

Registered number: 02970800
Charity number: 1041307

ARK MEDICAL TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

ARK MEDICAL TRUST

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ARK MEDICAL TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees

C I O Brookes, Chairman
M Rees
M C D Roberts
D Newman
R G Finlayson
K H Lee (resigned 10 January 2022)
R E Walker

Company registered number

02970800

Charity registered number

1041307

Registered office

Victoria House, 39 Winchester Street, Basingstoke, Hampshire, RG21 1EQ

Principal operating office

Ark Centre, Dinwoodie Drive, Basingstoke, Hampshire, RG24 9NN

Company secretary

M Urry

Independent auditors

Wise & Co, Wey Court West, Union Road, Farnham, Surrey, GU9 7PT

Bankers

Lloyds TSB Plc

Solicitors

Lamb Brooks LLP, Basingstoke

ARK MEDICAL TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 April 2021 to 31 March 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Group and the Company qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

• Policies and objectives

The principal objective of the Charity continues to be the provision of sponsorship for rooms used by patient community groups to hold regular meetings. We also offer sponsorship for one-off meetings where appropriate. This is achieved through the Charity's trading subsidiary (Ark Conference Centre Limited) (ACCL) which operates a conference and education centre with particular emphasis in the medical sector.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Achievements and performance

• Review of activities

The recent pandemic has meant that many of the local patient groups have been understandably wary of face to face meetings and there have been fewer larger events due to the Covid restrictions. We have therefore seen a marked reduction in footfall in these activities.

The Charity has been delighted to welcome back some community groups such as Basingstoke Breast Cancer Self Help Group and to also sponsor the RRapid Course for the hospital and look forward to many of the other groups gaining confidence in returning to face to face meetings.

During the pandemic Hampshire Hospitals Foundation Trust moved many administrative departments into the Ark Centre in order to make additional clinical space within the Basingstoke Hospital. This provision of this space was critical to the HHFT Covid response and enabled much safer clinical care on the wards.

We are now considering whether the long-term future of the Ark Centre will be both as a conference venue and a place for HHFT administrative activity.

Many of the meetings during the year were for external medical related training. However, we have seen a return to business as usual for commercial clients who held a series of training, induction and conferences. The Blue Café Bar has remained open throughout the year and has been very popular with hospital staff and with catering for commercial events.

Christmas has always been a popular time of year for dinners and events and although working with the restrictions of covid and limited space the Ark Catering team were able to successfully deliver 196 Christmas lunches, 37 Christmas dinners and 67 Christmas afternoons teas.

Once again this has been an extraordinary year for the Ark team who have needed to learn new skills and

ARK MEDICAL TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

become much more flexible in the way that they work, underpinned by their commitment to quality and excellence with both delegates, patients and the local community.

Financial review

- **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

- **Reserves policy**

It is the policy of the Charity to aim to build its free reserves to a level which equates to approximately a year's unrestricted expenditure for the Group. The trustees consider that this would provide sufficient funds to cover management, administration and support costs and to respond to any emergency needs, which may arise from time to time.

- **Investments policy**

A significant amount of the Charity's funds have been invested in The Ark Conference Centre Limited. The Charity does not currently have any other significant fixed asset investments as resources are short term.

At the balance sheet date unrestricted funds of £4,270,356 (2021: £3,910,863) and restricted funds of £63,123 (2021: £63,608) were held. Free reserves were £893,552 (2021: £446,041).

Structure, governance and management

- **Constitution and Governing document**

Ark Medical Trust is a Company Limited by Guarantee, not having Share Capital, and is governed by its Memorandum and Articles of Association dated 23rd September 1994. It is registered as a charity with the Charity Commission.

Charity number: 1041307

Company number: 02970800

The Charity currently has no members other than the Trustees each of whom agree to contribute no more than £1 in the event of the Charity winding up.

ARK MEDICAL TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

• Directors and Trustees

The directors of the charitable company ("the Charity") are its Trustees for the purpose of charity law and throughout this report are collectively referred to as "The Board". New Trustees are appointed at the discretion of the existing Trustees. Many of the Trustees have served a period of over 10 years. Due to their knowledge and the expertise they bring to the board we are delighted they have chosen to remain. There has been difficulty attracting new members to take their place.

As set out in the Articles of Association the Chairman of the Trustees is nominated by the Board.

At each Annual General Meeting one third of the members of the Board retire from office. Those members to retire are those who have been longest in office since their last election or appointment. A retiring member of the Board is eligible for re-election.

