

Charity Registration No. 1086183

Company Registration No. 04089288 (England and Wales)

HALIFAX OPPORTUNITIES TRUST

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

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HALIFAX OPPORTUNITIES TRUST

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**HALIFAX OPPORTUNITIES TRUST
TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2015**

HALIFAX OPPORTUNITIES TRUST

Trustees' Annual Report for the year ended 31 March 2015

The trustees present their report and the financial statements for the year ended 31 March 2015.

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:	04089288
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 BEM MBE (Chair)	Dr Fiaz Farooq	Councillor Faisal Shoukat (appointed 28 May 2015)
Russell Earnshaw (Vice Chair)	Rahat Khan	Dr Jill Farrington (resigned 5 January 2015)
Rev Hilary Barber (Vice Chair)	Sally Morrell	Councillor Martin Burton (resigned 28 May 2015)
Jenny Lynn (Company Secretary)	Richard Hemblys (Treasurer)	
Tanvir Bostan	Khalid Saeed	
Shabir Hussain	Michelle Gaffaney	

The Chief Executive of the Charity during the year was, and continues to be, Barbara Harbinson.

The Charity operates two wholly owned trading subsidiaries. They are:

Company name:	Hanson Lane Enterprise Centre Ltd	Elsie Whiteley Innovation Centre Ltd
Date of incorporation:	23 November 2000	15 June 2006
Company number:	04113550	05847775
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 Michael Steele Michelle Gaffaney Richard Hemblys	Mohammed Aslam Andrew Backhouse Russell Earnshaw Michael Steele Michelle Gaffaney Richard Hemblys
Company secretary:	Barbara Harbinson	Barbara Harbinson
Chief executive:	Barbara Harbinson	Barbara Harbinson

1. DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS (continued)

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 AND MANAGEMENT

2.1 Structure

The Charity Halifax Opportunities Trust (HOT) was formed in 2000 and has been operational since April 2002. It was established as the successor body for a Government funded regeneration programme in the Park Ward area of Calderdale. HOT is a membership organisation. Its trustees are elected from the membership, from local businesses and from the community as laid out in the Memorandum and Articles of Association.

HOT's charitable work was for its first few years primarily focused on the Park Ward area of Calderdale but increasingly it is now operating across the whole of the borough, building working relationships with private, public, voluntary and community sector organisations to provide services in other communities.

HOT operates from two commercial properties held on long term peppercorn leases from Calderdale Council. They are used as a base for HOT's charitable activities and are also let to local businesses to promote and encourage local business growth. The property interests are managed by two wholly owned subsidiary companies, Hanson Lane Enterprise Centre Ltd and the Elsie Whiteley Innovation Centre Ltd. For this reason HOT produces consolidated accounts.

2.2 Governance

HOT is a registered charity and a company limited by guarantee. Board members are therefore both trustees of the charity and company directors. There are currently five nominated trustees, six trustees elected from the membership and three co-opted because of the skills they bring. The nominated and elected trustees serve for a maximum of fifteen years and the co-opted trustees are co-opted annually. Elected trustees are elected by the HOT membership at the AGM. Appointed and co-opted trustees are appointed by the Board. All new trustees receive an induction pack and complete a 'Register of Interests' document. They are also provided with opportunities for governance and sector specific training and development.

The Charity's Board and the subsidiary boards meet quarterly. In addition to these meetings special purpose task and finish groups and focus groups are often formed to meet specific needs. These meetings take place between formal board meetings to explore issues in depth and help trustees and directors better understand the changing environment in which the organisation operates. Any such groups report back to the full Board.

In August 2013 the Board carried out one of its five yearly strategic reviews. As part of this process external experts looked at Finance, Governance and Operations ensuring HOT's business and business model was fit for purpose and could achieve the Charity's objectives in the face of increasingly difficult financial circumstances at that time. This review resulted in a clearer operational structure and introduced measures to control overheads and core staffing costs. The next full review will be due in 2018.

2.3 Management

There is an experienced senior management team at the core of the organisation that meets regularly. The team is led by a Chief Executive. The Chief Executive and the Operational Managers report directly to the Board at the quarterly Charity and subsidiary board meetings. The management team attend the board meetings where they present comprehensive written reports, respond to any questions and provide further information as required.

3. OBJECTIVES AND ACTIVITIES

3.1 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 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.

The Charity's purpose is to carry out activities that relieve poverty and unemployment, advance education and training, particularly among unemployed people, including the provision and creation of training and employment opportunities and the provision of childcare. To achieve this Halifax Opportunities Trust has and continues to:

- provide support for business and enterprise development through the two enterprise premises
- provide facilities for learning in both classroom settings and through computer based activity
- provide assistance for job seekers by working with employers and through employment support initiatives
- provide childcare and family support through the Halifax Central and Upper Valley Area Children's Centre's and other projects

The Board reviews the Charity's objectives and areas of operation periodically. They are currently committed to pursuing measures which have a positive economic impact on the lives of the community around Park Ward and the wider area of Calderdale as a whole. It is agreed that priority interventions should continue to fall into four main areas:

- Supporting enterprise, business start-up and growth
- Helping community members into employment
- Supporting and delivering training and personal development
- Supporting families through a range of activities within the local Children's Centres
- Supporting and promoting health and wellbeing

**HALIFAX OPPORTUNITIES TRUST
TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2015**

3.1 Objects of the charity (continued)

The Board has agreed over the past year that as a result of clearly identified need the Charity will look for opportunities to work with the community and partners to improve short and long term health outcomes, especially in the Park Ward area where health is generally poor. This area of work builds and expands upon our experience working with families in the Children's Centres.

Trustees believe the strategy for achieving these objectives should continue to be through programme and project delivery using a social enterprise model and that this should be achieved on either a contracted full cost recovery basis or through commercial trading activities, thereby allowing the infrastructure of the Charity to be maintained whilst achieving the designated charitable objectives. In the past year with the continued pressure being felt by communities as a result of public spending cuts, the trustees have re-affirmed these aims and objectives and the method the Charity should use to achieve them.

