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Charity Registration No. 1086183

Company Registration No. 4089288 (England and Wales)

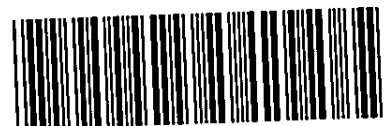
HALIFAX OPPORTUNITIES TRUST

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

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HALIFAX OPPORTUNITIES TRUST

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HALIFAX OPPORTUNITIES TRUST

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HALIFAX OPPORTUNITIES TRUST

We have audited the accounts of Halifax Opportunities Trust for the year ended 31 March 2013 set out on pages 3 to 20. These accounts have been prepared in accordance with the accounting policies set out on pages 6 and 7. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities in Appendix 1, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of affairs of the charitable company and its group as at 31 March 2013 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,
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

HALIFAX OPPORTUNITIES TRUST

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF HALIFAX OPPORTUNITIES TRUST

Matters on which we are required to report by exception

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

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

L R Brain FCA (Senior Statutory Auditor)
for and on behalf of Firth Parish

18 November 2013

Chartered Accountants
Statutory Auditor

1 Airport West
Lancaster Way
Yeadon
Leeds
West Yorkshire

HALIFAX OPPORTUNITIES TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses
FOR THE YEAR ENDED 31 MARCH 2013

	Notes	Unrestricted funds £	Restricted funds £	GROUP 2013 Total £	GROUP 2012 Total £
Incoming resources from generated funds					
Voluntary income	2	179,750	1,530,089	1,709,839	1,649,719
Activities for generating funds	3	493,762	-	493,762	535,259
Investment income	4	493	-	493	748
Other incoming resources	6	77,812	-	77,812	79,773
Total incoming resources		751,817	1,530,089	2,281,906	2,265,499
Resources expended					
Commercial trading operations	7	477,750	-	477,750	547,816
Charitable activities	8	210,379	1,577,531	1,787,910	2,028,281
Governance costs	9	121,057	-	121,057	112,522
Total resources expended		809,186	1,577,531	2,386,717	2,688,619
Net incoming resources before transfers		(57,369)	(47,442)	(104,811)	(423,120)
Transfers		(46,894)	46,894	-	-
Taxation	20	52	-	52	(4,400)
Net incoming resources before other recognised gains and losses		(104,211)	(548)	(104,759)	(427,520)
Other recognised gains and losses					
Actuarial profits /(losses) on defined benefit pension schemes	22	(2,000)	-	(2,000)	(35,000)
Net income / (expenditure) for the year		(106,211)	(548)	(106,759)	(462,520)
Total funds brought forward	20 and 21	267,799	85,337	353,136	815,656
Total funds carried forward		161,588	84,789	246,377	353,136

All incoming resources and resources expended derive from continuing activities

HALIFAX OPPORTUNITIES TRUST

COMPANY STATEMENT OF FINANCIAL ACTIVITIES

**Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses
FOR THE YEAR ENDED 31 MARCH 2013**

	Notes	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
<u>Incoming resources from generated funds</u>					
Voluntary income	2	179,750	1,582,681	1,762,431	1,649,719
Investment income	4	437	-	437	609
Other incoming resources	6	127,977	-	127,977	121,657
Total incoming resources		308,164	1,582,681	1,890,845	1,771,985
<u>Resources expended</u>					
Charitable activities	8	262,710	1,583,763	1,846,473	2,073,126
Governance costs	9	117,241	-	117,241	108,906
Total resources expended		379,951	1,583,763	1,963,714	2,182,032
Net incoming resources before transfers		(71,787)	(1,082)	(72,869)	(410,047)
Transfers		(534)	534	-	-
Net incoming resources before other recognised gains and losses		(72,321)	(548)	(72,869)	(410,047)
<u>Other recognised gains and losses</u>					
Actuarial gains/(losses) on defined benefit pension schemes	22	(2,000)	-	(2,000)	(35,000)
Net income/(expenditure) for the year		(74,321)	(548)	(74,869)	(445,047)
Total funds brought forward	20 and 21	293,689	85,337	379,026	824,073
Total funds carried forward		219,368	84,789	304,157	379,026

All incoming resources and resources expended derive from continuing activities

HALIFAX OPPORTUNITIES TRUST

BALANCE SHEET

AS AT ENDED 31 MARCH 2013

	Notes	GROUP		CHARITY	
		2013 £	2012 £	2013 £	2012 £
Fixed assets					
Tangible assets	13	59,264	98,424	6,261	17,808
Investments	14	-	-	101	101
		59,264	98,424	6,362	17,909
Current assets					
Debtors	15	208,592	171,334	293,039	243,712
Cash at bank and in hand		320,969	503,871	278,364	460,428
		529,561	675,205	571,403	704,140
Creditors' amounts falling due within one year	16	(328,364)	(407,357)	(259,608)	(330,023)
Net current assets		201,197	267,848	311,795	374,117
Provisions for liabilities	18	(84)	(136)	-	-
Net assets excluding pension liability		260,377	366,136	318,157	392,026
Defined benefit pension scheme liability	22	(14,000)	(13,000)	(14,000)	(13,000)
Net assets		246,377	353,136	304,157	379,026
Income funds					
Restricted income funds	21	84,789	85,337	84,789	85,337
Unrestricted income funds	20	175,588	280,799	233,368	306,689
Pension reserve	20	(14,000)	(13,000)	(14,000)	(13,000)
Total funds		246,377	353,136	304,157	379,026