At the end of the year the Board consisted of four medical directors, an accountant and a lawyer.

• Organisational structure

During this period, the Board met on five occasions with the objectives of overseeing the management of The Ark Conference Centre and the Charity. This includes fundraising activities and the management of the community sponsorship programme which normally would enable free use of the Ark Centre by community groups.

• Trustee induction and training

New Trustees undergo orientation to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the Charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. They are issued with a Trustee Induction Pack which includes the Company's Memorandum and Articles of Association, Charity Commission guide, list of Trustee and contact details and the most recent audited accounts and board minutes.

Trustees meet regularly at The Ark Conference Centre and are made aware of changes relating to the running of the Charity.

• Risk management

Risk Assessment Record is reviewed annually with detailed discussions taking place of any changes to the perceived exposure to certain areas of risk. The Conflict of Interest Register is also reviewed annually to reflect any changes.

Plans for future periods

The Board continue to maintain due diligence and financial prudence. The process of consolidating and improving existing space continues rather than physically expanding the premises. This has been shown with the investment in new technology which will continue to maintain the centre's state of the art status within the conferencing world.

ARK MEDICAL TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small companies

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Wise & Co, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on
behalf by:

17/11/22

and signed on their

C I O Brookes
(Chair of Trustees)



ARK MEDICAL TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARK MEDICAL TRUST

Opinion

We have audited the financial statements of Ark Medical Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 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 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

ARK MEDICAL TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARK MEDICAL TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

ARK MEDICAL TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARK MEDICAL TRUST (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the parent charitable company and the industry in which it operates, and considered the risk of acts by the parent charitable company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011, the Companies Act 2006 and UK tax legislation.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

ARK MEDICAL TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARK MEDICAL TRUST (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Dickinson FCA (Senior statutory auditor)

for and on behalf of

Wise & Co

Chartered Accountants

Statutory Auditors

Wey Court West

Union Road

Farnham

Surrey

GU9 7PT

Date:

ARK MEDICAL TRUST

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	-	-	-	1,520
Other trading activities	4	1,266,209	-	1,266,209	1,177,061
Investments	5	-	15	15	119
Other income	6	3,928	-	3,928	73,596
Total income		1,270,137	15	1,270,152	1,252,296
Expenditure on:					
Raising funds	7	910,254	500	910,754	917,037
Charitable activities	8	390	-	390	6,920
Total expenditure		910,644	500	911,144	923,957
Net movement in funds		359,493	(485)	359,008	328,339
Reconciliation of funds:					
Total funds brought forward		3,910,863	63,608	3,974,471	3,646,132
Net movement in funds		359,493	(485)	359,008	328,339
Total funds carried forward		4,270,356	63,123	4,333,479	3,974,471

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 16 to 34 form part of these financial statements.

ARK MEDICAL TRUST
REGISTERED NUMBER: 02970800

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	3,376,804	3,464,822
Current assets			
Stocks	15	10,520	8,847
Debtors	16	33,565	25,604
Cash at bank and in hand		1,050,050	573,004
		<u>1,094,135</u>	<u>607,455</u>
Creditors: amounts falling due within one year	17	(137,460)	(97,805)
Net current assets		<u>956,675</u>	<u>509,650</u>
Total assets less current liabilities		<u>4,333,479</u>	<u>3,974,472</u>
Creditors: amounts falling due after more than one year	18	-	(1)
Total net assets		<u><u>4,333,479</u></u>	<u><u>3,974,471</u></u>
Charity funds			
Restricted funds	19	63,123	63,608
Unrestricted funds	19	4,270,356	3,910,863
Total funds		<u><u>4,333,479</u></u>	<u><u>3,974,471</u></u>

ARK MEDICAL TRUST
REGISTERED NUMBER: 02970800

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

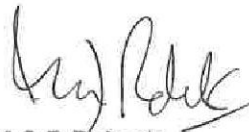
The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



C I O Brookes
(Chair of Trustees)

Date: 17/4/22



M C D Roberts
(Trustee)

17/4/22

The notes on pages 16 to 34 form part of these financial statements.