The Charity's main programmes, projects and services are:-

(1) Supporting enterprise, business start-up and growth

This is mainly achieved through activities in the Hanson Lane Enterprise Centre and the Elsie Whiteley Innovation Centre. Both facilities offer business accommodation along with advice and guidance services for businesses in Park Ward and the wider Halifax and Calderdale areas. The Charity itself offers a grant to start up and early trading businesses, subsidising their rent. These centres also act as a focal point for physical regeneration and community cohesion in Park Ward. The introduction of the Creative Calderdale network in 2010, a joint venture between the Elsie Whiteley Innovation Centre and Calderdale Council has been a resounding success helping the Charity and its subsidiaries give a real push to this objective.

(2) Helping community members into employment

The Trust provides professional and practical support for people looking for employment, especially those who are disadvantaged in the labour market. The Trust provides skills training, confidence building, volunteering opportunities as well as career advice and guidance and works closely with local employers through the delivery of job matching services to support unemployed people back into work.

(3) Education and Training

The Trust directly delivers and commissions the delivery of a range of certificated and non-certificated training programmes including employment related short courses, professional development support, ESOL and citizenship training, apprenticeships and programmes especially for those working in the childcare profession. This training is mostly delivered from the Hanson Lane Centre, trainees' workplaces and other community venues. There are four training rooms at Hanson Lane, three of which are multi-purpose rooms equipped with the latest ICT training aids. There are an additional eight training and conference rooms at the Elsie Whiteley Innovation Centre.

(4) Childcare and Family Support

The Charity has developed and delivered a range of community based services for families with young children in the Central Halifax area for many years. These services, operating from a range of neighbourhood Children's Centres, have for some years been delivered in partnership with Calderdale Council. The Centres are busy and informative venues and are particularly well used by women in the community. Centres support families in many ways, helping them improve their health, parenting, employability, and employment, their education and family safety. OFSTED inspections have so far all resulted in good and outstanding judgments.

3.2 Public benefit

The trustees confirm that they have each complied with their duty under section 17 (5) of the Charities Act 2011 to have due regard to the guidance on public benefit published by the Charity Commission when carrying out their role and duties.

The trustees believe that public benefit has been achieved through the provision of support to local businesses, individuals, community members and families via a diverse programme. This has provided multiple economic, social, and environmental benefits to the individuals reached by the Charity's activities. More detailed examples of the Charity's public benefit impact are set out in this report.

4. REVIEW OF ACTIVITIES FOR THE YEAR

The Trust has met all of its contractual objectives as specified by the various funding bodies in the year and in many cases has overachieved.

Our main objectives for the year, strategies for achieving the objectives, and activities were as follows:

- (1) Supporting enterprise, business start-up and growth

The Elsie Whiteley Innovation Centre is the Charity's high quality office and conference space located on the edge of Park Ward boundary and adjacent to Halifax Town centre. This refurbished textile mill was a £6m partnership development in association with the local authority and was developed to help bring jobs and prosperity to the area. It continues to host a vibrant business community and has been particularly active in the year in supporting digital and creative business growth.

The building continues to evolve to meet changing demands and this year more accommodation was refurbished to house the ever growing need for conference and training space in Halifax. Although the general economic climate has been challenging for a number of years this situation has now improved. Enquiry levels and take up of conference and office space has been high this year and the Centre has been buzzing with tenants and meeting and conference delegates using the atrium and other common spaces for business meetings and as a drop in point to access free Wi-Fi.



Office occupied in the Elsie Whiteley Innovation Centre

The Elsie Whiteley Innovation Centre continued to make a good financial contribution to the group. Following professional advice and taking into account the recent change in the Charity Commission's guidance on payment of gift aid by subsidiaries to their parent charity, the Board agreed to reverse such payments made by the subsidiary and reversed the gift aid payment of £52,592 in the 2013/14 financial statements relating to financial year 2012/13. The Board believes that the subsidiary will return to a position from which gift aid payments can be made to the parent charity by the end of the next financial year.

4. REVIEW OF ACTIVITIES FOR THE YEAR (continued)

Creative Calderdale is a sector network for digital and creative industry businesses and operates from the Elsie Whiteley Innovation Centre. With continuing financial support from the local council, Creative Calderdale provides focus and profile for this growing business sector, encouraging businesses to collaborate, innovate and grow.



Networking at a recent Creative Calderdale event

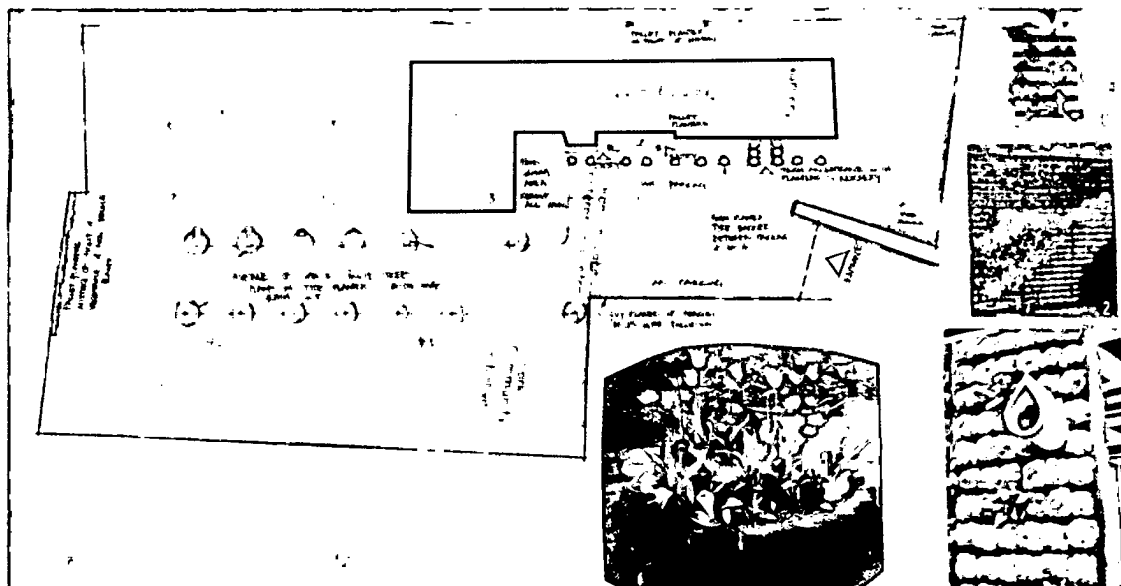
In the year Creative Calderdale ran a number of inspirational master classes featuring industry relevant speakers, ran topic specific workshops under the Café Create brand, produced regular newsletters and supported and developed its interactive website. The strategic leadership of Creative Calderdale was put in the hands of the Creative Industry professionals themselves last year and this model has proved to be a successful one with creative business leaders taking control of the shape and the content of the network. The paid membership model has been developed and membership numbers have increased in line with targets. Creative Calderdale has now reached a position where it is truly sector lead.