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

Approved by the Board and authorised for issue on 14 November 2013

Mr M Aslam
Trustee

Company Registration No. 1086183

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention and prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

1.2 Basis of consolidation

The consolidated financial statements combine the financial statements of Halifax Opportunities Trust and its subsidiaries as listed in note 5

The financial statements of the charitable company and all its subsidiaries have been made up to the same accounting date

Uniform accounting policies are followed throughout the group

The results shown in the consolidated statement of financial activities excludes all unrealised surpluses arising from trading between members of the group

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for a specific purpose. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the accounts

1.4 Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable

Grants where entitlement is not conditional on the delivery of specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities

Income from investments is included in the year in which it is receivable

Income from activities for generating funds relates to property management income generated by the charity's trading subsidiaries

1.5 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates

Resources expended are recognised in the year in which they are incurred.

Fund raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

1.6 Tangible fixed assets and depreciation

The charity capitalises all asset purchases over £2,000

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Computer equipment	- 33% straight line
Fixtures, fittings and office equipment	- 15% straight line

1.7 Defined contribution pension schemes

The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

1.8 Defined benefit pension schemes

The charity participates in two defined benefit pension schemes for its employees. The assets of the schemes are held separately from those of the charity in independently administered funds.

Current service costs, past service costs and gains and losses on settlements and curtailments are charged to appropriate resources expended categories in the statement of financial activities. Past service costs are recognised over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are re-measured using current actuarial assumptions and the resultant gain or loss is recognised in the statement of financial activities during the period in which the settlement or curtailment occurs.

The interest cost and the expected return on assets are shown as a net amount as other finance cost or income. Net pension finance costs are allocated to appropriate resources expended categories in the statement of financial activities. Actuarial gains and losses are recognised based on the latest actuarial valuation.

Pension scheme assets are valued at fair value at the balance sheet date. Fair value is based on market price information and in the case of quoted securities is the published bid price. Pension scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted to their present value using a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The pension scheme deficit is recognised in full on the balance sheet.

1.9 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

2 Voluntary income

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Group				
National and local government contracts	179,750	1,530,089	1,709,839	1,649,719
	<u>179,750</u>	<u>1,530,089</u>	<u>1,709,839</u>	<u>1,649,719</u>
Charity				
Donations from subsidiary undertakings	-	52,592	52,592	-
National and local government contracts	179,750	1,530,089	1,709,839	1,649,719
	<u>179,750</u>	<u>1,582,681</u>	<u>1,762,431</u>	<u>1,649,719</u>

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Group				
Commercial trading operations	83,392	-	83,392	149,963
Hanson Lane Enterprise Centre	410,370	-	410,370	385,296
Elsie Whiteley Innovation Centre	493,762	-	493,762	535,259

4 Investment Income

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Group				
Bank interest receivable	493	-	493	748
Charity				
Bank interest receivable	437	-	437	609

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

5 Trading subsidiaries

The charity controls the companies listed below by virtue of holding a controlling interest in the equity share capital

Name of subsidiary	Country of incorporation	% of equity share capital held
Hanson Lane Enterprise Centre Limited	England and Wales	100
Elsie Whiteley Innovation Centre Limited	England and Wales	100

Hanson Lane Enterprise Centre Limited

Property management and associated services

	2013 £	2012 £
Summary of trading results		
Turnover	121,042	152,352
Total expenditure	(125,013)	(149,287)
Other income	592	649
Net profit for the year	(3,379)	3,714
Current tax	675	(1,505)
Retained profit	(2,704)	2,209
The assets and liabilities of Hanson Lane Enterprise Centre Limited were:		
Assets	58,246	65,519
Liabilities	(21,720)	(26,289)
Funds	36,526	39,230

Elsie Whiteley Innovation Centre Limited

Provision of high quality modern units to inspire creative people

	2013 £	2012 £
Summary of trading results		
Turnover	432,614	392,107
Total expenditure	(406,717)	(402,145)
Other income	45	62
Net profit for the year before tax	25,942	(9,976)
Current tax	365	(2,895)
Amount gift-aided to the charity	(52,592)	-
Retained loss	(26,285)	(12,871)
The assets and liabilities of Elsie Whiteley Innovation Centre Limited were:		
Assets	150,024	178,851
Liabilities	(247,461)	(250,003)
Funds	(97,437)	(71,152)

