

REGISTRAR OF COMPANIES

HCT Group

**Annual Report and
Financial Statements**

31 March 2015

Company Limited by Guarantee
01747483 (England and Wales)

Charity Registration Number 1091318

THURSDAY



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Reference and administrative details of the charity, its trustees and advisers

Trustees	D Barron P Brennan J Heath C Hewitt A Levitt J Moseley OBE (Chair) A.Ross A Whitehead
Chief Executive Officer	D Powell OBE
Secretary	J Smart
Registered office	Ash Grove Bus Depot Mare Street London E8 4RH
Company registration number	01747483 (England and Wales)
Charity registration number	1091318
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank plc 1 Churchill Place Public Sector Team Level 27 London E14 5HP
Solicitors	Bates Wells & Braithwaite LLP 10 Queen Street Place London EC4R 1BE

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HCT Group is a social enterprise in the transport industry, safely providing a range of transport services – from London red buses to social services transport, from school transport to Park and Ride, from community transport to education and training.

We reinvest the profits from our commercial work into high social impact transport services or projects in the communities we serve, such as providing training opportunities for people who are long-term unemployed – making a real difference to people's lives.

The year to March 2015 has been a very exciting year for the group.

As forecast in my last report the group has further improved the profitability during the year which has comfortably exceeded our budgeted expectation.

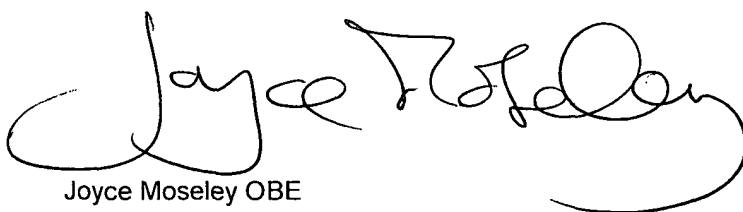
The year could be characterised as building a platform for the future. The improvement in profitability is a direct result of work done in performance management and cost control. This gives a stable foundation for future growth.

At the same time much work has been done to refinance the group and secure suitable premises such that the group can continue on its growth path.

I would like to thank the Board of Directors, the management team and staff across the organisation for their work over the past year, in often challenging circumstances. One of the strengths of HCT Group is the values we have and these values are shared by many of the organisations we work with and the authorities where we work.

I would also like to thank our partners in these organisations and authorities for supporting the delivery and ideas which help improve people's lives.

We set out new objectives in the report and the Directors look forward to meeting them over the next financial year.

A handwritten signature in black ink, appearing to read 'Joyce Moseley', with a large, stylized flourish at the end.

Joyce Moseley OBE
Chair

I am delighted to report that the group has had a very good year in terms of operational performance, profitability and, most importantly, in terms of the impact generated.

The operational performance continues to be impressive by most measures.

- We have grown passenger numbers, in some areas quite significantly; this is against a national trend of declining bus patronage.
- Other performance measures continue to improve, we are consistently in the top quartile of bus operator performance for Transport for London.
- The learning centre has had a record year in terms of the number of people successfully trained and the profitability of the business unit.

The operational performance improvements have led to increased profitability. Whilst turnover is little changed from the previous year, profitability is higher. This is due to the operational performance improvements and very tight cost control and management.

During the year we have restructured much of our property portfolio to ensure that we can meet growth targets for the future.

- In Bristol we have consolidated our three sites into one larger site. This has meant releasing two leases, selling one property (which completed just after year end) and taking out a ten year lease on a larger site which will give us the opportunity to develop our businesses in the area and include a much enhanced training facility.
- Similarly in Leeds, we have negotiated a lease on a larger site which will enable expansion of the West Yorkshire operations. The leases on existing depots will be relinquished as the new site becomes operational during the first quarter of 2015/16.
- The small head office team has relocated to a newly refurbished suite in Shoreditch.
- Having received planning permission, work is expected to commence on the new Walthamstow depot in the summer of 2015. This will give the group opportunity to expand the London operation both with Transport for London contracts and other work.

Regrettably we have closed down our operation in Hull. The end of the commercial park and ride contract which had been awarded by Hull City Council meant that the community transport operation we ran there became unsustainable. In conjunction with our joint venture partners, The Goodwin Trust, we therefore took the decision to close the community transport operation down.

Following a public procurement exercise we have been re-appointed to run bus services on Guernsey. The new contract is for five and a half years, commencing on 1 April 2015.

A lot of work has been done during the year on re-financing the group. In 2010 the group borrowed £4m from various social lenders and these loans fell due in the period 31 March 2015 through to 31 March 2016. We are delighted to have secured additional investment from Big Issue Invest, FSE and the Phone Coop and we are currently in negotiations with other potential investors to complete the refinancing of the group. The refinancing is designed to not only ensure we can repay loans as they fall due but also to enable the

planned expansion of the group to ultimately deliver further impact. As an ethically responsible organisation we endeavour to make sure that our suppliers have similar ethical values, this extends to our suppliers of capital and, as such, we are delighted to be working with our investors old and new.

In addition to working with social lenders we have also reviewed our banking arrangement to obtain best value from our facilities and the cash we hold on the balance sheet. As such we are planning to move banks and expect the transition to be complete by the summer of 2015.

The focus of the organisation remains to deliver social impact, enhancing the lives of people in the communities which we serve. All of our commercial activities are directed to achieving this so the very pleasing commercial results this year make our business and ability to deliver impact more sustainable. I am delighted that our Social Impact Report, which is launched as a companion document to this Annual Report, demonstrates the many achievements we have made and that we have exceeded the Social Impact targets set in the last business plan.

The outlook for the group is encouraging. The existing businesses are performing well and the management structure we have in place should enable that to continue. There are many opportunities for us in both the transport and training areas and our business plan is geared around us making the most of those opportunities to maximise impact. The objectives for the coming year are to finalise the investment programme, to continue to grow the business and thereby deliver more, beneficial social impact for our communities.



Dai Powell OBE
Chief Executive

Trustees' report 31 March 2015

The trustees, who are directors of the charity, present their report together with the consolidated financial statements for the year ended 31 March 2015. This trustees' report has been prepared in accordance with the Charities Act 2011 and is also the report of the directors for purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 20 to 23 and comply with the charity's Memorandum and Articles of Association, applicable laws, and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" (SORP 2005).

Principal aims and objectives

HCT Group, the charity, is a social enterprise with a strong commitment to equal opportunities that operates community transport, other types of passenger transport and other related services.

The objects of HCT Group are for such purposes as may be charitable in law but in particular:

- a) to provide community transport services for people who are in need of such services because of age, sickness, disability (mental or physical) or poverty or because of a lack of availability of adequate and safe public transport; and
- b) the relief of unemployment for public benefit through the provision of training programmes.

The objects of HCT Group are carried out by the holding company and its eight direct subsidiary companies.

Structure, governance and management

HCT Group, is a registered charity and is incorporated as a company limited by guarantee and governed by its Memorandum and Articles of Association. It is managed by its Board of Trustees who are the trustees and directors of the charity. New trustees and directors are selected and appointed for a fixed term of office by the Board.

Board members are proposed by the HCT Group's Governance Committee which seeks to ensure that the Board of Trustees have a broad range of appropriate skills and experience. The board meets at least six times a year.

New trustees are provided with an induction to the charity, which includes an induction pack introducing the organisation and its activities, and outlines the rights and responsibilities of charity trustees. Prior to the first meeting a trustee is introduced to senior staff within the HCT group, requested to sign the Code of Conduct and to make a declaration concerning conflicts of interest. Trustees are invited to visit the organisation whilst services are in operation, and are encouraged to do so throughout their term of office.

Structure, governance and management (continued)

In order to keep our social mission at the forefront of our business decisions, the HCT Group has established four Regional Advisory Committees (RACs) whose membership will include beneficiaries and service users in South West London, North East London and Bristol and Yorkshire. These Committees of up to eight people meet up to twice a year to develop and make recommendations on the allocation of HCT Group's social investment, highlight any regional-specific opportunities to increase our impact and advise on the operation of services in their regions.

RACs are self-governing, with elected members who meet certain criteria - including residing in or working in the specific region. HCT Group staff members are not eligible for membership.

There are two sub-committees of the Board, the Governance and Remuneration Committee which meets once a year and the Audit Committee which meets twice a year.

In addition there is a Social Impact Advisory Committee, which meets twice a year to review our social impact.

The Chief Executive Officer is Dai Powell OBE. He is supported by the Deputy Chief Executive Officer, Jude Winter, the Chief Financial Officer, John Smart and the Operations Director, Jane Desmond. These four postholders are known as the Chief Officers and they form the core of the senior management team, together with the heads of department and project managers.

The Board of Trustees make strategic decisions and the day-to-day operations of the charity are managed by the Chief Officers of HCT Group, delegated to other staff members, as appropriate.

Trustees

The trustees in office during the year were as follows:

Appointed / Resigned	
D Barron	
P Brennan	
E Carr	Resigned 30 November 2014
C Hewitt	
J Heath	
A Levitt	
J Moseley	
A Ross	
A Whitehead	

None of the trustees has or had any beneficial interest in the charity or its subsidiaries.