Creative Calderdale talk being held in the Elsie Whiteley Innovation Centre conferencing space

4. REVIEW OF ACTIVITIES FOR THE YEAR (continued)

Hanson Lane Enterprise Centre has been in need of significant investment for some time to bring it up to present day standards. The roof of the main building has been in a very bad state of repair and the general fabric inside and out is tired and in some cases in poor condition. A couple of years ago a bid was put together to the National Lottery under their Reaching Communities programme for £500,000 to refurbish the whole site. Unfortunately the bid was turned down at the final stage. Undeterred, a project team made up of all stakeholders met to look at alternative means of bringing about a transformation. These productive meetings resulted in the production of a long term development plan which is now being implemented successfully. It offered a scaled down but interesting refurbishment proposal.



Drawing showing the initial design for the Hanson Lane Enterprise Centre and the finished results

A replacement roof has been commissioned in the year and a low cost but impactful environmental improvements scheme is changing the appearance of the building and the site. This ongoing activity has also raised staff, user and tenant moral.

Tenancy enquiries have been low but increased in the final quarter of the year. One new business, and a new social enterprise have come to the site and the Charity itself has started refurbishing a vacant unit to create a commercial catering kitchen which will produce healthy, nutritious meals for local schools.

4. REVIEW OF ACTIVITIES FOR THE YEAR (continued)

(2) Helping community members into employment

HOT has continued to be a strong provider of services to the unemployed in the Park Ward and the wider Calderdale area, concentrating on helping those who are most disadvantaged in the labour market find work. Department of Work and Pensions (DWP) Families with Multiple Problems worklessness focused contract has funded most of this activity with HOT delivering as a sub-contractor to Avanta, a 'prime' provider. This contract enabled HOT to deliver services across the whole of Calderdale. The contract fits well with HOT's Children's Centre work, focusing as it does on helping the most needy households in the borough find work. It is however due to finish in the first half of 2015.

In the year HOT was awarded another cross Calderdale employment contract this time focused on supporting the long term unemployed coming off the DWP Work Programme, helping them improve their employment chances by providing work experience opportunities through community volunteering. Taking the decision to hold this contract was not something the trustees did lightly as the contract carries with it the power to sanction individuals who do not participate. After full consideration the Board reached a decision that by delivering the contract in an ethical way and a way that gave full consideration to the welfare of individuals, the Charity would be able to help long term unemployed people move closer or into employment better than other less value driven providers. This has been a challenging but successful contract to deliver and has indeed changed many lives for the better. It has also provided the Charity with an opportunity to build its capacity and further sustain its important work in supporting disadvantaged unemployed individuals secure employment.



Participants on the DWP programme

4. REVIEW OF ACTIVITIES FOR THE YEAR (continued)

(3) Employment and Training

Apprenticeships and in-work training programmes continued to perform very well both for employees and their employers. Inspections by OFSTED confirmed that the quality of the Charity's delivery is excellent and this area of work has made a good financial contribution to the Charity's unrestricted reserves in the year. As part of this work the Charity was reassessed for MATRIX accreditation, the industry quality standard for those giving career advice and guidance. The inspection outcome was positive and accreditation renewed.

The Home Office funded Integration focused programme has continued to allow us to help support new and recently arrived third country nationals to the country with their English and Citizenship.



Participants on a taught course as part of the Home Office funded Integration programme

It is jointly funded by our Children's Centres. This work is highly regarded and has continued to make an ever bigger impact in the community around Park Ward and the borough as a whole. It has helped improve the lives of over 60 families this year as well reducing the burden on many public sector agencies as a result of the reduction in translation and interpretation costs and improved understanding in the community of the role and use of public services. It comes to an end in June 2015 and the status of further funding is uncertain.



Participants from the Home Office funded Integration programme

4. REVIEW OF ACTIVITIES FOR THE YEAR (continued)

(4) Childcare and Family Support

The commissioning of the Children's Centres by the Local Authority has been a topic of discussion since 2012. The initial delay of 12 months gave HOT time to identify funding to assist the organisation to be ready to complete the tendering process. With the support of Social Investment Bank and Locality we were able to attract £70,000 of grant to help put in place quality systems, learn how to write a good tender and understand the financial and personnel implications of taking on a £10m contract. The tendering process commenced with the Pre-qualification Questionnaire in November 2013 and the Invitation to tender in January 2014. Our tender submission was successful and we were awarded a three year contract with effect from 1 July 2014, with an option to extend for a further two years. The contract consists of delivery of services in 11 Children's Centres in Calderdale ranging from Todmorden in the west to Southowram in the east, along with the running of three nurseries formerly under the management of Calderdale Council, with an expectation that the deficits for the nurseries are reduced over a three year period.