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

6 Other incoming resources

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Group				
Membership income	140	-	140	130
Miscellaneous income	5,763	-	5,763	5,591
Management and administration income	71,909	-	71,909	74,052
	<u>77,812</u>	<u>-</u>	<u>77,812</u>	<u>79,773</u>
Charity				
Membership income	140	-	140	130
Miscellaneous income	5,763	-	5,763	5,591
Management and administration income	119,674	-	119,674	115,936
Investment income	2,400	-	2,400	-
	<u>127,977</u>	<u>-</u>	<u>127,977</u>	<u>121,657</u>

7 Commercial trading operations

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Group				
Property management.				
Hanson Lane Enterprise Centre	120,734	-	120,734	147,704
Elsie Whiteley Innovation Centre	357,016	-	357,016	400,112
	<u>477,750</u>	<u>-</u>	<u>477,750</u>	<u>547,816</u>

8 Costs of charitable activities

	Unrestricted funds £	Restricted funds £	2013 Total £	2012 Total £
Group				
Training and advice	210,379	166,065	376,444	465,014
Childcare and family	-	1,411,466	1,411,466	1,563,267
	<u>210,379</u>	<u>1,577,531</u>	<u>1,787,910</u>	<u>2,028,281</u>
Charity				
Training and advice	262,710	166,065	428,775	508,659
Childcare and family	-	1,417,698	1,417,698	1,564,467
	<u>262,710</u>	<u>1,583,763</u>	<u>1,846,473</u>	<u>2,073,126</u>

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

**9 Governance costs
Unrestricted funds**

	Group		Charity	
	2013	2012	2013	2012
	£	£	£	£
Wages and salaries	85,037	76,224	85,037	76,224
Employer's NIC	8,031	8,121	8,031	8,121
Pension costs	9,558	8,522	9,558	8,522
Trustee costs	-	240	-	240
Auditors' remuneration	10,219	9,449	6,403	5,833
Legal and professional fees	8,212	9,966	8,212	9,966
	121,057	112,522	117,241	108,906

10 Net incoming resources for the year

	Group	
	2013	2012
	£	£
Net incoming resources is stated after charging		
Depreciation	39,160	46,819

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

11 Employees

Employment costs	2013 £	2012 £
Group		
Wages and salaries	1,258,583	1,278,145
Redundancy payments	2,476	-
Social security costs	86,275	87,211
Pensions costs	25,640	25,722
	1,372,974	1,391,078
Charity		
Wages and salaries	1,090,707	1,105,378
Redundancy payments	368	-
Social security costs	74,550	73,271
Pensions costs	19,135	19,195
	1,184,760	1,197,844

No employee received emoluments of more than £60,000 in either period

Other pension costs above represents the total operating charge included in resources expended in the statement of financial activities and does not include amounts included in other finance income and other recognised gains and losses

Number of employees

The average monthly number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2013 Number	2012 Number
Group		
Training advice and information	10	11
Childcare and family support	58	50
Administrative	3	3
Governance	1	1
Property management - Hanson Lane Enterprise Centre	3	3
Property management - Elsie Whiteley Innovation Centre	6	7
	81	75
Charity		
Training advice and information	11	11
Childcare and family support	50	50
Administrative	3	3
Governance	1	1
	65	65

No remuneration was paid to any of the trustees, nor were any expenses reimbursed to any of the trustees, during the year (2012 - none)

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

12 Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

13 Tangible fixed assets

Group	Leasehold improvements £	Computer equipment £	Office equipment and furniture £	Total £
Cost				
At 1 April 2012	91,996	180,297	147,900	420,193
Additions	-	-	-	-
Disposals	-	(116,580)	(5,776)	(122,356)
At 31 March 2013	91,996	63,717	142,124	297,837
Depreciation				
At 1 April 2012	35,001	171,366	115,402	321,769
Charge for the year	18,207	7,641	13,312	39,160
On disposals	-	(116,580)	(5,776)	(122,356)
At 31 March 2013	53,208	62,427	122,938	238,573
Net book value				
At 31 March 2013	38,788	1,290	19,186	59,264
At 31 March 2012	56,995	8,931	32,498	98,424
Charity				
Cost				
At 1 April 2012		180,297	31,958	212,255
Disposals		(116,580)	(5,776)	(122,356)
At 31 March 2013		63,717	26,182	89,899
Depreciation				
At 1 April 2012		171,366	23,081	194,447
On disposals		(116,580)	(5,776)	(122,356)
Charge for the year		7,641	3,906	11,547
At 31 March 2013		62,427	21,211	83,638
Net book value				
At 31 March 2013		1,290	4,971	6,261
At 31 March 2012		8,931	8,877	17,808

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

14 Fixed asset investments

	Charity Subsidiary undertakings £	Total £
Cost		
At 1 April 2012	101	101
At 31 March 2013	101	101
Historical cost as at 31 March 2012 & 31 March 2013	101	101

All fixed asset investments are held within the United Kingdom

15 Debtors

	Group 2013 £	2012 £	Charity 2013 £	2012 £
Trade debtors	116,828	131,260	41,564	42,501
Amounts owed by group undertakings	-	-	180,954	186,833
Prepayments and accrued income	91,764	40,074	70,521	14,378
	208,592	171,334	293,039	243,712

Included within amounts owed by group undertakings above is £96,000 (2012: £108,000) due after more than one year from Elsie Whiteley Innovation Centre Limited. Interest is receivable at 2% of the outstanding balance per annum. This loan is repayable over 10 years.