Objectives and activities

The primary objectives of HCT Group are to provide a community transport services who are in need of such services because of age, sickness, disability (mental or physical) or poverty or because of a lack of availability of adequate and safe public transport, and also the relief of unemployment for public benefit through the provision of training programmes.

HCT Group pursues its primary objectives by securing income on a continuing basis that allows it to provide services which fulfil the criteria set down in its Memorandum and Articles of Association, as stated in the previous paragraph. Income is secured from three primary sources; commercial contracts (via its trading subsidiaries), grant funding and under service level agreements with local authorities and other government agencies. The commercial contracts are with public sector bodies under which HCT Group aims to deliver a service that offers best value, in terms of quality and price, to both service users and its contractors.

The Group is committed to providing a proportion of any profit generated in each of the areas in which it operates to provide services in that area.

The activities of the Group are set out in the Strategic Report.

Statement of trustees' responsibilities

The trustees (who are also directors of HCT Group for the purposes of company law) are responsible for preparing the trustees' report and 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 charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 charity will continue in operation.

Statement of trustees' responsibilities (continued)

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Employees

HCT Group is committed to equal opportunities in its employment practices and encourages the employment of people with disabilities.

Signed on behalf of the board of trustees:



A Whitehead
Trustee

Approved by the board on: 29 June 2015

Statement of public benefit

When setting the objectives and planning the work of the charity for the year the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The HCT Group Social Impact Report gives full details of the work that we do, including statistics of benefits provided to the communities. Rather than re-iterate the text of the Social Impact Report here readers are asked to refer to that document.

We have ended the five year period of our Social Impact targets having exceeded all bar one of the targets, some by a considerable margin. Four key areas of public benefit are set out below.

Transport services

- ◆ Group Transport - We support a wonderfully diverse range of community groups by providing Group Transport – the subsidised, accessible minibuses we have operated since our inception in 1982. They provide transport that allows community group members to travel together for their common purposes.

The social impact of community groups is extraordinary and each has a story to tell. By providing transport we are a part of that story, acting as a critical enabler for the social impact of others. Most of the groups we serve have little or no other means of getting their members out and about.

- ◆ Individual Transport – Through schemes such as YourCar, Dial a Ride, Bristol Car Club and Scootablity we provide individual transport solutions for a wide range of individuals in all of the areas in which we operate.

Education services

- ◆ Training - Our training team's primary purpose is to support long term unemployed residents in our community to gain the skills and confidence they need to access sustainable employment not only in the transport industry but also in many other sectors.
- ◆ Travel Training - For many disabled people, a lifetime dependent on specialist transport hampers access to everything needed to lead a full and independent life. Travel training equips disabled people with the skills and confidence to travel independently on public transport, providing a step change in independence.

Achievements and performance

The charity and group's achievements and performance for the year is set out in the Chair's report and the Chief Executive's report on page 1 and 2.

Financial review

In the year to 31 March 2015, there were net incoming resources of £642,064 (2014 – £279,372) before gift aid due to minority interests and net actuarial gains on final salary pension schemes. After amounts due to minority interests of £nil (2014 – £17,599), and the actuarial losses on the defined benefit pension schemes of £279,000 (2014 – actual gains of £279,000) the total net movement of funds was a surplus of £322,064 (2014 – surplus of £540,773). The results are set out in the consolidated statement of financial activities on page 15 and the notes thereto.

Reserves

The charity has four reserves funds.

The restricted funds represent monies received by the charity which are subject to restrictions on their use, but which have not yet been expended.

The fixed asset fund represents the net book value of those assets held at the balance sheet date which are not readily realisable into liquid funds less the related finance lease and loan obligations.

The general fund represents the free working capital of the charity which enables it to plan and operate its services.

The pension reserves represents the net pension assets in respect of the final salary pension schemes.

Financial review (continued)

Reserves policy

At 31 March 2015 the balance of the charity's reserves was £3.4m (2014 – £3.1m). Reserves held for restricted purposes totalled £6,181, with the remainder being unrestricted.

The balance on the charity's pension reserve as at 31 March 2015 was a deficit of £185,000 (2014 – surplus of £133,000). The charity maintains a designated fund representing all the general funds that have been invested in tangible fixed assets and therefore are not readily available for working capital purposes. The balance on the designated fund at 31 March 2015 was £1.8 m (2014 - £0.7 m).

After deducting the funds mentioned above, the balance on the charity's general reserves as at 31 March 2015 was £1.8 m (2014 - £2.3 m). The charity is reliant on a number of income streams and is also subject to fluctuations in the cost of its activities. The charity needs to maintain a level of reserve so that it can continue its operations in the event that an unforeseen shortfall in voluntary income or increase in costs creates an imbalance of funding.

The trustees have taken a risk based approach in calculating the amount that is required to be held in reserves.

In assessing the amount of reserves required to be held the risk of a shortfall in income or an increase in cost is estimated and a sum held to cover the potential shortfall for each element of the charity's income and expenditure. The risk weightings range from 3% to 10% depending on the nature of the activities.

Based on these calculations, the trustees estimate that a total of £2.5m (2014 - £2.5m) is required representing approximately 3 weeks of budgeted spend for the year 2015/16.

On 2 April 2015, the charity received £750,000 of further loan funding secured on the assets of the charity, which increased the level of general reserves available. Had this been received prior to the year end, the charity's general reserves would have been £2.6 million. In addition, the charity is seeking to agree a substantial credit facility, which will reduce the requirement to hold general reserves. The charity's reserves are therefore in line with requirement identified by the trustees.

The trustees will continue to build the reserves in order to accommodate expansion of the charity, by improving the profitability of commercial contracts which it operates through its subsidiaries and retaining those profits in the charity.

Plans for the future

The Group continues to look at new tenders in its core areas of operation, and expects to be able to continue to grow over the medium term to be able to continue to expand its core charitable services in community transport and training.

Risk management

The trustees have made an assessment of the risks to which the charity and its subsidiaries are exposed, particularly with respect to finance, staff, premises and governance. The major risks to which the charity is exposed have been identified and the trustees are satisfied that systems are in place to mitigate those risks.

The key risks identified by the trustees, and the procedures in place to mitigate them are as follows:

Risk	Procedures to mitigate risk
The group is unable to meet its budget due to cost increases or reduction in income.	We have invested in management capacity and capability to ensure both delivery and financial monitoring are robust.
Substantial loss of contracted or commissioned income and failure to win tenders for existing or new work, resulting in failure to continue to deliver key impact services in regions.	We will strengthen our Business Development Unit bidding team and develop closer working relationships with existing procurers to add value to existing contracts. We prioritise new contracts in existing areas to reduce reliance on one source of contractual income in a region. The Business Development Strategy identifies clear priorities for future development.
Failure to develop and maintain a sufficiently skilled management workforce to discharge core functions across the group.	Succession planning and management development programme is part of our new draft HR Strategy, which will be rolled out over the next 3 years.
The high standards of safety expected by our passengers is not achieved	We carry out regular health and safety checks on our vehicles and premises, the results of which are considered regularly by the Board of Trustees. We also ensure that all our staff are trained to the highest relevant standard.

Financial instruments

The charity's principal financial instruments include bank overdrafts, loans and bonds of various forms, the main purpose of which is to raise finance for the charity's operations. In addition, the charity has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from operations.

Risk management (continued)

Liquidity risk

The charity manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the charity has sufficient liquid resources to meet the needs of its operations.

Credit risk

Trade debtors are reviewed on a regular basis and provision is made for doubtful debts when necessary.

Signed on behalf of the board of trustees:

A handwritten signature in black ink, appearing to be 'A Whitehead', written over a horizontal line.

A Whitehead
Trustee

Approved by the board on: 29 June 2015

Independent auditor's report to the members of HCT Group

We have audited the financial statements of HCT Group for the year ended 31 March 2015 which comprise the consolidated statement of financial activities, the group and parent charity balance sheets, the consolidated cash flow statement, the principal accounting policies and the related notes. 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 charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 auditor

The trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the trustees' responsibilities statement set out in the trustees' report, 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 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 charitable 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 including the strategic report. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent auditor's report 31 March 2015

Opinion on financial statements

In our opinion the financial statements:

- ♦ give a true and fair view of the state of the groups' and the parent charitable company's affairs 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; and
- ♦ have been prepared in accordance with the requirements of the Companies Act 2006.

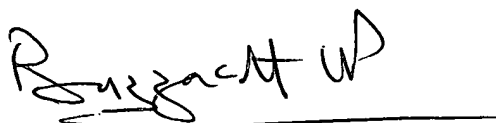
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees' report including the strategic report for the financial year 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.