Little Stars Children's Centre at Parkinson Lane



New Road Children's Centre (left) and Todmorden Children's Centre (right)

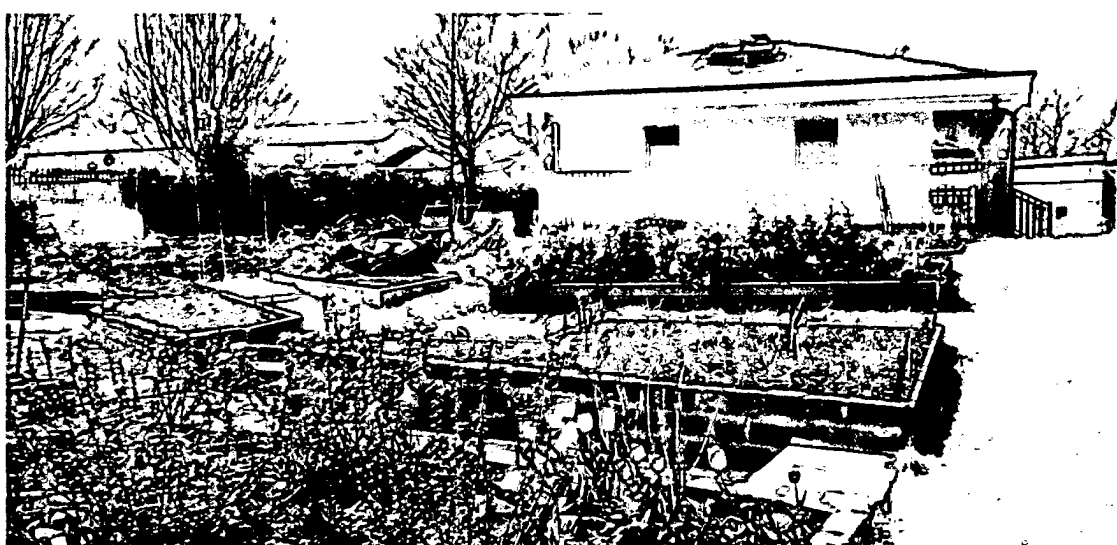
4. REVIEW OF ACTIVITIES FOR THE YEAR (continued)

Since 1 July 2014 we have TUPE'd over 100 staff to HOT, put in place actions to improve services for families, restructured budgets to make savings through operational efficiencies, increased occupancy in the day care and reduced costs. We are performing well within the budgets we developed in our tender proposal and the staff have responded well in what was for them a challenging time. There is a changed atmosphere and culture amongst the workforce reflecting an environment which is receptive and encouraging of entrepreneurship and innovation.



Participants in the Dads group activities held at Jubilee Children's Centre

The Outback, our community organic garden and community kitchen project has been well used and busy over the year. It has housed everything from cook and taste and cooking on a budget classes to picnics, parties and educational visits. This is a magnificent facility which is starting to generate income in its own right. As obesity and ill health linked to poor diet are increasingly being identified as a priority in Park Ward, the Outback kitchen and garden are a focal point for linking nutrition to health.



The Outback organic garden and community kitchen

5. GENERAL

In general the Trust has built up an excellent reputation over the past 15 years as a high quality and reliable community based delivery partner in the regeneration field. In view of the Trust's performance it is increasingly approached as a preferred partner for public and private sector partnership programmes. This quality delivery sits alongside a robust framework of financial management, reporting and tracking.

The Trust continues to invest in staff training at all levels.

6. FUTURE COMMITMENTS

The terms and conditions of the Children's Centre contract resulted in possible future commitments for the Charity in relation to staff and pension costs. Possible obligations arising as a result of the contract were considered in detail by the Trustees during the tender process including appropriate meetings and sub-committees to analyse the information as far as available.

The initial contract is for three years from 1 July 2014 with the option to extend for a further two years.

As at 31 March 2015 under the FRS 17 (Retirement Benefits) disclosure requirement, the Charity has recognised a pension liability on the balance sheet of £917,000 in relation to the Children's Centre contract (see note 22 of the financial statements for further details). This is the difference between the fair value of the assets and the present value of the defined benefit obligation as valued under FRS 17 and using the assumptions presented to the Trustees in the actuary's report.

The Trustees have every expectation that the Children's Centre contract will be renewed by the Local Authority at the end of the current three year term. Should there be a re-tender, as the successful current provider the Board believe HOT would be well placed to win any new contract. If we were unsuccessful then both the staff and pension obligations would pass to the new contract holders.

If for any reason the contract were to end completely in July 2017 then a pension obligation would be payable by the Charity to the pension fund and the Charity would be committed to the redundancy costs of all staff under the contract. The pension obligation in this situation would be based on the ongoing valuation basis and not the FRS 17 disclosure amount. The redundancy cost would be dependent on a number of factors and assumptions at the time of termination including duration of service, age of employees and salaries. After the first year of the contract the Trustees are pleased to report that no redundancies have been made.

If economic pressures on the Local Authority prevented the continuation of the contract on the current basis then a more likely scenario would be that the Charity would go into the two year extension period with a smaller contract which may involve some redundancies. It is expected that these would be dealt with by natural wastage over the extension contract period.

Aside from the annual accounting valuation under FRS 17, the pension scheme is also valued on an ongoing basis every three years, with the next valuation date scheduled for 31 March 2016. It is after this valuation that the scheme provider would decide whether any additional contributions would be needed to close any gap between the asset value and estimated obligation.

The Trustees do not anticipate any substantial increases to the contribution level as a result of this valuation, however this is subject to market conditions at the time of valuation. If any further contributions were required this would be negotiated with the scheme provider and any increases would not commence until 1 April 2017.

The Trustees plan to improve the reserves position through the generation of surpluses as budgeted.

The recognition of the pension scheme deficit in the Balance Sheet has resulted in the Charity itself showing a deficit of reserves at 31 March 2015. As mentioned above this pension deficit is not payable within the foreseeable future (12 months from date of this Report) and the Charity will be able to continue operating as normal during this period and the accounts have therefore been prepared on a going concern basis.

7. RESERVES POLICY

Reserves are required by the charity because there is a need to match variable future income with fixed commitments, grants are often received after the relevant expenditure has been paid out, and the Trust at times supports certain projects beyond the life of specific funding or bridges between contracts.

In view of this, the trustees aim to maintain general reserves at a level equivalent to two years of unrestricted fund net expenditure, based on the budget agreed. Based on the 2015/16 budget, the general reserves should be £1.843 million (excluding the net expenditure in relation to the Sure Start contract from 1 July 2014). However general reserves as at 31 March 2015 were £474,676. The trustees expect to increase reserves to the required level over the next eight years due to projected surpluses over that period. The reserves policy is based on the Charity's consolidated figures.