16 Creditors: amounts falling due within one year

	Group 2013 £	2012 £	Charity 2013 £	2012 £
Trade creditors	76,267	180,853	67,744	151,972
Amounts owed to group undertakings	-	-	4,393	1,939
Other taxes and social security	6,336	1,709	2,472	107
Other creditors	36,698	48,689	-	3,485
Accruals and deferred income	209,063	176,106	184,999	172,520
	328,364	407,357	259,608	330,023

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

18 Provisions for liabilities

The deferred tax liability is made up as follows:

	2013 £	2012 £
Consolidated statement of financial activities	84	136
	2013 £	2012 £
Accelerated capital allowances	(67)	992
Tax losses available	151	(856)
	84	136

19 Analysis of net assets between funds

Group

Fund balances at 31 March 2013 as represented by

Tangible fixed assets

Net current assets

Provision for liabilities/pension

Unrestricted funds £	Restricted funds £	Total funds £
57,974	1,290	59,264
117,698	83,499	201,197
(14,084)	-	(14,084)
161,588	84,789	246,377

Charity

Fund balances at 31 March 2013 as represented by

Tangible fixed assets

Investment assets

Net current assets

Provision for liabilities/pension

Unrestricted funds £	Restricted funds £	Total funds £
4,971	1,290	6,261
101	-	101
228,296	83,499	311,795
(14,000)	-	(14,000)
219,368	84,789	304,157

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

20 Unrestricted funds

	Group		Charity	
	General funds	Pension reserve	General funds	Pension reserve
	£	£	£	£
At 1 April 2012	280,799	(13,000)	306,689	(13,000)
Incoming resources	751,817	-	308,164	-
Outgoing resources	(809,186)	-	(379,951)	-
Taxation	52	-	-	-
Transfers between funds	(45,894)	(1,000)	466	(1,000)
	177,588	(14,000)	235,368	(14,000)
Other recognised gains and losses	(2,000)	-	(2,000)	-
At 31 March 2013	175,588	(14,000)	233,368	(14,000)

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes

21 Restricted funds

Group	At 1 April 2012	Incoming resources	Outgoing resources	Transfers between funds	At 31 March 2013
	£	£	£	£	£
Sure Start	86,654	1,336,044	(1,411,466)	(6,232)	5,000
EIF Halifax Together	(47,224)	166,276	(118,753)	-	299
UK Online capital grant	5,000	-	(5,534)	534	-
Neighbourhood Learning for Deprived Communities	(1,562)	6,604	(4,985)	-	57
The Social Investment Business	-	21,165	(21,165)	-	-
Elsie Whiteley Innovation Centre	42,469	-	(15,628)	52,592	79,433
	85,337	1,530,089	(1,577,531)	46,894	84,789

Charity	At 1 April 2012	Incoming resources	Outgoing resources	Transfers between funds	At 31 March 2013
	£	£	£	£	£
Sure Start	86,654	1,336,044	(1,417,698)	-	5,000
EIF Halifax Together	(47,224)	166,276	(118,753)	-	299
UK Online capital grant	5,000	-	(5,534)	534	-
Neighbourhood Learning for Deprived Communities	(1,562)	6,604	(4,985)	-	57
The Social Investment Business	-	21,165	(21,165)	-	-
Elsie Whiteley Innovation Centre	42,469	52,592	(15,628)	-	79,433
	85,337	1,582,681	(1,583,763)	534	84,789

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

21 Restricted funds (continued)

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for a particular purpose. The cost of raising or administering such funds are charged against each specific fund.

The restricted funds balances represent surpluses/deficits for the year carried forward. These balances are to be utilised during the year ended 31 March 2014 in continuing the performance and activities of each project involved. Negative balances relate to projects where funding claims are made in arrears.

Sure Start funds relate to the management of the Sure Start grant on behalf of the local authority.

Any surplus generated from the Elsie Whiteley Innovation Centre is classed as restricted, but under the terms of the agreement with the local authority this money can be used for a wide range of purposes. The fund can be used for maintaining the fabric of the building and also for supporting business enterprise in Calderdale.