Avnish Savjani, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

10 July 2015

Consolidated statement of financial activities 31 March 2015

	Notes	Unrestricted funds £	Restricted funds £	Total 2015 funds £	Total 2014 funds £
Incoming resources					
Incoming resources from generated funds					
. Voluntary income	1	166,101	320,995	487,096	246,102
. Investment income		28,445	—	28,445	29,255
Incoming resources from charitable activities					
. Income from transport services	2	44,873,830	—	44,873,830	43,008,456
Other incoming resources					
. Surplus on disposal of tangible fixed assets	7	28,948	—	28,948	431,269
Total incoming resources		45,097,324	320,995	45,418,319	43,715,082
Resources expended					
Charitable activities					
. Community transport	3	3,181,149	139,214	3,320,363	3,434,808
. Public sector contracts	3	39,976,102	183,995	40,160,097	38,851,408
. Training programmes	3	1,203,259	—	1,203,259	1,052,353
Governance costs	4	92,536	—	92,536	97,141
Total resources expended		44,453,046	323,209	44,776,255	43,435,710
Net incoming (outgoing) resources before amounts due to minority interests					
	6	644,278	(2,214)	642,064	279,372
Amount due to minority interest		—	—	—	(17,599)
Net incoming (outgoing) resources for the year		644,278	(2,214)	642,064	261,773

Consolidated statement of financial activities 31 March 2015

Statement of total recognised gains and losses

	Notes	Unrestricted funds £	Restricted funds £	Total 2015 funds £	Total 2014 funds £
Net incoming (outgoing) resources for the year		644,278	(2,214)	642,064	261,773
Actuarial losses on pension schemes	14	(320,000)	—	(320,000)	279,000
Net movement in funds		324,278	(2,214)	322,064	540,773
Fund balances at 1 April 2014		3,085,167	8,395	3,093,562	2,552,789
Fund balances at 31 March 2015		3,409,445	6,181	3,415,626	3,093,562

All of the group's activities in the above two financial years derived from continuing operations.

Group and charity balance sheets 31 March 2015

	Notes	Group		Charity	
		2015 £	2014 £	2015 £	2014 £
Fixed assets					
Tangible fixed assets	7	12,241,485	13,640,232	3,134,854	3,074,914
Current assets					
Stock		572,927	436,487	—	—
Debtors	8	3,578,289	3,470,193	3,475,662	4,966,851
Short-term deposits		900,000	430,000	900,000	430,000
Cash at bank and in hand		1,618,450	2,084,289	774,261	107,728
		<u>6,669,666</u>	<u>6,420,969</u>	<u>5,149,923</u>	<u>5,504,579</u>
Creditors: amounts falling due within one year	9	<u>(6,788,097)</u>	<u>(8,266,353)</u>	<u>(3,894,070)</u>	<u>(4,692,078)</u>
Net current (liabilities) assets		<u>(118,431)</u>	<u>(1,845,384)</u>	<u>1,255,853</u>	<u>812,501</u>
Total assets less current (liabilities) assets		<u>12,123,054</u>	<u>11,794,848</u>	<u>4,390,707</u>	<u>3,887,415</u>
Creditors: amounts falling due after more than one year	10	<u>(8,522,428)</u>	<u>(8,834,286)</u>	<u>(3,313,060)</u>	<u>(2,762,942)</u>
Net assets excluding pension liabilities		<u>3,600,626</u>	<u>2,960,562</u>	<u>1,077,647</u>	<u>1,124,473</u>
Net pension assets (liabilities)	14	<u>(185,000)</u>	<u>133,000</u>	<u>—</u>	<u>—</u>
Net assets including pension assets (liabilities)		<u>3,415,626</u>	<u>3,093,562</u>	<u>1,077,647</u>	<u>1,124,473</u>
Reserves					
Restricted funds	16	6,181	8,395	6,181	8,395
Unrestricted funds:					
· Designated fund	17	1,754,055	663,593	—	660,920
· General fund		1,840,390	2,288,574	1,071,466	455,158
· Pension reserve	14	<u>(185,000)</u>	<u>133,000</u>	<u>—</u>	<u>—</u>
Total funds		<u>3,415,626</u>	<u>3,093,562</u>	<u>1,077,647</u>	<u>1,124,473</u>

Approved by the directors of HCT Group, Company Registration Number 01747483 (England and Wales) and signed on their behalf by:



A WHITEHEAD
Trustee

Approved by the board on: 29 June 2015

Consolidated cash flow statement Year to 31 March 2015

	Notes	2015 £	2014 £
Cash inflow from operating activities	A	3,692,485	1,767,249
Returns on investments and servicing of finance	C	(701,466)	(694,354)
Capital expenditure and financing investments	C	(506,043)	3,035,270
Management of liquid resources	C	(470,000)	—
Financing	C	(2,480,815)	(3,774,709)
Increase in cash	B	(465,839)	333,456

Notes to the cash flow statement for the year to 31 March 2015

A Adjustment of net incoming resources before transfers to net cash inflow from operating activities

	2015 £	2014 £
Net incoming resources	642,064	261,773
Depreciation charge	1,933,738	2,060,188
Pension charge (credit)	26,000	(37,000)
Surplus on disposal of tangible fixed assets	(28,948)	(431,269)
Net interest received from pension scheme	(28,000)	(28,000)
Interest receivable	(28,670)	(1,255)
Interest payable	730,136	695,609
Increase in stock	(136,440)	(128,688)
Increase in debtors	(108,096)	(223,130)
Increase (decrease) in creditors	690,701	(400,979)
Net cash inflow from operating activities	3,692,485	1,767,249

B Reconciliation of cash flow to movement in net debt

	2015 £	2014 £
(Decrease) in cash in the year	(465,839)	333,456
Increase in short-term deposits	470,000	—
Cash outflow from repayments of debt and lease financing	4,055,815	4,429,325
Change in net debt resulting from cash flows	4,059,976	4,762,781
New finance leases	—	(654,616)
New loans	(1,575,000)	—
Movement in net debt in the year	2,484,976	4,108,165
Net debt at 1 April 2014	(10,453,955)	(14,562,120)
Net debt at 31 March 2015	(7,968,979)	(10,453,955)

Consolidated cash flow statement Year to 31 March 2015

C Gross cash flows

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	28,670	1,255
Interest element of finance lease rental payments	(149,297)	(87,620)
Interest element of loan payments	(580,839)	(607,989)
	<u>(701,466)</u>	<u>(694,354)</u>
Capital expenditure and financial investment		
Proceeds on disposal of tangible fixed assets	126,196	3,422,722
Payments to acquire tangible fixed assets	(632,239)	(387,452)
	<u>(506,043)</u>	<u>3,035,270</u>
Management of liquid resources		
Decrease in short-term deposits	<u>(470,000)</u>	<u>—</u>
Financing		
Loan advance	1,575,000	—
Lease rental advance	—	654,616
Capital element of finance lease rental payments	(1,117,674)	(1,181,345)
Capital element of loan payments	(2,938,141)	(3,247,980)
	<u>(2,480,815)</u>	<u>(3,774,709)</u>

D Analysis of changes in net debt

	At 1 April 2014 £	Cash flows £	At 31 March 2015 £
Cash at bank	2,084,289	(465,839)	1,618,450
Liquid resources	430,000	470,000	900,000
Finance leases due within one year	(1,197,525)	270,254	(927,271)
Loans – due within one year	(2,936,433)	1,898,703	(1,037,730)
Finance leases – due after one year	(5,917,922)	847,420	(5,070,502)
Loans - due after one year	(2,916,364)	(535,562)	(3,451,926)
Total	<u>(10,453,955)</u>	<u>2,484,976</u>	<u>(7,968,979)</u>

Principal accounting policies Year to 31 March 2015

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 2006. Applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in preparing these financial statements.

The accounts have been prepared on a going concern basis. During the year the group has negotiated and agreed new social loan facilities which enable the repayment of existing notes and provide sufficient capital for the future expansion of the business. Further information is given in the Trustees' Report.

Basis of consolidation

The consolidated statement of financial activities and group balance sheet consolidate the financial statements of HCT Group and its subsidiaries, Islington Community Transport, Transport Co-ordination Centre Hackney Limited, CT Plus Community Interest Company, CT Plus (Yorkshire) Community Interest Company, Knowsley Community Transport, Lambeth and Southwark Community Transport, LaSCoT Limited, Leeds Alternative Travel Limited, Bristol Community Transport, BCT Community Interest Company, CT Plus Guernsey Limited and CT Plus Jersey Limited made up at the balance sheet date as HCT group either owns the entire share capital of the subsidiary or assumes control of the entity. The financial statements of E & HCT Limited, a joint venture with Ealing Community Transport Limited, have also been consolidated within the consolidated statement of financial activities and group balance sheet on the basis that the joint venture is controlled by HCT Group. The financial statements of CT Plus Humber Community Interest Company and its subsidiary, West Hull Community Transport, a joint venture between HCT group and Goodwin Development Trust have been consolidated within the consolidated statement of financial activities and group balance sheet on the basis that the joint venture is controlled by HCT Group.

Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it, for example contractual income, or where the donor or funder has specified that the income is to be expended in a future accounting period.

Grants from government and other agencies have been included as incoming resources from charitable activities where these amount to a contract for services, but as donations where the money is given or with greater freedom of use, for example monies for core funding.

No separate statement of financial activities has been presented for HCT Group alone, as permitted by s408 of the Companies Act 2006 and paragraph 397 of SORP 2005.

HCT Group had total incoming resources of £2,475,352 (2014 – £3,276,658) and net outgoing resources of £46,826 for the year ended 31 March 2015 (2014 – £510,764).

