

Company Number 06901868

Charity No: 1140576

ARK COMMUNITY TRANSPORT LTD
(A company Limited by Guarantee and
not having a share capital)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2017

ARK COMMUNITY TRANSPORT LTD
REPORT OF THE DIRECTORS/TRUSTEES
YEAR ENDED 31 MAY 2017

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The following does not form part of the statutory accounts:

18	Detailed Income and Expenditure Account
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ARK COMMUNITY TRANSPORT LTD
REPORT OF THE DIRECTORS/TRUSTEES
YEAR ENDED 31 MAY 2017

1. Reference and administration details

Charity Number: 1140576

Company Number: 6901868

Principal office: Beaufort house, Beaufort Road, Birkenhead, Merseyside. CH41 1HE

Accountants: Premier Taxation Services Limited, 143a High Street, Prestatyn, Denbighshire LL19 9AS

Bankers: HSBC, 38 Grange Road, West Kirby, Wirral. CH48 4EA

Solicitors: Gregory Davies, DDE Law, 32-40 Derby Road, Bootle, L20 3EG.

Trustees: Trustees who served during the year were:

Mr Allan Roger Lacey

Mr John Derbyshire

Mrs Janine Ann Mouarkach

Chief Executive: Mr John Derbyshire

ARK COMMUNITY TRANSPORT LTD

REPORT OF THE DIRECTORS/TRUSTEES

YEAR ENDED 31 MAY 2017

2. Structure, governance and management

Governing Document

The company is governed by its Memorandum and Articles of Association and is constituted as a company limited by guarantee, registration number 6901868.

The Charity is registered by the Charity Commissioners for England and Wales Registration number 1140576.

History of Ark Community Transport Ltd

The Company was formed in 2009 and registered with the Charity Commission in February 2011.

Recruitment and Appointment of Trustees

The trustees of the charity are also the directors for the purposes of company law. Under the requirements of the Memorandum and Articles of Association the number of trustees on the council shall not be less than three.

The charity is actively seeking to recruit new trustees to add to the existing expertise and experience.

New trustees are made aware of their legal obligations under charity and company law.

Support sessions to acquaint new trustees with their obligations.

Trustee Induction and Training

New trustees will be invited to an induction to meet staff and learn about the workings of the Charity, including Board Policy and Procedures. An induction pack will be given out with full information of the company's history.

Risk Management

The trustees have reviewed the activities of the company and the risks it faces. From time to time the risks are re-assessed and managed as appropriate.

Internal controls, based upon appropriate lines of authority and a subdivision of tasks within the company are maintained. Health and Safety risks and operational risks rely upon the subdivision of responsibilities, proper training of personnel and regular maintenance of the company's assets, principally its vehicles and lifts. These controls are maintained on a continuous risk basis. Environmental, ethical and social risks are assessed as part of operational risks.

External financial risks relate principally to the company's future funding.

ARK COMMUNITY TRANSPORT LTD

REPORT OF THE DIRECTORS/TRUSTEES

YEAR ENDED 31 MAY 2017

Organisational Structure

The Chief Executive is responsible to the Board of Directors. He is supported by a Finance function.

The Board meet on a regular basis with the Chief Executive/Company Secretary and receive input from the Finance function.

The Finance function is responsible to the Chief Executive for producing and monitoring all financial information.

3 Objectives and Activities

Objectives and Activities

The charity's objectives are to provide transport facilities in Merseyside for persons who have special need of such facilities because they are vulnerable children and adults with mental and/or physical disabilities.

We are constantly monitored and audited by Wirral Borough Council.

The company occasionally provide transport on a hire basis for disabled groups.

The trustees have paid due regard to the Charity Commission's guidance on Public Benefit and believe that the charity has complied with the duty in Section 17(5) of the Charities Act 2011. The charity has made no changes to the company's objectives or the policies needed to achieve them during the year.

4 Achievements and performance

The trustees have a policy of affording the highest possible standard of transport and working environment for both the users of its vehicles and its staff and consequently significant resources were used setting up premises, buying new vehicles adapted specially for transporting wheelchairs and recruiting drivers and attendants of the highest calibre, experience and training.