8. INVESTMENT POLICY

Under the Memorandum and Articles of Association the trustees have the power to make any investment they see fit. The trustees have chosen to hold all cash balances in interest bearing current accounts with Unity Trust Bank PLC.

9. PLANS FOR FUTURE PERIODS

(1) Supporting business start-up and growth

The Charity plans to build on the regeneration and economic opportunities presented by the Elsie Whiteley Innovation Centre, and spin off developments, strengthening the Trust's profile as both a regeneration delivery organisation and reliable social enterprise partner. In the Elsie Whiteley Innovation Centre staff will continue to promote the centre through exposure at events and public relations opportunities to attract appropriate digital and creative small and medium sized businesses with an emphasis on startup businesses and young entrepreneurs. As the public resource available for hands on business support diminishes it is anticipated that this will increasingly be achieved through collaboration and partnership with partner organisations such as the local council and the local Chamber of Commerce.

The grants the Charity has offered towards the rent of our business premises have been such an important part of the Elsie Whiteley Innovation Centre and the Hanson Lane Enterprise Centre offers that it is planned this should continue. This grant is given to the businesses by the Charity from its restricted reserves.

There are a number of initiatives in Calderdale delivered by partner agencies that are aimed at helping existing small and medium sized businesses in Calderdale grow. With our limited resources we will be careful not to duplicate but add value to what is already being delivered. Working in partnership will be key to our strategy for business support. Creative Calderdale is currently funded by Calderdale Council on an annual contract and although the continuation of its funding is uncertain we will make every effort to continue to provide this facility which is so valued by the creative and digital sector.

(2) Helping community members into employment and training

Our good relationships with businesses have been fundamental to the success achieved in helping unemployed community members into work. Although the Workless Families contract comes to a close in July 2015 we have continued to support the unemployed through the JCP community volunteer programme which will continue into 2016. We are hoping we will be able to develop other activity through the new European Programme which will be launched in the later part of 2015 and that there will be opportunities for us there. Using whatever funds we can secure we will try and expand this much needed area of our work in the coming year.

We hope to expand our range and scope of training programmes which are unique in being delivered from a community base. We plan to expand this area of our operation funding permitting.

A catering unit is being created at Hanson Lane which will provide healthy food for the children at our own nurseries and local primary schools making sure that every child gets at least one good meal a day. This is due to open in September 2015. The concept has been well received, a business plan is in place and has been approved by a task and finish group of the Board and three contracts have already been secured.

9. PLANS FOR FUTURE PERIODS (continued)

(3) Childcare and family support

The Trust will continue to deliver childcare and family support through its contract with Calderdale Council in line with the proposals it outlined in its tender. In addition partnerships with health providers and local schools will be developed using the Outback community garden and kitchen as vehicles to help promote and educate families on the value of healthy eating.

(4) Keeping the Community Healthy

In the year the Trust was awarded a contract by Calderdale Council which focused on keeping the older members of the community active and well. Staying Well allowed us to create a healthy lifestyle hub for the older members of the Park Ward community at Hanson Lane in the former Conference Room. This work started in the current year and will continue into 2015/16. Staying Well aims to bring together vulnerable and elderly residents and give them encouragement and practical support so that they can put in place activities which help them become more active and more socially integrated, keeping them safe, engaged, and involved in positive activities. The funding for this originated from the local CCG (GP fund holders). Their objective in funding the new initiative is to keep their patients out of hospital and out of care.

(5) Management and Governance plans

Succession issues within the Board have been addressed in the year as four longstanding trustees retire in October 2015. Two new trustees were appointed in 2013 and a selection panel met in June 2015 to identify more suitable new board members. This activity produced a long list of strong candidates for Board membership, more than are required, and it is an indication of high esteem and good reputation the Trust maintains within the community.

**HALIFAX OPPORTUNITIES TRUST
TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2015**

10. 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.

11. AUDITORS

In accordance with recommended governance practices and to ensure best quality service and value for money are achieved by the Charity, the Board have decided the audit will go out to tender every three to five years. Firth Parish will be invited to retender alongside a selection of registered audit firms from the local area and will hold office until that process is complete.

12. 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 22 October 2015 by:

Mr M Aslam
Trustee



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 2015 set out on pages 18 to 35. These accounts have been prepared in accordance with the accounting policies set out on pages 21 and 22. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with with Chapter 3 of Part 16 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 Trustees' Responsibilities Statement on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on 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 (APB'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 2015 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 applicable to smaller entities;
- have been prepared in accordance with the Companies Act 2006.

Emphasis of matter - Going concern

Without modifying our opinion we draw attention to the disclosures made in note 1.1 regarding going concern.

In forming our opinion we have considered the adequacy of the disclosures made regarding the charitable company's ability to continue as a going concern. The group's liabilities exceed its assets by £356,142 and the company's liabilities exceed its assets by £395,031, however the liabilities include £916,000 in respect of a defined benefit pension scheme. This pension liability is based on professional actuarial valuations as required under FRS 17. The liability is not expected to crystallise in the foreseeable future and the charitable company can make up the deficit by increased contributions over a number of years. This figure is also subject to large changes depending on investment performance year on year. The Trustees have prepared detailed financial plans which demonstrate that the charitable company is able to meet its liabilities as they fall due and therefore they consider that the group and charitable company can continue as a going concern.

The negative reserves represent a material uncertainty which may cast significant doubt over the charitable company and group's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the company and group were unable to continue as a going concern.

HALIFAX OPPORTUNITIES TRUST

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF HALIFAX OPPORTUNITIES TRUST

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.

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, take advantage of the small companies' exemption in preparing the trustees' report and take advantage of the small companies' exemption to prepare a strategic report.