Principal accounting policies Year to 31 March 2015

Resources expended and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred and includes any attributable VAT which cannot be recovered.

Resources expended comprise the following:

- a. The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the trustees' report.

Such costs include:

- ◆ staff costs
- ◆ premises costs, equipment and utilities
- ◆ professional fees.

The majority of costs are directly attributable to specific activities. Certain shared support costs are apportioned to charitable activities.

Indirect costs are apportioned on a basis which reflects the overall activity of head office.

Office costs and property related costs are allocated in the same proportion as directly attributable staff costs.

- b. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Tangible fixed assets

All assets costing more than £500 and with an expected useful life of more than one year are capitalised.

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates based on the estimated useful life of the assets as follows:

- | | |
|---|--|
| ◆ Motor vehicles – buses and large mini-buses | straight line basis over periods between 10 and 17 years |
| ◆ Motor vehicles – other | straight line basis over 7 years |
| ◆ Fixtures and fittings | 25% reducing balance |
| ◆ Plant and equipment | 25% reducing balance |
| ◆ IT equipment | straight line basis over 3 years |
| ◆ Portacabins | straight line basis over 3 years |
| ◆ Modular buildings | straight line basis over 20 years |

Tangible fixed assets (continued)

- ◆ Leasehold improvements over the length of the lease

No depreciation is provided on freehold land.

Principal accounting policies Year to 31 March 2015

Pensions

The charity's contributions to defined contribution pension schemes for the majority of its employees, are charged to the statement of financial activities in the period in which they fall due.

Eligible employees of CT Plus Community Interest Company are offered membership of the London Borough of Waltham Forest Pension Fund or the Avon Pension Fund. The London Borough of Waltham Forest Pension Fund and the Avon Pension Fund are defined benefit schemes and are able to identify CT Plus Community Interest Company's share of assets and liabilities of the schemes. The requirements of FRS 17, Accounting for Retirement Benefits have been followed.

CT Plus Community Interest Company's share of the schemes' assets are measured at fair value as at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet. Any movement in the asset or liability between balance sheet dates is reflected in the statement of financial activities.

Fund accounting

The reserves of the charity are as follows:

Restricted funds comprise monies set aside for particular projects or purposes in accordance with the instructions of the grantor.

Designated funds represent the net book value of tangible fixed assets held at the balance sheet date which are not readily realisable into liquid funds less the related finance lease obligations and loans.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Leased assets

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the lease term.

Assets held under finance leases are capitalised and depreciated over their useful lives. The corresponding lease obligation is treated in the balance sheet as a liability. The interest element is charged against income over the period of the lease at a constant proportion of the outstanding balance of capital repayments.

Stock

Stock represents the cost, net of VAT, as at 31 March 2015 of diesel, vehicle parts, oils/ lubricants and other vehicle related consumables.

Term deposits

Term deposits comprise monies held in short-term deposits with maturity periods of more than 24 hours.

Principal accounting policies Year to 31 March 2015

Hedge accounting

As at 31 March 2015, the group had hedged the price of fuel at 180,000 litres per month from April 2015 to March 2016 at an average price of 33.40 pence per litre. At the year end, the hedge had been in place for only a day and as such, no loss or gain has been included in these financial statements as the price change will have been negligible over such a time period. The hedge will be set against the actual fuel bills arising during the year to 31 March 2016.

1 Voluntary income

Group	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Community Transport Grants				
. Investment and Contract Readiness Fund	—	57,000	57,000	—
. London Borough of Haringey - Neighbourhood renewal Fund	—	80,000	80,000	80,000
. Knowsley Community Transport grant	—	183,995	183,995	—
. Bristol City Council - Grant	166,101	—	166,101	166,102
	<u>166,101</u>	<u>320,995</u>	<u>487,096</u>	<u>246,102</u>

2 Income from transport services

The analysis of incoming resources from charitable activities, all of which is derived from the UK is as follows:

Group	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Public Sector Contracts				
. Bus Operations	35,519,052	—	35,519,052	34,943,653
. Home to School Transport	5,427,892	—	5,427,892	4,464,331
Community Transport				
. Contracts	341,114	—	341,114	196,853
. Group Transport	1,356,915	—	1,356,915	1,600,664
. ScootAbility	140,059	—	140,059	140,108
Other				
. Other	596,978	—	596,978	585,736
Training Programmes				
. Training	1,491,820	—	1,491,820	1,077,111
	<u>44,873,830</u>	<u>—</u>	<u>44,873,830</u>	<u>43,008,456</u>

Notes to the Financial Statements Year to 31 March 2015

3 Total resources expended

Group	Basis of allocation	Community transport £	Public sector contracts £	Training programmes £	Governance £	Total 2015 £	Total 2014 £
Costs directly allocated to activities							
Provision of transport services							
Bus operations	Direct	—	31,814,242	—	—	31,814,242	31,251,865
Home to school transport	Direct	—	5,052,655	—	—	5,052,655	4,753,684
Contracts	Direct	210,913	—	—	—	210,913	172,438
Group transport	Direct	2,237,466	—	—	—	2,237,466	2,207,068
ScotAbility	Direct	63,760	—	—	—	63,760	71,441
Community Bus Service	Direct	290,196	—	—	—	290,196	450,660
Other	Direct	373,285	—	—	—	373,285	395,603
Training Programmes							
Driver training programmes	Direct	—	—	1,085,783	—	1,085,783	975,864
Support costs allocated to activities							
Finance, Human Resources and general office staff							
Management staff	Turnover	36,204	764,684	29,384	—	830,272	482,475
Premises costs	Turnover	32,744	804,035	26,576	—	863,355	804,313
Office costs	Turnover	13,393	304,711	10,870	—	328,974	403,622
Other costs	Turnover	—	158,554	—	3,972	162,526	157,713
Legal and professional fees	Turnover	46,208	1,051,310	37,502	—	1,135,020	1,053,993
Depreciation	Turnover	10,493	80,186	8,516	88,565	187,760	148,642
	Turnover	5,701	129,720	4,628	—	140,049	106,329
		3,320,363	40,160,097	1,203,259	92,537	44,776,256	43,435,710

4 Governance costs

Group	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Professional fees	88,564	—	88,564	97,141
Other governance costs	3,972	—	3,972	—
	92,536	—	92,536	97,141

5 Staff costs

Group	2015 £	2014 £
Wages and salaries	23,117,018	22,000,735
Social security	1,974,231	1,832,414
Pension costs	740,327	555,988
	25,831,576	24,389,137
Agency staff	463,858	512,687
	26,295,434	24,901,824

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2015 Number	2014 Number
£60,001 - £70,000	3	1
£70,001 - £80,000	2	2
£80,001 - £90,000	2	2
£90,001 - £100,000	—	1
£100,001 - £110,000	—	1
£110,001 - £120,000	2	1
£130,001 - £140,000	1	—
£140,001 - £150,000	1	—
	11	8

The trustees received no remuneration for their services during the year (2014 – none). trustees were reimbursed for travel expenses of £2,011 (2014 – £1,898 to 4 trustees).

Charity and charity trustees' indemnity insurance has been purchased to protect the charity from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity for the year totalled £1,961 (2014 – £2,120) and provides cover of up to a maximum of £2,000,000 (2014 – £2,000,000).

The average number of employees during the year was 946 (2014 – 926):

	2015 £	2014 £
Operations	886	866
Engineering (infrastructure)	22	22
Transport unit	5	5
Management and finance	23	23
Training	10	10
	946	926

6 Net incoming (outgoing) resources

This is stated after charging/ (crediting):

Group	2015 £	2014 £
Depreciation	1,933,738	2,060,188
Surplus on disposal of tangible fixed assets	28,948	431,269
Auditor's remuneration		
. Audit fees		
.. Current year	55,015	62,766
. Other services	22,550	21,704
Other auditor's remuneration	10,999	12,571
Bank deposit interest	(28,327)	(29,255)
Interest payable in respect of finance leases	149,297	87,620
Interest payable in respect of loans	580,839	607,989

Notes to the Financial Statements Year to 31 March 2015

7 Fixed assets

Group	Freehold land and buildings £	Leasehold improve-ments £	IT and office equipment £	Plant and equipment £	Motor vehicles £	Modular buildings £	Total £
Cost							
At 1 April 2014	2,487,145	159,687	776,488	767,706	16,679,672	564,467	21,435,165
Additions	152,854	99,411	130,494	46,506	202,974	—	632,239
Disposals	—	—	—	(3,625)	(510,661)	—	(514,286)
At 31 March 2015	2,639,999	259,098	906,982	810,587	16,371,985	564,467	21,553,118
Depreciation							
At 1 April 2014	—	114,289	607,631	318,879	6,514,796	239,338	7,794,933
Depreciation on disposals	—	—	—	(1,737)	(415,301)	—	(417,038)
Charge for the year	—	42,191	121,391	105,163	1,636,769	28,224	1,933,738
At 31 March 2015	—	156,480	729,022	422,305	7,736,264	267,562	9,311,633
Net book value							
At 31 March 2015	2,639,999	102,618	177,960	388,282	8,635,721	296,905	12,241,485
At 31 March 2014	2,487,145	45,398	168,857	448,827	10,164,876	325,129	13,640,232