ARK MEDICAL TRUST
REGISTERED NUMBER: 02970800

COMPANY BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	12,870	12,870
Investments	14	4,202,292	3,840,149
		<u>4,215,162</u>	<u>3,853,019</u>
Current assets			
Debtors	16	43,040	45,799
Cash at bank and in hand		75,308	82,529
		<u>118,348</u>	<u>128,328</u>
Creditors: amounts falling due within one year	17	(30)	(6,875)
Net current assets		<u>118,318</u>	<u>121,453</u>
Total net assets		<u><u>4,333,480</u></u>	<u><u>3,974,472</u></u>
Charity funds			
Restricted funds	19	63,123	63,608
Unrestricted funds	19	4,270,357	3,910,864
Total funds		<u><u>4,333,480</u></u>	<u><u>3,974,472</u></u>

The Company's net movement in funds for the year was £359,008 (2021 - £328,342).

ARK MEDICAL TRUST
REGISTERED NUMBER: 02970800

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



C I O Brookes
(Chair of Trustees)

Date: 17/4/22



M C D Roberts
(Trustee)

17.11.22

The notes on pages 16 to 34 form part of these financial statements.

ARK MEDICAL TRUST

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	500,666	488,079
Cash flows from investing activities		
Interest receivable	(15)	(119)
Purchase of tangible fixed assets	(23,605)	(5,814)
Net cash used in investing activities	(23,620)	(5,933)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	477,046	482,146
Cash and cash equivalents at the beginning of the year	573,004	90,858
Cash and cash equivalents at the end of the year	1,050,050	573,004

The notes on pages 16 to 34 form part of these financial statements

ARK MEDICAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Ark Medical Trust, is a private company limited by guarantee. The members of the Company are the Trustees named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member.

The Company is incorporated in England & Wales and its registered office address is Victoria House, 39 Winchester Street, Basingstoke, Hampshire, RG21 1EQ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Ark Medical Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Turnover comprises revenue recognised by the subsidiary company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

ARK MEDICAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Statement of Financial Activities in the same period as the related expenditure.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

ARK MEDICAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property - Over 88 years on a straight line basis
Fixtures, fittings and equipment - 5% - 50% straight line

Artwork is not depreciated.

2.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

At each reporting date, stocks are assessed for impairment. The impairment loss is recognised immediately in profit or loss.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

ARK MEDICAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.11 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight-line basis over the lease term.

2.13 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.14 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	-	-	-	520
Grants	-	-	-	1,000
	-	-	-	1,520
<i>Total 2021</i>	520	1,000	1,520	

ARK MEDICAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Charity trading income	1,266,209	1,266,209	1,177,061
	<u>1,177,061</u>	<u>1,177,061</u>	
<i>Total 2021</i>			

5. Investment income

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Interest received	15	15	119
	<u>119</u>	<u>119</u>	
<i>Total 2021</i>			

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Government grants receivable	3,928	3,928	60,596
Other income	-	-	13,000
	<u>3,928</u>	<u>3,928</u>	<u>73,596</u>
<i>Total 2021</i>	<u>73,596</u>	<u>73,596</u>	

ARK MEDICAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. Expenditure on raising funds

Total expenditure on raising funds was £910,754 (2021: £917,037) as detailed below:

Costs of raising voluntary income

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Costs of raising funds	-	500	500	349
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Total 2021</i>	349	-	349	
	<u> </u>	<u> </u>	<u> </u>	

Fundraising trading expenses

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Cost of sales and administrative expenses	798,634	798,634	797,413
Depreciation	111,620	111,620	119,275
	<u> </u>	<u> </u>	<u> </u>
	910,254	910,254	916,688
	<u> </u>	<u> </u>	<u> </u>
<i>Total 2021</i>	916,688	916,688	
	<u> </u>	<u> </u>	

ARK MEDICAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
General fund	390	-	390	6,420
Basingstoke Breast Cancer self help group	-	-	-	500
	<u>390</u>	<u>-</u>	<u>390</u>	<u>6,920</u>
<i>Total 2021</i>	<u>6,420</u>	<u>500</u>	<u>6,920</u>	

9. Analysis of expenditure by activities

	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
General fund	-	390	390	6,420
Basingstoke Breast Cancer self help group	-	-	-	500
	<u>-</u>	<u>390</u>	<u>390</u>	<u>6,920</u>
<i>Total 2021</i>	<u>500</u>	<u>6,420</u>	<u>6,920</u>	

ARK MEDICAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

10. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	5,555	5,546
Fees payable to the Company's auditor in respect of:		
Audit of the subsidiary annual accounts	5,370	5,530
All non-audit services not included above	680	648

The total fees payable to the Company's auditor was £11,605 (2021: £11,724).