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

22 October 2015

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 2015

	Notes	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Incoming resources from generated funds					
Voluntary income	2	3,140,470	590,369	3,730,839	1,820,046
Activities for generating funds	3	471,440	-	471,440	484,055
Investment income	4	490	-	490	607
Other incoming resources	6	163,977	-	163,977	99,748
Total incoming resources		3,776,377	590,369	4,366,746	2,404,456
Resources expended					
Commercial trading operations	7	450,669	-	450,669	459,102
Charitable activities	8	2,886,507	573,462	3,459,969	1,553,710
Governance costs	9	287,724	-	287,724	275,391
Transfer of pension scheme		528,000	-	528,000	-
Total resources expended		4,152,900	573,462	4,726,362	2,288,203
Net incoming resources before transfers		(376,523)	16,907	(359,616)	116,253
Transfers		7,303	(7,303)	-	-
Taxation		(9,084)	-	(9,084)	(20,072)
Net incoming resources before other recognised gains and losses		(378,304)	9,604	(368,700)	96,181
Other recognised gains and losses					
Actuarial profits /(losses) on defined benefit pension schemes		(350,000)	-	(350,000)	20,000
Net income/(expenditure) for the year		(728,304)	9,604	(718,700)	116,181
Total funds brought forward	20 and 21	286,980	75,578	362,558	246,377
Total funds carried forward		(441,324)	85,182	(356,142)	362,558

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 2015**

	Notes	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
<u>Incoming resources from generated funds</u>					
Voluntary income	2	3,140,470	590,369	3,730,839	1,767,454
Investment income	4	2,323	-	2,323	2,691
Other incoming resources	6	212,330	-	212,330	149,528
Total incoming resources		3,355,123	590,369	3,945,492	1,919,673
<u>Resources expended</u>					
Charitable activities	8	2,924,958	580,765	3,505,723	1,645,195
Management costs	9	283,884	-	283,884	271,551
Transfer of pension scheme		528,000	-	528,000	-
Total resources expended		3,736,842	580,765	4,317,607	1,916,746
Net incoming resources before transfers		(381,719)	9,604	(372,115)	2,927
Transfers		-	-	-	-
Net incoming resources before other recognised gains and losses		(381,719)	9,604	(372,115)	2,927
<u>Other recognised gains and losses</u>					
Actuarial gains/(losses) on defined benefit pension schemes		(350,000)	-	(350,000)	20,000
Net income/(expenditure) for the year		(731,719)	9,604	(722,115)	22,927
Total funds brought forward	20 and 21	251,506	75,578	327,084	304,157
Total funds carried forward		(480,213)	85,182	(395,031)	327,084

All incoming resources and resources expended derive from continuing activities.

HALIFAX OPPORTUNITIES TRUST**BALANCE SHEET****AS AT ENDED 31 MARCH 2015**

	Notes	GROUP 2015 £	2014 £	CHARITY 2015 £	2014 £
Fixed assets					
Tangible assets	13	43,195	69,014	31,440	40,117
Investments	14	-	-	101	101
		43,195	69,014	31,541	40,218
Current assets					
Debtors	15	313,287	284,490	280,134	206,325
Cash at bank and in hand		893,214	312,743	798,331	270,222
		1,206,501	597,233	1,078,465	476,547
Creditors: amounts falling due within one year	16	(689,838)	(312,689)	(589,037)	(198,681)
Net current assets		516,663	284,544	489,428	277,866
Net assets excluding pension liability		559,858	353,558	520,969	318,084
Defined benefit pension scheme liability	22	(916,000)	9,000	(916,000)	9,000
Net assets		(356,142)	362,558	(395,031)	327,084
Income funds					
Restricted income funds	21	85,182	75,578	85,182	75,578
Unrestricted income funds	20	474,676	277,980	435,787	242,506
Pension reserve	20	(916,000)	9,000	(916,000)	9,000
Total funds		(356,142)	362,558	(395,031)	327,084

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 22 October 2015

Mr M Aslam
Trustee

Charity Registration No. 1086183
Company Registration No. 04089288 (England and Wales)

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

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.

Following the valuation of the pension schemes under FRS 17 (Retirement Benefits) the Charity has recognised a pension scheme deficit of £916,000 on the Balance Sheet. This has resulted in a deficit on the Charity's total reserves of £395,031 as at 31 March 2015. Notwithstanding the deficit on reserves the Trustees have prepared the accounts on a going concern basis. This pension scheme deficit is not payable in the foreseeable future (12 months from the approval of these financial statements) and the Trustees believe that the Charity will be able to continue operating as normal and meeting all its liabilities as they fall due. Therefore the Trustees consider that the going concern basis is appropriate.

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 (SoFA) 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 government grants, are credited to deferred income. Grants towards capital expenditure are released to the SoFA over the expected useful life of the assets. Grants towards revenue expenditure are released to the SoFA as the related expenditure is incurred.

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.

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

1 Accounting policies (continued)

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.

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 SoFA. 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 2015

2 Voluntary income

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Group				
National and local government contracts	3,140,470	590,369	3,730,839	1,818,976
Other donations	-	-	-	1,070
	<u>3,140,470</u>	<u>590,369</u>	<u>3,730,839</u>	<u>1,820,046</u>
Charity				
Donations from subsidiary undertakings	-	-	-	(52,592)
Other donations	-	-	-	1,070
National and local government contracts	3,140,470	590,369	3,730,839	1,818,976
	<u>3,140,470</u>	<u>590,369</u>	<u>3,730,839</u>	<u>1,767,454</u>

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Group				
Commercial trading operations				
Hanson Lane Enterprise Centre	88,758	-	88,758	76,426
Elsie Whiteley Innovation Centre	382,682	-	382,682	407,629
	<u>471,440</u>	<u>-</u>	<u>471,440</u>	<u>484,055</u>

4 Investment income

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Group				
Bank interest receivable	490	-	490	607
Charity				
Investment loan interest receivable	1,920	-	1,920	2,160
Bank interest receivable	403	-	403	531
	<u>2,323</u>	<u>-</u>	<u>2,323</u>	<u>2,691</u>

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

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

	2015 £	2014 £
Summary of trading results:		
Turnover	121,056	120,402
Total expenditure	(128,556)	(125,076)
Other income	596	601
Net loss for the year before tax	(6,904)	(4,073)
Current tax	1,381	815
Loss for the year	(5,523)	(3,258)

The assets and liabilities of Hanson Lane Enterprise Centre Limited were:

Assets	59,848	53,566
Liabilities	(32,103)	(20,298)
Funds	27,745	33,268

Elsie Whiteley Innovation Centre Limited

Provision of high quality modern workspace to support enterprise and business growth, in particular within the digital and creative sectors