Charity	Freehold land and buildings £	Leasehold improve-ments £	IT and office equipment £	Plant and equipment £	Motor vehicles £	Modular buildings £	Total £
Cost							
At 1 April 2014	2,262,145	66,522	528,601	112,428	806,894	564,467	4,341,057
Additions	146,614	99,411	82,170	5,180	—	—	333,375
Disposals	—	—	—	—	(50,605)	—	(50,605)
At 31 March 2015	2,408,759	165,933	610,771	117,608	756,289	564,467	4,623,827
Depreciation							
At 1 April 2014	—	38,214	416,760	75,743	496,088	239,338	1,266,143
Depreciation on disposals	—	—	—	—	(33,826)	—	(33,826)
Charge for the year	—	27,030	85,607	10,142	105,653	28,224	256,656
At 31 March 2015	—	65,244	502,367	85,885	567,915	267,562	1,488,973
Net book value							
At 31 March 2015	2,408,759	100,689	108,404	31,723	188,374	296,905	3,134,854
At 31 March 2014	2,262,145	28,308	111,841	36,685	310,806	325,129	3,074,914

On 1 April 2010 the charity acquired land in Walthamstow, London for a total purchase price of £5,107,243 comprising consideration of £5m and other related purchase costs of £107,243. The purpose of the acquisition was to build a new depot, to allow the charity to expand its operations in the area. Having obtained planning permission for the depot, construction is due to start in the summer of 2015 and the depot is due to be ready for occupation in early 2016.

7 Fixed assets (continued)**Finance Leases**

The net book value of tangible fixed assets of the group includes an amount of £6,507,183 (2014 - £6,779,402) in respect of assets held under finance leases on which the depreciation charge for the year was £1,107,130 (2014 - £1,093,919).

Borrowings

Barclays Bank plc has a fixed and floating charge over all current and future assets of HCT Group with respect to its overdraft facilities. HCT Group, CT Plus Community Interest Company, CT Plus (Yorkshire) Community Interest Company, Transport Co-ordination Centre Hackney Limited, Islington Community Transport, Lambeth and Southwark Community Transport, LaSCoT Limited, Bristol Community Transport, BCT Community Interest Company, E&HCT Limited, West Hull Community Transport, CT Plus Guernsey Limited and CT Plus Jersey Limited all have overdraft facilities with the bank.

Big Issue Invest and FSE have a floating charge over all current and future assets of HCT Group, CT Plus Community Interest Company, CT Plus (Yorkshire) Community Interest Company, CT Plus Guernsey Limited and CT Plus Jersey Limited.

8 Debtors

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Trade debtors	1,801,140	2,002,675	105,974	276,203
Amount due from CT Plus Community Interest Company	—	—	1,939,636	2,703,739
Amount due from CT Plus (Yorkshire) Community Interest Company	—	—	—	486,443
Amount due from Lambeth and Southwark Community Transport	—	—	191,467	161,938
Amount due from LaSCoT Limited	—	—	124,517	125,474
Amount due from Islington Community Transport	—	—	2,664	2,663
Amount due from Bristol Community Transport	—	—	23,351	3,790
Amount due from E & HCT Limited	—	—	—	54,711
Amount due from CT Plus Guernsey Limited	—	—	—	406,091
Amount due from West Hull Community Transport	—	—	104,044	53,665
Prepayments	357,677	332,773	142,056	166,968
Other debtors	1,419,472	1,134,745	841,953	525,166
	3,578,289	3,470,193	3,475,662	4,966,851

9 Creditors: amounts falling due within one year

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Trade creditors	1,834,985	1,525,181	504,207	461,460
Amount due to C T Plus Community Interest Company	—	—	70,656	—
Amount due to E & HCT Limited	—	—	3,679	51,568
Amount due to BCT	—	—	120,717	—
Amount due to BCT Community Interest Company	—	—	64,813	7,388
Amount due to CT Plus Jersey Limited	—	—	1,194,769	400,967
Amount due to Leeds Alternative Travel Limited	—	—	95,082	48,353
Amount due to TCCH	—	—	30,000	—
Amount due to CT Plus Guernsey	—	—	5,647	1,449
Taxation and social security	699,568	747,482	91,196	92,567
Other creditors	1,840,873	1,487,865	470,360	570,659
Obligations under finance leases (note 13)	927,271	1,197,525	—	—
Accruals	447,670	371,867	219,769	136,369
Loans (note 12)	1,037,730	2,936,433	1,023,175	2,921,298
	6,788,097	8,266,353	3,894,070	4,692,078

Details of the security for the loans are set out in note 11.

10 Creditors: amounts falling after more than one year

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Obligations under finance leases (note 12)	5,070,502	5,917,922	—	—
Loans (note 11)	3,451,926	2,916,364	3,313,060	2,762,942
	8,522,428	8,834,286	3,313,060	2,762,942

Details of the security for the loans are set out in note 11.

11 Loan commitments

The future loan obligations to which the group is committed are as follows:

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Within one year	1,037,730	2,936,433	1,023,175	2,921,298
Between two and five years	244,459	1,843,849	180,874	1,690,427
Over five years	3,207,467	1,072,515	3,132,186	1,072,515
	4,489,656	5,852,797	4,336,235	5,684,240

11 Loan commitments (continued)

£2,056,000 of the loans are unsecured and either have a fixed rate of interest (5%) or have a rate of interest that varies depending on the turnover of the business. £1,075,000 of the loans are secured over certain assets of HCT Group and either have a fixed rate of interest (4.75%) or have a rate of interest that varies depending on the turnover of the business. £1,181,352 of the loans are secured by a fixed charge on the property at Walthamstow. Interest rates are variable at either 2% fixed rate or 1.75% above base rate with a minimum of 3.5%. £23,882 of the loans are secured over certain assets of HCT Group and are at rates of between 3.5% and 6.7%. £153,422 is a loan to Bristol Community Transport secured upon property in Bristol. The interest rate is 3.05% above base rate. This loan was repaid subsequent to the balance sheet date on 19 May 2015 when the property was disposed of.

Also subsequent to the balance sheet date there were further loans advanced. On 30 March a loan agreement was entered into with FSE Social Impact Accelerator Limited for £750,000, the advance was received on 2 April 2015. Included in the figures at the balance sheet date is an unsecured loan from Phone Coop, on 2 April 2015 this was converted to a secured loan with a five year term. All of these loans are secured over certain assets of HCT Group and either have a fixed rate of interest (4.75%) or have a rate of interest that varies depending on the turnover of the business.

12 Finance lease commitments

The future finance lease obligations to which the group is committed are as follows:

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Within one year	927,271	1,197,525	—	—
Between two and five years	2,652,887	3,734,190	—	—
Over five years	2,417,615	2,183,732	—	—
	5,997,773	7,115,447	—	—

13 Operating lease commitments

At 31 March 2015 the group had the following annual commitments under non-cancellable operating leases:

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Motor vehicles				
Operating leases which expire:				
Within one year	287,382	—	—	—
Between two and five years	808,909	908,301	—	—
	1,096,291	908,301	—	—
Land and buildings				
Operating leases which expire:				
Within one year	369,807	49,079	165,480	26,579
Between two and five years	918,591	321,790	564,829	199,294
After five years	405,410	79,178	405,410	5,810
	1,693,808	450,047	1,135,719	231,683
Equipment				
Operating leases which expire:				
Within one year	20,484	—	—	—
Between two and five years	—	20,484	—	—
	20,484	20,484	—	—

14 Pension commitments

Group pension assets / (liabilities)	2015 £	2014
a) The London Borough of Waltham Forest Pension Scheme	(93,000)	161,000
b) Avon Pension Fund	(92,000)	(28,000)
	(185,000)	133,000

a) The London Borough of Waltham Forest Pension Scheme

The London Borough of Waltham Forest pension fund is a defined benefit scheme.

Certain employees of CT Plus CIC were transferred under Transfer of Undertakings (Protection of Employment) Regulations from the London Borough of Waltham Forest on 1 May 2004. Up until 31 August 2011 CT Plus CIC's liability as an admitted employer under the scheme was capped. CT Plus CIC won another seven year contract with the London Borough of Waltham Forest and became fully liable for the defined benefit scheme for the relevant employees as from 1 September 2011.

Contributions payable by CT Plus Community Interest Company are determined on the basis of triennial valuations carried out by a qualified actuary using the projected unit method. The employer contributions for the year were £31,000 (2014: £96,000).

The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation	31 March 2013
Actuarial method	Ongoing
Average inflation per annum	2.6%
Salary increases per annum	4.1%
Market value of assets of Whole Scheme at date of last valuation	£600m
Proportion of members' accrued benefits covered by the actuarial value of the assets	60%

The information above is provided as for the London Borough of Waltham Forest Pension Fund as a whole. As at 1 September 2011 the proportion of members' accrued benefits covered by the actuarial value of the assets was 100%.

The employer has contributed at a rate of 16%. Members have paid contributions in line with the rates outlined in Scheme documentation.

