70,350)</u>	<u>778,410</u>

Oportunitas Board Meeting 26 November 2025

Oportunitas Limited – Financial Update for 2025/26

Prepared by Dani Loxton

Summary: This paper provides an initial update of the company's financial position for the financial year ending 31 March 2026, based on income and expenditure to 30 September 2025, including the latest projected outturn for its trading activities.

Recommendations:

The Board note the latest financial position for 2025/26 outlined in this paper.

1. Introduction and Background

1.1 This paper provides an initial update to the Board of the company's financial position for the financial year ending 31 March 2026, based on income and expenditure to 30 September 2025. It provides the latest projected outturn for the company's trading activities compared to the approved business plan for the year and explains the key variances. Further updates on the company's projected outturn for the current financial year are planned to be made to future Board meetings over this period.

2. Profit and Loss Account Projected Outturn 2025/26

2.1 The table below provides an initial projection of the outturn position of the company's trading activities for the financial year to 31 March 2026, compared to the approved business plan.

Profit and Loss Account	2025/26	2025/26	2025/26	2025/26
	Budget £	Latest Projected Outturn £	Actual to 30/09/25 £	Variance Budget to Latest Projection £
Property Rental				
Rental Income	773,150	782,506	376,638	9,356
Rental Expenses	(265,246)	(285,733)	(153,029)	(20,487)
Special Item - Stock Condition Survey	(20,000)	(20,000)	0	0
Special Item - Major External Repairs & Redecorations	(32,150)	(32,150)	0	0
Net	455,754	444,624	223,609	(11,131)
Grounds Maintenance				
Income	10,000	10,000	0	0
Expenses	(8,000)	(8,000)	0	0
Net	2,000	2,000		0
Overheads				
Directors Remuneration	(12,094)	(12,094)	0	0
FHDC Officer Support	(46,358)	(46,358)	0	0
Operating Expenses	(26,087)	(26,087)	(12,985)	0
Total Overheads	(84,539)	(84,539)	(12,985)	0
Loan Interest	(363,524)	(310,283)	0	53,241
P & L Operating Surplus / (Deficit) for period	9,691	51,801	210,624	42,110
P & L Operating Profit b/f	(301,831)	(301,831)	(301,831)	0
P & L Operating profit c/f	(292,140)	(250,030)	(91,207)	42,110

2.2 The projected outturn shows an operating profit of £51.8k for the year, an increase of £42.1k compared to £9.6k profit forecast in the business plan. The main reasons for this variance are outlined below:

Variances 2025/26 Business Plan to Projected Outturn		£'000
i)	Rental Income – Rent increased for properties that have been let to new tenants.	9.4
ii)	Housing Rental Expenses – Repairs and maintenance costs increased due to one off costs relating to replacement windows at Claremount Road and preparing vacated properties for new tenants	(20.5)
iii)	Loan interest -	<u>53.2</u>
	Total increase/(decrease) in operating profit compared to business plan	<u>42.1</u>

2.3 The approved business plan and projected outturn for the year currently includes the special items for;-

i)	Stock condition survey	£20k
ii)	Major external repairs	£31.2k

The company business plan allocated a budget of £31.2k in 25/26 for the cost of undertaking maintenance and preventative works at 19 Castle Hill Avenue Folkestone. Quotes for the works will be sought in due course.

2.4 The company's accumulated operating profit is forecast to increase by £42.1k at 31 March 2026.

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