	2015 £	2014 £
Summary of trading results:		
Turnover	410,065	424,561
Total expenditure	(376,226)	(389,806)
Other income	72	56
Net profit for the year before tax	33,911	34,811
Current tax	(10,465)	(21,875)
Amount gift-aided to the charity	-	52,592
Profit for the year	23,446	65,528

The assets and liabilities of Elsie Whiteley Innovation Centre Limited were:

Assets	196,374	159,379
Liabilities	(204,837)	(191,288)
Funds	(8,463)	(31,909)

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

6 Other incoming resources

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Group				
Membership income	70	-	70	80
Miscellaneous income	13,108	-	13,108	2,942
Management and administration income	150,799	-	150,799	96,726
	163,977	-	163,977	99,748
Charity				
Membership income	70	-	70	80
Miscellaneous income	13,108	-	13,108	2,942
Management and administration income	199,152	-	199,152	146,506
	212,330	-	212,330	149,528

7 Commercial trading operations

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Group				
Property management:				
- Hanson Lane Enterprise Centre	126,636	-	126,636	123,156
- Elsie Whiteley Innovation Centre	324,033	-	324,033	335,946
	450,669	-	450,669	459,102

8 Costs of charitable activities

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Group				
Training and advice	143,866	122,782	266,648	274,345
Childcare and family	2,742,641	450,680	3,193,321	1,279,365
	2,886,507	573,462	3,459,969	1,553,710
Charity				
Training and advice	205,763	122,782	328,545	322,706
Childcare and family	2,742,641	457,983	3,200,624	1,290,580
Bad debt provision	(23,446)	-	(23,446)	31,909
	2,924,958	580,765	3,505,723	1,645,195

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

9 Management costs Unrestricted funds

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Wages and salaries	239,676	226,647	239,676	226,647
Employer's NIC	18,620	20,869	18,620	20,869
Pension costs	13,032	7,593	13,032	7,593
Trustee costs	150	-	150	-
Auditors' remuneration	9,723	9,710	5,883	5,870
Legal and professional fees	6,523	10,572	6,523	10,572
	287,724	275,391	283,884	271,551

10 Net incoming resources for the year

	Group	
	2015	2014
	£	£
Net incoming resources is stated after charging:		
Depreciation	31,034	35,011

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

11 Employees

Employment costs	2015	2014
	£	£
Group		
Wages and salaries	2,614,197	1,514,619
Redundancy payments	-	5,725
Social security costs	166,527	105,168
Pensions costs	210,811	26,302
	2,991,535	1,651,814
Charity		
Wages and salaries	2,459,492	1,364,690
Redundancy payments	-	2,700
Social security costs	157,866	94,952
Pensions costs	207,871	19,320
	2,825,229	1,481,662

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

Other pension costs above represent the total operating charge included in resources expended in the statement of financial activities and do 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:

	2015	2014
	Number	Number
Group		
Charitable activities	171	96
Administrative	2	3
Governance	1	1
Property management - Hanson Lane Enterprise Centre	3	3
Property management - Elsie Whiteley Innovation Centre	10	8
	187	111
Charity		
Charitable activities	171	96
Administrative	2	3
Governance	1	1
	174	100

No remuneration was paid to any of the trustees, nor were any expenses reimbursed to any of the trustees, during the year (2014 - none).

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

12 Taxation - Charity

Halifax Opportunities Trust's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988 and hence no corporation tax is payable by the charity. Taxation payable by the subsidiary companies is shown in note 16.

13 Tangible fixed assets

Group	Leasehold improvements £	Computer equipment £	Office equipment £	Total £
Cost				
At 1 April 2014	91,996	63,717	186,885	342,598
Additions	-	-	5,215	5,215
Disposals	-	-	-	-
At 31 March 2015	91,996	63,717	192,100	347,813
Depreciation				
At 1 April 2014	71,608	63,717	138,259	273,584
Charge for the year	18,264	-	12,770	31,034
On disposals	-	-	-	-
At 31 March 2015	89,872	63,717	151,029	304,618
Net book value				
At 31 March 2015	2,124	-	41,071	43,195
At 31 March 2014	20,388	-	48,626	69,014
Charity		Computer equipment £	Office equipment £	Total £
Cost				
At 1 April 2014		63,717	70,943	134,660
Additions		-	-	-
Disposals		-	-	-
At 31 March 2015		63,717	70,943	134,660
Depreciation				
At 1 April 2014		63,717	30,826	94,543
On disposals		-	-	-
Charge for the year		-	8,677	8,677
At 31 March 2015		63,717	39,503	103,220
Net book value				
At 31 March 2015		-	31,440	31,440
At 31 March 2014		-	40,117	40,117

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

14 Fixed asset investments

	Charity Subsidiary undertakings £	Total £
Cost		
At 1 April 2014	101	101
At 31 March 2015	101	101
Historical cost as at 31 March 2014 & 31 March 2015	101	101

All fixed asset investments are held within the United Kingdom.

15 Debtors

	Group 2015 £	2014 £	Charity 2015 £	2014 £
Trade debtors	164,732	148,577	60,517	35,039
Amounts owed by group undertakings	-	-	115,134	59,491
Prepayments and accrued income	145,840	133,956	104,483	111,795
Deferred tax asset (see note 17)	2,715	1,957	-	-
	313,287	284,490	280,134	206,325

Included within amounts owed by group undertakings above is £63,537 (2014: £52,091) due after more than one year from Elsie Whiteley Innovation Centre Limited. This amount is repayable in instalments over a ten year period commencing 31 March 2013. An interest rate of 2% of the outstanding balance applies to this loan.

16 Creditors: amounts falling due within one year

	Group 2015 £	2014 £	Charity 2015 £	2014 £
Trade creditors	137,986	108,862	120,878	86,312
Amounts owed to group undertakings	-	-	-	3,718
Other taxes and social security	113,502	32,844	98,357	27,510
Corporation tax	9,842	22,113	-	-
Other creditors	38,569	48,749	-	-
Accruals and deferred income	389,939	100,121	369,802	81,141
	689,838	312,689	589,037	198,681

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

17 Provisions for liabilities

The deferred tax asset is made up as follows:

	2015 £	2014 £
Consolidated statement of financial activities	2,715	1,957
	2015 £	2014 £
Accelerated capital allowances	342	685
Tax losses available	2,373	1,272
	2,715	1,957

18 Contingent liabilities

As a member of a VAT group with its subsidiaries, the charity is jointly and severally liable for the VAT debts of any of the VAT group members.