14 Pension commitments (continued)**a) The London Borough of Waltham Forest Pension Scheme (continued)**

The financial assumptions used to calculate Scheme liabilities under FRS 17 are as follows:

	At 31 March 2015 % pa	At 31 March 2014 % pa
Inflation	2.1	2.5
Discount rate	3.4	4.7
Rate of increase in salaries	3.6	4.0
Rate of increase for pensions in payment	2.1	2.5

The mortality assumptions used were as follows:

	2015 years	2014 years
Longevity at age 65 for current pensioners		
. Men	23.1	23.0
. Women	25.5	25.4
Longevity at age 65 for future pensioners		
. Men	25.4	25.3
. Women	27.9	27.8

The assets in the scheme and the expected rate of return.

	Long-term rate of return, expected at 31 March 2015 %	Value at 31 March 2015 £'000	Long-term rate of return, expected at 31 March 2014 %	Value at 31 March 2014 £'000
Property	5.9	96	6.2	84
Equities	6.5	913	7.0	789
Other bonds	2.9	205	4.3	191
Cash	0.5	14	0.5	12
Other	6.5	137	7.0	120
Total market value of assets		1,365		1,196
Present value of Scheme liabilities		(1,458)		(1,035)
Surplus (deficit) in the Scheme		(93)		161

14 Pension commitments (continued)

a) The London Borough of Waltham Forest Pension Scheme (continued)

Total expenditure recognised in the Statement of Financial Activities

	2015 £'000	2014 £'000
Current service cost	41	43
Interest cost	50	75
Expected return on scheme assets	(71)	(97)
Total expenditure recognised in SOFA	20	21

Net loss recognised in the Statement of Total Recognised Gains and Losses (STRGL)

	2014 £'000	2013 £'000
Actuarial return on plan assets	54	(622)
Experience gains and losses arising on the scheme liabilities	(322)	838
Total amount recognised in STRGL	(268)	216

The cumulative amount of actuarial gains recognised in the Statement of Total Recognised Gains and Losses is a loss of £93,000 (2014: £159,000).

Reconciliation of opening and closing balances of the present value of the charity's share of scheme liabilities

	2015 £'000	2014 £'000
Scheme liabilities at 1 April 2014	1,035	1,747
Current service cost	41	43
Interest cost	50	75
Contributions by scheme participants	13	11
Actuarial losses (gains)	322	(838)
Benefits/Transfers paid	(3)	(3)
Scheme liabilities at 31 March 2015	1,458	1,035

Contributions

The total contributions made by the employer in the year have been £31,000. The level of contribution will be reviewed as a result of the triennial valuation of the scheme as at 31 March 2014.

The best estimate of contributions to be paid by the employer to the scheme for the year beginning after 31 March 2015 is £34,000.

14 Pension commitments (continued)

a) The London Borough of Waltham Forest Pension Scheme (continued)

Reconciliation of opening and closing balances of the fair value of the charity's share of the scheme assets:

	2015 £'000	2014 £'000
Fair value of scheme assets at 1 April 2014	1,196	1,617
Expected return on scheme assets	71	97
Actuarial (losses) gains	54	(622)
Contributions by employer	34	96
Contributions by scheme participants	13	11
Benefits/Transfers paid	(3)	(3)
Fair value of scheme assets at 31 March 2015	1,365	1,196

The actual return on the scheme assets for the year ended 31 March 2015 was a loss of £126,000.

	2015 %	2015 £	2014 %	2014 £
Difference between the expected and actual return on scheme assets:				
. Amount		(54,000)		(622,000)
. Percentage of scheme assets	4.0		52.0	
Experience gains and losses on scheme liabilities:				
. Amount		322,000		838,000
. Percentage of the present value of the scheme liabilities	40.0		81.0	
Total amount recognised in statement of total recognised gains and losses:				
. Amount		268,000		216,000
. Percentage of the present value of the scheme liabilities	33.0		20.9	

b) Avon Pension Fund

The Avon pension fund is a defined benefit scheme.

Contributions payable by Bristol Community Transport are determined on the basis of triennial valuations carried out by a qualified actuary using the projected unit method. The employer contributions for the year were £4,000 (2014 – £27,000).

The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows:

14 Pension commitments (continued)

b) Avon Pension Fund (continued)

Latest actuarial valuation	31 March 2013
Actuarial method	Ongoing
Investment returns per annum	4.8%
Average inflation per annum (CPI)	2.6%
Salary increases per annum – long term	4.1%
Salary increases per annum – short term	1.0%
Market value of assets at date of last valuation	£3,146m
Proportion of members' accrued benefits covered by the actuarial value of the assets	78%

The information above is provided as for the Avon Pension Fund as a whole. As at 1 July 2012 the relevant employees were transferred to a separate section of the Avon Pension Fund. At 1 July 2012 the proportion of members' accrued benefits covered by the actuarial value of the assets was 100%.

The employer has contributed at a rate of 17.6% of pensionable salaries for the period from 1 July 2012 to date. Members have paid contributions in line with the rates outlined in Scheme documentation.

The financial assumptions used to calculate Scheme liabilities under FRS 17 are as follows:

	At 31 March 2015 % pa	At 31 March 2014 % pa
Inflation	2.0	2.4
Discount rate	3.2	4.4
Rate of increase in salaries	3.5	3.9
Rate of increase for pensions in payment	2.0	2.4

The mortality assumptions used were as follows:

	2015 years	2014 years
Longevity at age 65 for current pensioners		
. Men	23.4	23.3
. Women	25.9	25.8
Longevity at age 65 for future pensioners		
. Men	25.8	25.7
. Women	28.8	28.7

The assets in the scheme and the expected rate of return.

14 Pension commitments (continued)

b) Avon Pension Fund (continued)

	Long-term rate of return, expected at 31 March 2015 %	Value at 31 March 2015 £'000	Long-term rate of return, expected at 31 March 2014 %	Value at 31 March 2014 £'000
Property	5.9	60	6.2	51
Equities	6.5	423	7.0	374
Government bonds	2.2	101	3.4	74
Other bonds	2.9	63	4.3	54
Cash	0.5	17	0.5	15
Other	6.5	55	7.0	95
Total market value of assets		719		663
Present value of Scheme liabilities		(811)		(691)
Deficit in the Scheme		(92)		(28)

Total expenditure recognised in the Statement of Financial Activities:

	2015 £'000	2014 £'000
Current service cost	23	43
Interest cost	30	31
Expected return on scheme assets	(37)	(37)
Total expenditure recognised in SOFA	16	37

Net loss recognised in the Statement of Total Recognised Gains and Losses (STRGL)

	2015 £'000	2014 £'000
Actual return less expected return on pension scheme assets	52	(31)
Experience gains and losses arising on the scheme liabilities	(104)	94
Total amount recognised in STRGL	(52)	63

The cumulative amount of actuarial gains recognised in the Statement of Total Recognised Gains and Losses is a loss of £92,000 (2014: £73,000).

Reconciliation of opening and closing balances of the present value of the CT Plus Community Interest Company's share of scheme liabilities.

14 Pension commitments (continued)

b) Avon Pension Fund (continued)

	2015 £'000	2014 £'000
Scheme liabilities at 1 April 2014	691	725
Current service cost	23	43
Interest cost	30	31
Contributions by scheme participants	5	9
Actuarial (gains) losses	104	(94)
Benefits / Transfers paid	(42)	(23)
Scheme liabilities at 31 March 2015	811	691

Contributions

The total contributions made by the employer for the year to 31 March 2015 have been £4,000 (2014: £27,000). The level of contribution will be reviewed as a result of the triennial valuation of the scheme as at 31 March 2014.

The best estimate of contributions to be paid by the employer to the scheme for the year beginning after 31 March 2015 is £5,000.

Reconciliation of opening and closing balances of the fair value of the charity's share of the scheme assets.

	2015 £'000	2014 £'000
Fair value of scheme assets at 1 April 2014	663	644
Expected return on scheme assets	37	37
Actuarial gains (losses)	52	(31)
Contributions by employer	4	27
Contributions by scheme participants	5	9
Benefits / transfers paid	(42)	(23)
Fair value of scheme assets at 31 March 2015	719	663

14 Pension commitments (continued)

b) Avon Pension Fund (continued)

The actual return on the scheme assets in the year ended 31 March 2015 was £6,000.

	2015 %	2015 £	2014 %	2014 £
Difference between the expected and actual return on scheme assets:				
. Amount		(52,000)		(31,000)
. Percentage of scheme assets	7.0		4.7	
Experience gains and losses on scheme liabilities:				
. Amount		104,000		94,000
. Percentage of the present value of the scheme liabilities	12.8		13.6	
Total amount recognised in statement of total recognised gains and losses:				
. Amount		156,000		63,000
. Percentage of the present value of the scheme liabilities	19.2		9.1	

15 Taxation

No provision has been made in these financial statements for income or corporation tax because the charitable activities of HCT Group qualify for exemption under Section 505 of ICTA 1986. Islington Community Transport, West Hull Community Transport and Lambeth and Southwark Community Transport, as registered charities, and Leeds Alternative Travel Limited, as an exempt charity, also qualify for exemption under Section 505 of ICTA 1986. The subsidiary companies, CT Plus Community Interest Company, CT Plus (Yorkshire) Community Interest Company, Knowsley Community Transport, LaSCoT Limited, Transport Co-ordination Centre Hackney Limited, Bristol Community Transport and BCT Community Interest Company donate their taxable profits, if any, to HCT Group each year. E & HCT Limited, a joint venture with Ealing Community Transport Limited, donates its taxable profits, if any, to HCT Group and Ealing Community Transport Limited each year.