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

22 Pension and other post-retirement benefits

Defined contribution scheme

The charity operates a stakeholder pension scheme, presently administered by HSBC Life (UK) Limited, which is open to all staff on completion of entry requirements. Pension costs of 6% of gross salary for all eligible employees are charged to expenditure as they are incurred.

The charity also contributes to a pension scheme, administered by Legal & General Assurance Society Limited. Pension costs of 6% of gross salary are charged to expenditure as they are incurred.

	2013 £	2012 £
Contributions payable by the group for the year	15,168	16,152

Defined benefits scheme

The charity participates in two pension schemes providing benefits based on final pensionable pay. The assets of the schemes are held separately from those of the charity, and are held and administered by the West Yorkshire Pension Fund and the National Health Service Pension Scheme.

The National Health Service Pension Scheme is an unfunded scheme. However, it is assumed to have a notional fund of assets. To date, the assets have been restricted to investments in UK government stocks.

Every four years the Government actuary conducts an actuarial review of the Scheme, using normal actuarial principals. The cost of pension increase is excluded for the valuation and consequently neither employees nor employers contribute to the added value, which is met directly by the Exchequer. The most recent review of the scheme, covering the five years ended 31 March 2004, was published in 2007 and showed liabilities of £127.0 billion compared to assets of £123.7 billion. The Government actuary recommended that employer's contributions be increased from 14% to 15% from 1 April 2008. The Charity contributed 14% of pensionable salaries to the Scheme until 31 March 2008, when the rate increased to 15%. The contributions are charged to expenditure as they are incurred.

Pension contributions for the West Yorkshire Pension Fund are determined by the scheme actuary on the basis of triennial valuations using the projected unit method. The latest valuation of the charity's liabilities took place as at 31 March 2010. Liabilities as at 31 March 2013 have been estimated by the independent qualified actuary on an actuarial basis using the projected unit credit method.

The major assumptions used by the actuary were:

	2013 %	2012 %	2011 %
Rate of inflation (RPI)	3.6	3.5	2.7
Rate of inflation (CPI)	2.7	2.5	2.8
Rate of increase in salaries	4.6	5.0	5.2
Rate of increase to pensions in payment	2.7	2.5	2.8
Discount rate	4.3	4.7	5.5

The long term expected rates of return are as follows -

	2013 %	2012 %	2011 %
Equities	7.8	8.1	8.4
Property	7.3	7.6	7.9
Corporate bonds	3.8	3.7	5.1
Government bonds	2.8	3.1	4.4
Cash	0.9	1.8	1.5
Other holdings	7.8	8.1	8.4

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

22 Pension and other post-retirement benefits (continued)

The assets in the scheme are as follows -

	2013 £	2012 £	2011 £
Equities	178,000	153,000	168,000
Government bonds	31,000	29,000	27,000
Other bonds	15,000	11,000	9,000
Property	8,000	8,000	8,000
Cash/liquidity	7,000	4,000	4,000
Other assets	12,000	12,000	13,000
Total market value of assets	251,000	217,000	229,000
Present value of scheme liabilities	(265,000)	(230,000)	(211,000)
Net pension asset/(liability)	(14,000)	(13,000)	18,000

Analysis of the amount charged to other finance costs

	2013 £	2012 £
Current service cost	11,000	10,000
Expected return on pension scheme assets	(15,000)	(17,000)
Interest on pension scheme liabilities	11,000	11,000
Net charge	7,000	4,000

Movement in deficit during the year

	2013 £	2012 £
Surplus/(deficit) in scheme at 1 April 2012	(13,000)	18,000
Other finance costs	(7,000)	(4,000)
Contributions made	8,000	8,000
Actuarial losses	(2,000)	(35,000)
Deficit in scheme at 31 March 2013	(14,000)	(13,000)

History of experience gains and losses

	2013 £	2012 £	2011 £
Difference between the expected and actual return on scheme assets			
Amount	17,000	(14,000)	3,000
Percentage of scheme assets	6.80%	(6.50%)	1.30%

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

23 Company limited by guarantee

Halifax Opportunities Trust is a company limited by guarantee and accordingly does not have a share capital

Every member of the company undertakes to contribute such an amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member

24 Financial commitments

At 31 March 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2014:

	Land and buildings	
	2013	2012
	£	£
Operating leases which expire		
In over five years	2	2

HALIFAX OPPORTUNITIES TRUST

TRUSTEES' REPORT

For the year ended 31 March 2013

The trustees present their report and the financial statements for the year ended 31 March 2013

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005

1. DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS

Halifax Opportunities Trust ("the Charity") is a company limited by guarantee and a registered charity

Charity registration number	1086183
Registered with the Charity Commission	18 April 2001
Company registration number	4089288
Date of incorporation	12 October 2000
Registered Office	Hanson Lane Enterprise Centre Hanson Lane Halifax HX1 5PG

The trustees, who are also the directors for the purpose of company law, who served during the year and to the date of approval were