Regular servicing and update of vehicles are recorded.

When everything was in place contracts were negotiated with Wirral Borough Council to assist vulnerable children and adults with mental and/or physical disabilities who were housebound to attend day centres, affording some respite for their home carers and improving the individual's quality of life.

There are currently only nineteen contracts in place with Wirral Borough Council. In addition and on request we provide transport for vulnerable adults and disabled children.

The Charity achieved in excess of 50,000 individual client journeys in the period (2016 50,000)

ARK COMMUNITY TRANSPORT LTD

REPORT OF THE DIRECTORS/TRUSTEES

YEAR ENDED 31 MAY 2017

5 Financial Review

The charity recorded a surplus of £13596 during the year (2016 - a surplus of £20452). Total income amounted to £457,634 (2016 - £457,623), with £452,697 (2016 - £429,542) coming from service funding, £2712 (2016 - £26069) from other income and £2225 (2016 - £2012) from donations.

This allowed the charity to expend £444,038 (2016 - £437,171), on operating and governance matters during the year.

Reserves Policy

The reserves fund represents the unrestricted funds arising from past activities. The policy objective of the charity's management is that the unrestricted funds held should be between three and six months of predicted expenditure.

Based on 2017 expenditure levels, this would equate to between £111009 and £222018. Actual reserves at 31st May 2017 were £83362. The trustees are taking steps in 2017/18 to attempt to build up the reserves position in order to be able to progress towards complying with the stated objective.

We are currently tendering for further contracts with Wirral Borough Council.

6 Future Developments

The charity intends to carry on with its contracts with Wirral Social Services possibly expanding the number of contracts and subsidising this side of its work by the provision of other commercial activities.

7 Trustees' Responsibilities

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees' are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent 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 maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, and in accordance with the Charity's Constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ARK COMMUNITY TRANSPORT LTD

REPORT OF THE DIRECTORS/TRUSTEES

YEAR ENDED 31 MAY 2017

8 Directors/Trustees

The directors/trustees who served during this period were as follows:

Mr John Derbyshire

Mrs Janine Anne Mouarkach

Mr Allan Roger Lacey

Signed on behalf of the Board:



John Derbyshire - Chairman

Dated: 28 February 2018

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES ON THE UNAUDITED
FINANCIAL STATEMENTS OF ARK COMMUNITY TRANSPORT LTD
YEAR ENDED 31 MAY 2017**

I report on the accounts for the year ended 31 May 2017, which are set out on pages 8 to 17.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income did not exceed £1,000,000 and I am qualified to undertake the examination.

Having satisfied myself that the charity is not subject to audit under part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act
- To follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- To state whether particular matters have come to my attention

Basis of the Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's Statements

In connection with my examination, no matter has come to my attention:

- Which give me reasonable cause to believe that, in any material respect, the requirements:
- To keep accounting records in accordance with section 386 of the Companies Act 2006,
- To prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met, or
- To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed: _____

J J Cape

**Premier Taxation Services Ltd
143a High Street, Prestatyn. LL19 9AS**

ARK COMMUNITY TRANSPORT LTD**INCOME AND EXPENDITURE ACCOUNT****YEAR ENDED 31 MAY 2017**

	2017	2016
	£	£
INCOME		
Donations and fundraising	2225	2012
Service Funding	452697	429542
Other Income	2712	26069
	<hr/>	<hr/>
	457634	457623
	<hr/>	<hr/>
EXPENDITURE		
Charitable Activities	421738	418209
Management and administration	22300	18962
	<hr/>	<hr/>
	444038	437171
	<hr/>	<hr/>
SURPLUS ON ORDINARY ACTIVITIES	13596	20452
Other interest payable & similar charges	-	-
	<hr/>	<hr/>
NET SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES	13596	20452
	<hr/>	<hr/>