16 Restricted funds

Group and charity	At 1 April 2014 £	Incoming resources £	Resources expended £	At 31 March 2015 £
City Bridge Trust Fund – Haringey CT	8,395	—	(8,395)	—
Investment and Contract Readiness Fund	—	57,000	(50,819)	6,181
Knowsley Community Transport grant	—	183,995	(183,995)	—
London Borough of Haringey – Neighbourhood Renewal Fund	—	80,000	(80,000)	—
	8,395	320,995	(323,209)	6,181

City Bridge Trust Fund – Haringey CT – funds received to purchase 2 accessible minibuses to operate Group Transport in the London Borough of Haringey.

Investment and Contract Readiness Fund – A grant was provided in order to assist with the successful refinancing in the year.

Knowsley Community Transport grant – A one-off grant provided to run a pilot community transport operation Knowsley during the year, this operation has now ceased.

London Borough of Haringey – Neighbourhood Renewal Fund – A grant provided to support community transport in the London Borough of Haringey.

17 Unrestricted funds

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Fixed assets fund	1,754,055	663,593	2,077,260	660,920
General fund	1,840,390	2,288,574	(1,005,414)	455,158
Pension reserve	(185,000)	133,000	—	—
	3,409,445	3,085,167	1,071,846	1,116,078

The fixed assets fund represents the net book value of those assets held at the balance sheet date that are not readily realisable into liquid funds less the related finance lease and loan obligations.

18 Status

HCT Group is registered in England and Wales, limited by guarantee and has no share capital. The liability of the members is limited to £1 each. HCT Group is registered with the Charity Commission for England and Wales (Charity Registration Number 1091318 and Company Registration number 01747483).

CT Plus Community Interest Company is registered in England and Wales (Company Registration Number 04137890). It has Authorised Share Capital of 1,000 × £1 shares, of which HCT Group owns the single allotted, called up and fully paid issued share. Details of transactions undertaken by CT Plus Community Interest Company are set out in note 21.

18 Status (continued)

CT Plus (Yorkshire) Community Interest Company is registered in England and Wales (Company Registration Number 05629152). It has Authorised Share Capital of 1,000 x £1 shares, of which CT Plus Community Interest Company owns the single allotted, called up and fully paid issued share. Details of transactions undertaken by CT Plus (Yorkshire) Community Interest Company are set out in note 22.

Islington Community Transport is registered in England and Wales, limited by guarantee and has no share capital. Islington Community Transport is registered as a charity with the Charity Commission for England and Wales (Charity Registration Number 1085613 and Company Registration Number 03654675). Details of transactions undertaken by Islington Community Transport are set out in note 23.

Knowsley Community Transport (KCT) is registered in England and Wales (Company Registration Number 08964168) and is a wholly owned subsidiary of HCT Group. Details of transactions undertaken by KCT are set out in note 24.

Lambeth and Southwark Community Transport (LaSCoT) is registered in England and Wales, limited by guarantee and has no share capital. The liability of the members is limited to £1. Lambeth and Southwark Community Transport is registered with the Charity Commission for England and Wales (Charity Registration Number 1091621 and Company Registration Number 04352550). Details of transactions undertaken by Lambeth and Southwark Community Transport are set out in note 25.

LaSCoT Limited is registered in England and Wales (Company Registration Number 04902768) and is a wholly owned subsidiary of Lambeth and Southwark Community Transport. Details of transactions undertaken by LaSCoT Limited are set out in note 26.

Transport Co-ordination Centre Hackney Limited is registered in England and Wales, limited by guarantee and has no share capital (Company Registration Number 03689127). Details of transactions undertaken by Transport Co-ordination Centre Hackney Limited are set out in note 27.

Leeds Alternative Travel Limited is an Industrial and Provident Society (Industrial and Provident Society Registration Number IP28657R) with three allotted, called up and fully paid issued shares that are owned by HCT Group, CT Plus Community Interest Company and CT Plus (Yorkshire) Community Interest Company. Details of transactions undertaken by Leeds Alternative Travel Limited are set out in note 28.

E & HCT Limited is registered in England and Wales (Company Registration Number 06556344). It has authorised share capital of 500 x £1 'A' shares of which HCT Group owns the single allotted, called up and fully paid issued share and 500 x £1 'B' shares of which Ealing Community Transport Limited owns the single allotted, called up and fully paid issued share. Details of transactions undertaken by E & HCT Limited are set out in note 29.

18 Status (continued)

West Hull Community Transport Limited is registered in England and Wales, limited by guarantee and has no share capital (Company Registration Number 07209837). West Hull Community Transport is registered with the Charity Commission for England and Wales (Charity Registration Number 1138430). Details of transactions undertaken by West Hull Community Transport are set out in note 30.

Bristol Community Transport is registered in England and Wales, limited by guarantee and has no share capital (Company Registration Number 04749030). Details of transactions undertaken by Bristol Community Transport are set out in note 31.

BCT Community Interest Company is registered in England and Wales, limited by guarantee and has no share capital (Company Registration Number 06559530). Details of transactions undertaken by BCT Community Interest Company are set out in note 32.

CT Plus Jersey Limited is registered in Jersey limited by guarantee and has no share capital (Company registration number 110804). It is registered as a charity in Jersey. Details of transactions undertaken by CT Plus Jersey Limited are set out in note 33.

CT Plus Guernsey Limited is registered in Guernsey (Company registration number 54761) It has a share capital of £1. Details of transactions undertaken by CT Plus Guernsey Limited are set out in note 34.

19 Related party transactions

Transactions between the charity and its wholly controlled subsidiaries are not disclosed, as permitted by the exemptions set out in FRS 8.

HCT Group appoints one trustee as a representative of the investors. A Ross is on the Board of Bridges Ventures, which provides loan finance to HCT Group. A Ross does not take part in any of the trustee meeting discussions surrounding financing decisions and all of the loans have been arranged on an arm's length basis. The total amount owing to Bridges Ventures as at 31 March 2015 was £500,000 (2014 - £1,000,000).

20 Analysis of net assets between funds

Group	Designated fund £	General fund £	Restricted funds £	Total £
Fund balances at 31 March 2015 are represented by:				
Tangible fixed assets	12,241,485	—	—	12,241,485
Stock	—	572,927	—	572,927
Debtors	—	3,578,289	—	3,578,289
Short-term deposits	—	900,000	—	900,000
Cash at bank and in hand	—	1,612,269	6,181	1,618,450
Creditors: amounts falling due within one year	(1,965,002)	(4,823,095)	—	(6,788,097)
Creditors: amounts falling due after one year	(8,522,428)	—	—	(8,522,428)
Pension liability	—	(185,000)	—	(185,000)
	<u>1,754,055</u>	<u>1,655,390</u>	<u>6,181</u>	<u>3,415,626</u>

Charity	Designated fund £	General fund £	Restricted funds £	Total £
Fund balances at 31 March 2015 are represented by:				
Tangible fixed assets	3,134,854	—	—	3,134,854
Debtors	3,268,674	206,988	—	3,475,662
Short-term deposits	—	900,000	—	900,000
Cash at bank and in hand	—	768,080	6,181	744,261
Creditors: amounts falling due within one year	(3,090,468)	(803,602)	—	(3,894,070)
Creditors: amounts falling due after one year	(3,313,060)	—	—	(3,313,060)
	<u>—</u>	<u>1,071,466</u>	<u>6,181</u>	<u>1,077,647</u>

21 CT Plus Community Interest Company

HCT Group holds 100% of the issued share capital of CT Plus Community Interest Company, a company registered in England and Wales.

The following is a summary of the financial statements of CT Plus Community Interest Company for the year ended 31 March 2015, which have been included in the consolidated financial statements.

	2015 £	2014 £
Turnover	24,674,703	22,732,359
Cost of sales	(24,380,472)	(22,227,925)
Operating profit	294,231	504,434
Interest payable	(242,303)	(235,740)
Gift aid	—	—
Net profit for the year	51,928	268,694
Movement in pension fund	(320,000)	279,000
Profit for the year	(268,072)	547,694
Retained profit at 1 April 2014	568,029	20,335
Retained profit at 31 March 2015	299,957	568,029
Called up share capital	1	1
At 31 March 2015	299,958	568,030

22 CT Plus (Yorkshire) Community Interest Company

CT Plus Community Interest Company holds 100% of the issued share capital of CT Plus (Yorkshire) Community Interest Company, a company registered in England and Wales.

The following is a summary of the financial statements of CT Plus (Yorkshire) Community Interest Company for the year ended 31 March 2015, which have been included in the consolidated financial statements.