Mohammed Aslam CBE MBE (Chair)	Dr Jill Farrington
Russell Earnshaw (Vice Chair)	Shabir Hussain
Rev Hilary Barber (Vice Chair)	Rahat Khan
Jenny Lynn (Company Secretary)	Sally Morrell
Chris Jones (Treasurer)	Margaret Nash (resigned 14 March 2013)
Tanvir Bostan	Khalid Saeed
Councillor Martin Burton (appointed 20 June 2013)	Faisal Shoukat (resigned 20 June 2013)
Dr Fiaz Farooq	

The Chief Executive of the Charity during the year and to the date of approval was Barbara Harbinson

The Charity operates two wholly owned subsidiary companies, which are companies limited by guarantee. They are

Company name	Hanson Lane Enterprise Centre Limited	Elsie Whiteley Innovation Centre Limited
Date of incorporation	23 November 2000	15 June 2006
Company number	4113550	5847775
Registered office	Hanson Lane Enterprise Centre Hanson Lane Halifax HX1 5PG	Hanson Lane Enterprise Centre Hanson Lane Halifax HX1 5PG
Directors	Mohammed Aslam Andrew Backhouse Russell Earnshaw Andrew Marshall Michael Steele	Mohammed Aslam Andrew Backhouse Russell Earnshaw Andrew Marshall Michael Steele
Company secretary	Barbara Harbinson	Barbara Harbinson
Chief executive	Barbara Harbinson	Barbara Harbinson

HALIFAX OPPORTUNITIES TRUST

TRUSTEES' REPORT

For the year ended 31 March 2013

Other relevant organisations	Auditors	Firth Parish, Chartered Accountants 1 Airport West Lancaster Way Yeadon Leeds West Yorkshire
	Bankers	Unity Trust Bank Nine Brindley Place Birmingham West Midlands
	Solicitors	Finn Gledhill 1 - 4 Harrison Road Halifax West Yorkshire

2. STRUCTURE, GOVERNANCE & MANAGEMENT

2.1. Objects of the Charity

The Charity was established as a membership organisation with the following objects registered and approved by the Charity Commission -

to promote any charitable purpose for the public benefit of the inhabitants of the Metropolitan District of Calderdale in the county of West Yorkshire including but not exclusively the area known as West Central Halifax to ensure the regeneration of those areas for the public benefit of the community, by all or any of the following means:

- a) the relief of poverty in such ways as may be thought fit,*
- b) the relief of unemployment,*
- c) the advancement of education, training, or re-training, particularly among unemployed people and providing work experience for the unemployed,*
- d) the provision of financial assistance, technical assistance, business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help in setting up their own business or to existing businesses,*
- e) the creation of training and employment opportunities by the provision of workspace, buildings and/or land for the use on favourable terms,*
- f) the provision of facilities for recreational and leisure time occupation,*
- g) the protection or conservation of the environment,*
- h) the provision of childcare,*
- i) the promotion of public safety and prevention of crime, and*
- j) such other means as may from time to time be determined subject to the prior consent of the Charity Commission*

2.2. Articles of Association

The Articles of Association (last amended 3 April 2008) allow for up to 18 trustees to be appointed and or co-opted to the Governance Board. Of the 18, 6 trustees are to be elected from sectors or organisations relevant to the Charity's purpose and activities, including one nomination from the Local Authority. A further 6 are elected from the Membership and up to 6 individuals can be co-opted. This combination of elected and selected trustees ensures the Charity has the level of skills and expertise it requires to pursue its aims and objectives.

HALIFAX OPPORTUNITIES TRUST

TRUSTEES' REPORT

For the year ended 31 March 2013

2.3. Trustee Induction & Training

New Trustees are given one to one induction support by the Chief Executive prior to their first meeting and from there on they are supported by longstanding trustees

2.4. Strategic Decision Making

The Charity and its subsidiary companies hold formal Board meetings once a quarter to receive management and financial information for scrutiny. Formal agendas are set and clear minutes taken. Each meeting starts with an agenda item reminding trustees to declare any conflict of interest either at the outset of the meeting or at any point during the proceedings. As well as these regular quarterly meetings, ad hoc 'Task and Finish' meetings are held at the request of the trustees and directors to examine specific areas where there is concern or interest. An example of how the Board used this system in the last year was when a special group was formed to look at the needs of the newly arrived Czech Roma communities in Park Ward and how Halifax Opportunities Trust could respond.

There is an overlap between membership of the subsidiary Boards and the Charity Board so that the Group maintains clarity of purpose and the charitable aims of Halifax Opportunities Trust are clearly reflected in the operations of the subsidiary companies. Meetings of the subsidiary companies are scheduled so that they occur a week to ten days before the main Charity Board. This ensures that the trustees of the Charity are receiving information from the subsidiary companies that has been fully examined, interrogated and approved.