ARK COMMUNITY TRANSPORT LTD**STATEMENT OF FINANCIAL ACTIVITIES****YEAR ENDED 31 MAY 2017****ALL UNRESTRICTED**

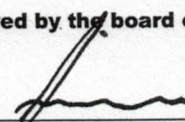
	Notes	2017	2016
INCOMING RESOURCES			
Incoming resources from generated funds			
Voluntary income	2	2225	2012
Service funding	3	452697	429542
Other income	4	2712	26069
		<hr/>	<hr/>
Total incoming resources		457634	457623
		<hr/>	<hr/>
RESOURCES EXPENDED			
Costs of generating funds:			
Charitable activities	5	442538	435671
Governance costs	6	1500	1500
Other expenditure	7		
		<hr/>	<hr/>
TOTAL RESOURCES EXPENDED		444038	437171
		<hr/>	<hr/>
Net/Incoming Resources before transfers		13596	20452
Net Incoming resources for the year		13596	20452
Balance brought forward at 1 June 2016 (2015)		69766	49314
Balances carried forward at 31st May 2017 (2016)		83362	69766

ARK COMMUNITY TRANSPORT LTD
BALANCE SHEET
YEAR ENDED 31 MAY 2017

	Notes	2017	2016
FIXED ASSETS			
Tangible assets	10	44706	48306
		<hr/>	<hr/>
CURRENT ASSETS			
Debtors	11	33397	30378
Cash at Bank and in hand		32658	26419
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		66055	56797
CREDITORS:Amounts falling			
Due within one year	12	(27399)	(30719)
		<hr/>	<hr/>
NET CURRENT ASSETS/ (LIABILITIES)		38656	26078
TOTAL ASSETS LESS CURRENT LIABILITIES		83362	74384
		<hr/>	<hr/>
CREDITORS:Amounts falling			
Due after more than one year	13	-	(4618)
		<hr/>	<hr/>
NET ASSETS		83362	69766
FUNDS			
Unrestricted funds	16	83362	69766
Restricted funds	15	<hr/>	<hr/>
		83362	69766
		<hr/>	<hr/>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and the Financial Reporting Standard for smaller Entities (effective April 2008).

Approved by the board on 28th February 2018 and were signed on its behalf by:


 J Derbyshire (Chairman)

ARK COMMUNITY TRANSPORT LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2017

1. ACCOUNTING POLICIES

• **Basis of preparation**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standards for smaller Entities (effective April 2008) and the Companies Act 2006. The Financial statements incorporating a Statement of Financial Activities, have been prepared in accordance with Statement of Recommended Practice SORP 2005- "Accounting and Reporting by Charities".

• **Company Status**

The organisation is a registered Charity and a company limited by guarantee. The liability in respect of the guarantee as set out in the memorandum is limited to £1 per member of the company.

• **Fund Accounting**

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the organisation.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

All income and expenditure is shown in the Statement of Financial Activities.

The nature and purpose of each fund are full explained in note 16.

• **Income and Expenditure**

All income and expenditure is accounted for on the accruals basis.

All incoming resources are included in the Statement of Financial Activities (SOFA) 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:

- Incoming resources from charitable activities are received by way of transport fees. They are all credited to the statement of financial activities in accordance to the period they relate to, regardless of when actually received. Any amounts received in advance are treated as deferred income, and arrears are treated as debtors at the year end. Grants received for specific purposes are credited to the statement of financial activities on receipt and allocated to restricted funds.
- Donated goods are included at the value to the charity where this can be quantified.
- Income from investments is included in the statement of financial activities in the year in which it is receivable.

ARK COMMUNITY TRANSPORT LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2017

- **Provisions**

Provisions are recognised in the balance sheet when there is present obligation as a result of a past event. The provision recognised is the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

- **Fixed Assets**

Depreciation is calculated to write off the cost or valuation, less estimated residual values, of tangible fixed assets over their estimated useful lives to the charity. The annual depreciation rates and methods are as follows:

Property Improvements	-	20 years
Motor vehicles	-	over the economic life of the asset

Assets are carried in the balance sheet at written down historical cost.

Gifted assets are capitalised if valued over £250 at the point of receipt.

Impairment reviews are carried out on assets where an indication is given that the recoverable amount is below the net book value. No assets have been subject to impairment to date.