	2015 £	2014 £
Turnover	3,389,016	3,691,156
Cost of sales	(3,386,245)	(3,692,719)
Operating (loss) profit	2,771	(1,563)
Gift aid	—	—
Net loss for the year	2,771	(1,563)
Retained profit at 1 April 2014	17,053	18,616
Retained profit at 31 March 2015	19,824	17,053
Called up share capital	1	1
At 31 March 2015	19,825	17,054

23 Islington Community Transport

Islington Community Transport is a company limited by guarantee and wholly controlled by HCT Group.

The following is a summary of the financial statements of Islington Community Transport for the year ended 31 March 2015, which have been included in the consolidated financial statements.

	2015 £	2014 £
Incoming resources	—	12
Resources expended	—	(30)
Net incoming (outgoing) resources	—	(18)
Fund balances at 1 April 2014	164	182
Fund balances at 31 March 2015	164	164

24 Knowsley Community Transport

Knowsley Community Transport is a company limited by guarantee and wholly controlled by HCT Group.

The following is a summary of the financial statements of Islington Community Transport for the year ended 31 March 2015, which have been included in the consolidated financial statements.

	2015 £	2014 £
Incoming resources	187,636	—
Resources expended	(187,621)	—
Net incoming resources	15	—
Fund balances at 1 April 2014	—	—
Fund balances at 31 March 2015	15	—

25 Lambeth and Southwark Community Transport

Lambeth and Southwark Community Transport became a wholly controlled subsidiary of HCT Group on 1 April 2006.

The following is a summary of the financial statements of Lambeth and Southwark Community Transport for the year ended 31 March 2015, which have been included in the consolidated financial statements.

	2015 £	2014 £
Incoming resources	498,831	637,793
Resources expended	(694,605)	(674,646)
Net outgoing resources	(195,774)	(36,853)
Fund balances at 1 April 2014	5,187	42,040
Fund balances at 31 March 2015	(190,587)	5,187

26 LaSCoT Limited

LaSCoT Limited is a company limited by guarantee and wholly controlled by Lambeth and Southwark Community Transport.

The following is a summary of the financial statements of LaSCoT Limited for the year ended 31 March 2015, which have been included in the consolidated financial statements.

	2015 £	2014 £
Turnover	—	1
Cost of sales	—	(38)
Operating profit (loss)	—	(37)
Gift aid	—	—
Net loss for the year	—	(37)
Retained profit at 1 April 2014	20,761	20,798
Retained profit at 31 March 2015	20,761	20,761

27 Transport Co-ordination Centre Hackney Limited

Transport Co-ordination Centre Limited is a company limited by guarantee and wholly controlled by HCT Group.

The following is a summary of the financial statements of Transport Co-ordination Centre Limited for the year ended 31 March 2015, which have been included in the consolidated financial statements.

	2015 £	2014 £
Incoming resources	386,201	417,505
Resources expended	(388,508)	(418,539)
Net (outgoing) incoming resources	(2,307)	(1,034)
Gift aid	—	—
Net movement in funds	(2,307)	(1,034)
Fund balances at 1 April 2014	8,187	9,221
Fund balances at 31 March 2015	5,880	8,187

28 Leeds Alternative Travel Limited

Leeds Alternative Travel Limited is an Industrial and Provident Society wholly controlled by HCT Group.

The following is a summary of the financial statements of Leeds Alternative Travel Limited for the year ended 31 March 2015 which have been included in the consolidated financial statements.

	2015 £	2014 £
Incoming resources	420,445	430,721
Resources expended	(473,887)	(428,793)
Net incoming resources	(53,442)	1,928
Fund balances at 1 April 2014	109,334	107,406
Fund balances at 31 March 2015	55,892	109,334
Called up share capital	3	3
At 31 March 2015	55,895	109,337

29 E & HCT Limited

E & HCT Limited is a joint venture between HCT Group and Ealing Community Transport Limited where HCT group has overall control. HCT Group owns the single allotted, called up and fully paid 'A' share and Ealing Community Transport Limited owns the single allotted, called up and fully paid 'B' share.

The following is a summary of the financial statements of E & HCT Limited for the year ended 31 March 2015, which have been included in the consolidated financial statements as HCT Group has the controlling vote and therefore effectively controls the company.

	2015 £	2014 £
Turnover	—	—
Cost of sales	—	422
Operating profit	—	422
Interest payable	—	—
Gift aid	—	(54,711)
Net loss for the year	—	(54,289)
Retained profit at 1 April 2014	—	54,289
Retained profit at 31 March 2015	—	—
Called up share capital	2	2
At 31 March 2014	2	2

30 West Hull Community Transport

West Hull Community Transport became a joint venture between HCT Group and Goodwin Development Trust on 30 June 2010.

The following is a summary of the financial statements of West Hull Community Transport for the year ended 31 March 2015, which have been included in the consolidated financial statements.

	2015 £	2014 £
Incoming resources	191,132	351,471
Resources expended	(235,405)	(354,248)
Net movement in funds	(44,273)	(2,777)
Fund balances at 1 April 2014	1,501	4,278
Fund balances at 31 March 2015	(42,772)	1,501

31 Bristol Community Transport

Bristol Community Transport is a company limited by guarantee and joined the group on 1 December 2011.

The following is a summary of the financial statements of Bristol Community Transport for the year to 31 March 2015.

	2015 £	2014 £
Incoming resources	528,088	488,610
Resources expended	(517,771)	(516,198)
Net movement on funds	10,317	(27,588)
Fund balances at 1 April 2014	492,909	520,497
Fund balances at 31 March 2015	503,226	492,909

32 BCT Community Interest Company

BCT Community Interest Company is a company limited by guarantee and wholly controlled by Bristol Community Transport.

BCT Community Interest Company joined the Group on 1 December 2011.

The following is a summary of the financial statements of BCT Community Interest Company for the year to 31 March 2015.

	2015 £	2014 £
Turnover	—	30
Cost of sales	—	(13)
Net profit before Corporation Tax and Gift Aid	—	17
Gift Aid	—	—
Net movement in funds	—	17
Retained profit at 1 April 2014	7,920	7,903
Retained profit at 31 March 2015	7,920	7,920

33 CT Plus Jersey Limited

CT Plus Jersey Limited is registered in Jersey and is limited by guarantee. CT Plus Jersey Limited became a wholly controlled subsidiary of HCT Group on 30 May 2012.

The following is a summary of the financial statements of CT Plus Jersey Limited for the period ended 31 March 2015, which have been included in the consolidated financial statements.

	2015 £	2014 £
Incoming resources	8,623,448	8,151,065
Resources expended	(7,935,044)	(7,641,873)
Net incoming resources	688,404	509,192
Fund balances at 1 April 2014	861,241	352,049
Fund balances at 31 March 2015	1,549,645	861,241

34 CT Plus Guernsey Limited

HCT Group holds 100% of the issued share capital of CT Plus Guernsey Limited, a company registered in Guernsey.

The following is a summary of the financial statements of CT Plus Guernsey Limited for the period ended 31 March 2015, which have been included in the consolidated financial statements.

	2015 £	2014 £
Turnover	4,053,466	3,746,980
Cost of sales	(3,823,934)	(3,630,121)
Net profit (loss) for the year	229,532	116,859
Retained funds at 1 April 2014	(123,205)	(240,064)
Funds at 31 March 2015	106,327	(123,205)

35 Social Investment

The Group has received a number of investments from social investors as set out in note 11. These investments take the form of either fixed rate loan notes or variable rate investments where the coupon is determined by various performance aspects of the group. The latter category of investment is akin more to an equity instrument. Under current accounting standards we are required to categorise these investments as loans. However if they were classified as equity then the balance sheet would be as set out below.

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Fixed assets				
Tangible fixed assets	12,241,485	13,640,232	3,134,854	3,074,914
Current assets				
Stock	572,927	436,487	—	—
Debtors	3,578,289	3,470,193	3,475,662	4,966,851
Short-term deposits	900,000	430,000	900,000	430,000
Cash at bank and in hand	1,618,450	2,084,289	774,261	107,728
	6,669,666	6,420,969	5,149,923	5,504,579
Creditors: amounts falling due within one year	(6,788,097)	(6,766,353)	(3,894,070)	(3,192,078)
Net current (liabilities) assets	(118,431)	(345,384)	1,255,853	2,312,501
Total assets less current (liabilities) assets	12,123,054	13,294,848	4,390,707	5,387,415
Creditors: amounts falling due after more than one year	(7,389,094)	(8,417,619)	(2,179,726)	(2,346,275)
Net assets excluding pension liabilities	4,733,960	4,877,229	2,210,981	3,041,140
Net pension assets (liabilities)	(185,000)	133,000	—	—
Net assets including pension assets (liabilities)	4,548,960	5,010,229	2,210,981	3,041,140
Reserves				
Social Investment	1,133,334	1,916,667	1,133,334	1,916,667
Restricted funds	6,181	8,395	6,181	8,395
Unrestricted funds:				
· Designated fund	1,754,055	663,593	2,076,880	660,920
· General fund	1,840,390	2,288,574	(1,005,414)	455,158
· Pension reserve	(185,000)	133,000	—	—
Total funds	4,548,960	5,010,229	2,210,981	3,041,140