2.5. Day-to-day Decision Making

Day to day decision making is delegated to the Management Team through the Chief Executive. The Chief Executive meets with the Chair on a very regular basis to update on all matters relating to the business and seek advice and guidance. All other trustees are appropriately involved, in line with their specific knowledge and skills, outside of formal meetings. Board members are consistently helpful and supportive and at the same time they are challenging without in any way getting too involved in operational issues. The level of knowledge and skills on the Board and its diversity mean that it functions exceptionally well as a strategic body for the Charity. Board members also play a significant role as ambassadors.

The Chief Executive meets with members of the Management Team on a one to one basis in line with the needs of the business and of the individual managers. This system is cascaded through the organisation in a formal supervision and performance management system.

2.6. Business Planning & Risk Management

Key risks to the organisation are identified in the Business Plan which is produced every 5 years but refreshed annually alongside the annual budget setting process. Risks are also identified on a project by project basis. Where the Board of Trustees have decided an activity represents a high risk, a sub group or task group of the Board is established to better understand the risk and monitor progress towards achievements and targets. This was the case when the organisation took on the Worklessness Families payment by results sub contract with EOS in December 2011. This contract has continued to be monitored carefully by both the sub group and the main Board over the last year.

3. OBJECTIVES AND ACTIVITIES

3.1. Poverty, Unemployment & Low Level Skill

The Charity's key priority continues to be the alleviation of poverty in Calderdale with specific reference to the area formerly known as West Central Halifax.

The Board has continually reaffirmed that the way it believes it can best alleviate poverty is through helping people find employment and improving their employability skills (see 2.1 a, b, and c, above). Despite the ever

HALIFAX OPPORTUNITIES TRUST

TRUSTEES' REPORT

For the year ended 31 March 2013

challenging circumstances around accessing funds to adequately cover the costs of delivery, the Charity has been able to maintain employment and learning services at a level that does make a difference. Halifax Opportunities Trust has consistently delivered employment and learning contracts to a very high level of professionalism achieving outstanding and excellent on audit and performance evaluations but more importantly produced excellent outcomes for clients facing the most challenging circumstances.

The current commercial environment around employment and skills contracts is not favourable for small providers. Large 'bulked up' contracts are awarded to large scale multi-faceted commercial organisations to package out through a sub-contracting chain, having first extracted substantial management fees. This means the Charity has delivered some contracts in the last year at break even or at a loss in order to maintain support for our clients. To add to the challenge these contracts are configured on a payment by results basis with the payment being dependent on getting people into long-term sustained employment. The work in this area is challenging but rewarding.

The main contracts in this area in the year were

- the Department of Employment/ European Social Fund (ESF) contract tendered through EOS to support families across Calderdale who are out of work
- the Border Agency and ESF programme, supported by Sure Start in West Central Halifax, to promote Citizenship
- the contract with the West Yorkshire Learning Providers to find Apprenticeships opportunities for unemployed young people

All three contracts were won on a competitive tender basis and have supported between them over 300 individuals and therefore over 300 families.

3.2. Support for People Starting a Business

Encouraging and supporting people to start up in business in Calderdale is also a priority for the Charity (see 2.1 d, and e, above).

This activity is mainly conducted through the two subsidiary property companies, the Elsie Whiteley Innovation Centre and the Hanson Lane Enterprise Centre. Both offer financial support in the form of a substantial rent discount to new businesses on a sliding scale up until 18 months of trading when they are well established. The economic climate has made starting a business a challenge but generally the level of enquiries and tenancy commitments from start ups has been high. This is particularly the case for the office based businesses at Elsie Whiteley. Although the Local Authority withdrew from one and a half floors of the Building at the end of the year we were able to fill the gap in income that resulted as new businesses took up that space.

The position at Hanson Lane Enterprise Centre has not been so positive. There is substantial competition in the light industrial space market and the negative impact empty property rates has had on prices has meant that the Hanson Lane space is finding it difficult to attract new tenants. In response to this a bid has been made to the Big Lottery to cover the cost of a refurbishment programme which would change the emphasis of the businesses that are tenants in the building from light industrial to social businesses focused on care and environmental services. The bid would cover the cost of a substantial refurbishment of the main building which houses most of the Charity's own employment and learning projects. The outcome will be known in 2013/14.

By supporting businesses in Calderdale, especially in the former West Central Halifax area, the Charity is playing a part in keeping the community vibrant, helping entrepreneurs create jobs and bringing former industrial buildings such as the Elsie Whiteley Innovation centre back into sustainable modern employment use. This activity then creates job opportunities in an area of Calderdale where unemployment remains stubbornly high. The emphasis on support for the Creative Industries through the Creative Calderdale network which we run with support from the Local Authority is especially important in this context as it raises the profile of this high value added sector in Calderdale.