19 Analysis of net assets between funds

Group	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2015 as represented by:			
Tangible fixed assets	43,195	-	43,195
Net current assets	431,481	85,182	516,663
Provision for liabilities/pension	(916,000)	-	(916,000)
	(441,324)	85,182	(356,142)
	Unrestricted funds £	Restricted funds £	Total funds £
Charity			
Fund balances at 31 March 2015 as represented by:			
Tangible fixed assets	31,440	-	31,440
Investment assets	101	-	101
Net current assets	404,246	85,182	489,428
Provision for liabilities/pension	(916,000)	-	(916,000)
	(480,213)	85,182	(395,031)

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

20 Unrestricted funds

	Group		Charity	
	General funds	Pension reserve	General funds	Pension reserve
	£	£	£	£
At 1 April 2014	277,980	9,000	242,506	9,000
Incoming resources	3,776,377	-	3,355,123	-
Outgoing resources	(4,152,900)	-	(3,736,842)	-
Taxation	(9,084)	-	-	-
Transfers between funds	932,303	(925,000)	925,000	(925,000)
	824,676	(916,000)	785,787	(916,000)
Other recognised gains and losses	(350,000)	-	(350,000)	-
At 31 March 2015	474,676	(916,000)	435,787	(916,000)

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 2014	Incoming resources	Outgoing resources	Transfers between funds	At 31 March 2015
	£	£	£	£	£
Sure Start (up to 30 June 2014)	73,213	344,340	(321,578)	(7,303)	88,672
Little Gems Nursery	-	125,424	(129,101)	-	(3,677)
Neighbourhood Learning for Deprived Communities	368	7,986	(8,167)	-	187
Integrated Calderdale	1,997	112,619	(114,616)	-	-
	75,578	590,369	(573,462)	(7,303)	85,182

Charity	At 1 April 2014	Incoming resources	Outgoing resources	Transfers between funds	At 31 March 2015
	£	£	£	£	£
Sure Start (up to 30 June 2014)	73,213	344,340	(328,881)	-	88,672
Little Gems Nursery	-	125,424	(129,101)	-	(3,677)
Neighbourhood Learning for Deprived Communities	368	7,986	(8,167)	-	187
Integrated Calderdale	1,997	112,619	(114,616)	-	-
	75,578	590,369	(580,765)	-	85,182

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

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 2016 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 contract on behalf of the local authority which ended on 30 June 2014.

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 2015

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.

	2015 £	2014 £
Contributions payable by the group for the year	27,317	15,439

Defined benefits scheme

The charity participates in two pension schemes providing benefits based on final pensionable pay. The assets of both schemes are held separately from those of the charity, and are held and administered by the West Yorkshire Pension Fund. The charity became a participating employer in the second fund (Scheme 2) on 1 July 2014 and acquired net liabilities of £528,000 on that date.

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 for each fund took place as at 31 March 2013. Liabilities as at 31 March 2015 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 for Scheme 1 were:	2015 %	2014 %
Discount rate for liabilities	3.1	4.2
Rate of increase in salaries	3.3	3.8
Rate of increase to pensions in payment	1.8	2.3

The major assumptions used by the actuary for Scheme 2 were:	March 2015 %	July 2014 %
Discount rate for liabilities	3.3	4.2
Rate of increase in salaries	3.4	3.7
Rate of increase to pensions in payment	1.9	2.2

The pension charge for the year for Scheme 1 was £3,000 (2014: £5,000) and for Scheme 2 was £172,000.

HALIFAX OPPORTUNITIES TRUST**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2015****22 Pension and other post-retirement benefits (continued)****Scheme 1**

	2015	2014
	£	£
Value of scheme assets and liabilities:		
Total market value of assets	294,000	269,000
Present value of scheme liabilities	(293,000)	(260,000)
Net pension asset	1,000	9,000
Movement in surplus during the year:		
Surplus/(deficit) in scheme at 1 April 2014	9,000	(14,000)
Current service cost	(10,000)	(11,000)
Interest cost	(11,000)	(11,000)
Expected return on assets	18,000	17,000
Actuarial losses	(7,000)	20,000
Contributions	2,000	8,000
Surplus in scheme at 31 March 2015	1,000	9,000

Scheme 2

	2015	2014
	£	£
Value of scheme assets and liabilities:		
Total market value of assets	2,319,000	-
Present value of scheme liabilities	(3,236,000)	-
Net pension liability	(917,000)	-
Movement in deficit during the year:		
Deficit in scheme at 1 July 2014	(528,000)	-
Current service cost	(188,000)	-
Interest cost	(81,000)	-
Expected return on assets	97,000	-
Actuarial losses	(343,000)	-
Contributions to scheme	126,000	-
Deficit in scheme at 31 March 2015	(917,000)	-

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.

HALIFAX OPPORTUNITIES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

24 Financial commitments

At 31 March 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2016:

	2015 £	2014 £
Land and buildings operating leases which expire: In over five years	2	2
Other operating leases which expire: Within one year	-	13,198
In two to five years	41,925	20,071
	41,925	33,269

25 Related party relationships and transactions

Charity

The charity has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking.

Group

The following related party transactions and balances are included in these financial statements:

	2015 £	2014 £
GNS (Halifax) Limited <i>K Saeed (Charity trustee) is the proprietor</i>		
Rents received	2,840	2,324
Debtor	43	80
Deposit held	190	190
Purchases	54,524	11,600
Creditor	3,723	771
Bluebird Care Calderdale <i>S Hussain (Charity trustee) is the owner</i>		
Sales	4,572	4,574
Purchase	60	1,000
Creditor	6	6
Deposit held	137	137
The Himmat Project <i>R Khan (Charity trustee) is the CEO</i>		
Sales	-	632
Grants committed	-	1,500
Debtor	-	16