2. VOLUNTARY INCOME

	Unrestricted 2017 £	Restricted 2017 £	Total 2017 £	Total 2016 £
Donations	2225	Nil	2225	2012
	<u>2225</u>	<u>Nil</u>	<u>2225</u>	<u>2012</u>

3. SERVICE FUNDING

Wirral Council Passenger Transport for Adult Services funding in the year amounted to £452, 697 (2016- £429542)

4. OTHER INCOME

Sundry Income in the year amounted to £ 2712 (2016 - £26069)

5. RESOURCES EXPENDED- CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Total 2017	Total 2016
	£	£	£	£
Salaries & associated costs	238273		238273	276241
Motor Expenses	184105		184105	134706
Premises Costs	6630		6630	12910
Telephone	2114		2114	2384
Miscellaneous	5297		5297	3383
Short leasehold depreciation	3600		3600	3600
Bank charges and interest	544		544	556
Health & Safety	1975		1975	1891
	<u>442538</u>		<u>442538</u>	<u>435671</u>

6. GOVERNANCE COSTS

	Unrestricted	Restricted	Total 2017	Total 2016
	£	£	£	£
Accountancy and Independent review	1500		1500	1500

ARK COMMUNITY TRANSPORT LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2017

7. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2017	2016
	£	£
Depreciation and amortisation	3600	3600
Independent review	1500	1500

8. STAFF COSTS

	2017	2016
	£	£
The cost of employing staff, including trustees was:		
Wages and salaries	238273	276241

No employees received emoluments above £60,000

**The average weekly number of employees during
The period was:**

	2017	2016
	No.	No.
Management and trustees	3	3
Others	24	22
	27	25

ARK COMMUNITY TRANSPORT LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2017

9. TANGIBLE FIXED ASSETS

	Property Improvements £		Total £
COST			
At 1 st June 2015	68,410		68,410
Additions at cost	-	-	-
Disposals	-		
	<hr/>	<hr/>	<hr/>
AT 31ST MAY 2016	68,410	-	68,410
	<hr/>	<hr/>	<hr/>
AMORTISATION			
At 1 st June 2016	20,104		20,104
Disposals	-		-
Charge for the period	3,600		3,600
	<hr/>	<hr/>	<hr/>
AT 31ST MAY 2017	23,704	-	23,704
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 st May 2017	44, 706	-	44, 706
	<hr/>	<hr/>	<hr/>
At 31 st May 2016	48, 306		48, 306
	<hr/>	<hr/>	<hr/>

10. DEBTORS

	2016 £	2015 £
Trade debtors	22,092	21,598
Other debtors	11,305	8,780
Prepayments	-	-
	<hr/>	<hr/>
	33, 397	30, 378
	<hr/>	<hr/>

ARK COMMUNITY TRANSPORT LTD
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2017

11. CREDITORS: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	12,075	12,322
Taxes & Social security	7,824	12,397
Other creditors	6,000	6,000
Accruals	1,500	-
	27,399	30,719

12. CREDITORS: Amounts falling due after more than one year

	2017	2016
	£	£
Trustee Loan Accounts	-	4,618
	-	4,618

**ARK COMMUNITY TRANSPORT LTD
DETAILED INCOME AND EXPENDITURE ACCOUNT**

YEAR ENDED 31 MAY 2017

13. RESTRICTED FUNDS

There were no restricted funds during the year.

14. UNRESTRICTED FUNDS

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

15. TAXATION

The company is a Registered Charity and is not liable to UK Corporation Tax.

ARK COMMUNITY TRANSPORT LTD**DETAILED INCOME & EXPENDITURE ACCOUNT****YEAR ENDED 31 MAY 2017**

	2017	2016
	£	£
Income:		
Services	452,697	429,542
Donations	2,225	2,012
Other Income	<u>2,712</u>	<u>26,069</u>
	457,634	457,623
	<hr/>	<hr/>
Expenditure:		
Salaries and associated costs	238273	276241
Motor Expenses	184105	134706
Premises Costs	6630	12910
Telephone	2114	2384
Miscellaneous	5297	3383
Short leasehold depreciation	3600	3600
Bank charges and interest	544	556
Health & Safety	1975	1891
Accountancy/Independent review	1500	1500
	<hr/>	<hr/>
Net Profit/(Loss)	13596	20452
	<hr/>	<hr/>