HALIFAX OPPORTUNITIES TRUST

TRUSTEES' REPORT

For the year ended 31 March 2013

3.3. The provision of Childcare

A third priority for the Charity, the provision of Childcare, provides day nursery and crèche places but also provides significant support to vulnerable families through outreach services from the 9 Children's Centres we operate on behalf of the Local Authority. In management and administrative terms the last year has been one of turmoil because of the Local Authority's decision to postpone its large-scale commissioning exercise midway in the process. This will now take place next year and although we are confident that we are providing an excellent service the possibility of another provider winning the competitive tender does represent a threat to the Charity as the contract forms a significant part of the Charity's turnover. More importantly though, the way the Charity has been able to link its employment and training services to those of family support has been of great benefit to families.

The Trustees and the staff have been determined not to let the uncertainty around commissioning impact on the quality of services families have come to expect and receive. This has been evidenced by the outcome of the recent OFSTED inspection which graded five of the Children's Centres in our selected 'Group' for OFSTED purposes as being in the category of Good. Halifax Opportunities trust was the second organisation in the Country to achieve this grade under the new inspection framework. The management and staff worked very hard to achieve this outcome which was largely as a result of much innovation and efficiency introduced into the business in the year.

Each year the team operating from the Children's Centres help hundreds of families to improve their lives and the lives of their children by encouraging attitude and behaviour changes and learning. Many of the parents who come to the Centre with significant problems gain new skills and knowledge meaning they no longer need intensive support services. Many parents as a result of the support they have received go on to develop their own careers, often in childcare and family support.

4. FIVE-YEAR STRATEGIC REVIEW

The recent strategic review, part of a five-year review cycle, was commissioned by the trustees to look at three aspects of the business: financial health, governance and operations. The outcome of the review will feed into next year's operations through the resulting action plan. The review first and foremost addressed the immediate issue of financial loss in the group in the last 2 years and looked at actions required to remedy this. Half of the loss in the year was explained by the payment delays resulting from the EOS payment by results contract. As the contract continues into the financial year 2013/14 it is performing reasonably well. The remainder of the loss was a result of poor performance in the property and the employment and training part of the organisation adversely affected by the economic recession.

Following the review action has now been taken to reduce operating costs to a level where the Charity is expected to achieve a break even or better position in 2013/14. The planned restructure is also designed to bring new efficiencies in delivery and a proposal for succession planning at both trustee and at senior management level. As part of the financial and governance review new targets will be set for reserves.

5. PLANS FOR THE FUTURE

The significant employment, learning and skills contracts we currently have in place still have some time to run but meanwhile alternative sources of funding are being pursued so that services continue to be delivered without interruption at a neighbourhood level, whether that be in our community in West Central Halifax or in other disadvantaged communities in Calderdale.

The support offered to businesses from the Elsie Whiteley Innovation Centre continues to achieve the Charity's objectives and many of the entrepreneurs in the centre are growing, prospering and creating jobs for local people. The majority of the Centre's growth is as a result of the expansion of existing tenants and this is especially marked in the creative and digital industries. The Centre uses its conferencing facilities and Creative Calderdale events to attract new people to the Centre and this has been a cost effective and effective marketing strategy. As tenancies have continued to increase despite the poor economic conditions in the past few years we expect to have reached maximum levels of occupancy at Elsie Whiteley within the next 2 years.

HALIFAX OPPORTUNITIES TRUST

TRUSTEES' REPORT

For the year ended 31 March 2013

Hanson Lane plans for the future are subject to substantial funding applications which are increasingly difficult to secure. Alternative plans should the funding not be forthcoming are being examined by the Directors of the subsidiary. The directors and the trustees of the Charity are convinced that converting the Centre into a social, care and environmental hub is the way forward that will not only achieve financial sustainability but also provide greatest benefit to the community.

Plans for the delivery of Childcare provision and related services is largely dependent on the outcome of the Local Authority Commissioning exercise due to start in November 2013 and be concluded by July 2014. To support the Charity in its submission of a tender external experts have been commissioned using Social Investment Bank grant funding. This will give the Charity a good chance of winning the tender against large organisations with a national profile. It will also provide the expert support required in examining and assessing issues of risk such as TUPE transfer. Should the tender not be awarded to Halifax Opportunities Trust then care has already been taken to make sure that the Charity can continue to operate without this part of its activities.

6. PUBLIC BENEFIT

We have complied with the duty in section 17 (5) of the Charities Act 2011 to have due regard for the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

7. STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Halifax Opportunities Trust for the purposes of company law) are responsible for preparing the Trustees' 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 apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that 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 auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

8. AUDITORS

A resolution proposing that Firth Parish be reappointed as auditors of the company will be put to the members at the Annual General Meeting.

HALIFAX OPPORTUNITIES TRUST

TRUSTEES' REPORT

For the year ended 31 March 2013

9. SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the small companies regime (section 419 (2) of the Companies Act 2006), following the best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) updated June 2008, applicable UK Accounting Standards and the Charities Act 2011.

Approved on behalf of the Board of Trustees on 14 November 2013 by

Mr M Aslam
Trustee