11. Staff costs

	Group 2022 £	Group 2021 £
Wages and salaries	328,386	390,875
Social security costs	27,138	35,426
Contribution to defined contribution pension schemes	5,757	9,056
	<u>361,281</u>	<u>435,357</u>

The average number of persons employed by the Group during the year was as follows:

	Group 2022	Group 2021
Employees	<u>13</u>	<u>16</u>

The number of Group employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022	Group 2021
In the band £70,001 - £80,000	1	1

The Company had 0 employees (2021 - 0).

ARK MEDICAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

13. Tangible fixed assets

Group

	Long-term leasehold property £	Plant, machinery & fixtures £	Total £
Cost or valuation			
At 1 April 2021	4,403,885	1,573,878	5,977,763
Additions	-	23,605	23,605
At 31 March 2022	<u>4,403,885</u>	<u>1,597,483</u>	<u>6,001,368</u>
Depreciation			
At 1 April 2021	1,170,910	1,342,031	2,512,941
Charge for the year	38,936	72,687	111,623
At 31 March 2022	<u>1,209,846</u>	<u>1,414,718</u>	<u>2,624,564</u>
Net book value			
At 31 March 2022	<u>3,194,039</u>	<u>182,765</u>	<u>3,376,804</u>
At 31 March 2021	<u>3,232,975</u>	<u>231,847</u>	<u>3,464,822</u>

ARK MEDICAL TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Tangible fixed assets (continued)

Company

	Fixtures, fittings & equipment £
Cost or valuation	
At 1 April 2021	13,350
At 31 March 2022	<u>13,350</u>
Depreciation	
At 1 April 2021	480
At 31 March 2022	<u>480</u>
Net book value	
At 31 March 2022	<u><u>12,870</u></u>
At 31 March 2021	<u><u>12,870</u></u>

£12,870 of the assets are artwork and so are not depreciated in accordance with the Company's accounting policy.

ARK MEDICAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Fixed asset investments

Group

The Group has no fixed asset investments.

Company	Investments in subsidiary company £
Cost or valuation	
At 1 April 2021	5,733,969
At 31 March 2022	<u>5,733,969</u>
Impairment	
At 1 April 2021	1,893,820
Reversal of impairments	(362,143)
At 31 March 2022	<u>1,531,677</u>
Net book value	
At 31 March 2022	<u>4,202,292</u>
At 31 March 2021	<u>3,840,149</u>

The fixed asset investment cost relates to net capital contributions made to The Ark Conference Centre Limited.

ARK MEDICAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity
The Ark Conference Centre Limited	03683701	Dinwoodie Drive, Basingstoke, Hampshire, RG24 9NN	Provision of a facility for conferencing and training in the field of medicine

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
The Ark Conference Centre Limited	1,272,397	(910,254)	362,143	4,202,293

15. Stocks

	Group 2022 £	Group 2021 £
Finished goods and goods for resale	<u>10,520</u>	<u>8,847</u>

ARK MEDICAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. Debtors

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Due within one year				
Trade debtors	10,386	5,944	-	-
Other debtors	4,779	3,809	-	-
Prepayments and accrued income	18,400	15,851	43,040	45,799
	<u>33,565</u>	<u>25,604</u>	<u>43,040</u>	<u>45,799</u>

17. Creditors: Amounts falling due within one year

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Trade creditors	31,931	23,099	-	-
Other taxation and social security	8,016	9,145	-	-
Other creditors	1,290	1,490	-	-
Accruals and deferred income	96,223	64,071	30	6,875
	<u>137,460</u>	<u>97,805</u>	<u>30</u>	<u>6,875</u>

Included within accruals and deferred income is deferred income of £nil (2021 - £10,000) relating to the arrangements in note 18.

18. Creditors: Amounts falling due after more than one year

	Group 2022 £	<i>Group 2021 £</i>
Other loans	<u>-</u>	<u>1</u>

A £200,000 loan from Basingstoke & Deane Borough Council was written down to £1 in exchange for use represented as deferred income and is being released at the rate of £10,000 per annum and the final release was in the year ended 31 March 2022. This loan was potentially repayable in full if The Ark Conference Centre was sold before 31 March 2022.

A loan of £100,000 from Hampshire Hospital Financial Trust (HHFT), and interest payable of £33,000, was written down to £nil during the year ended 31st March 2011 in exchange for use of the facilities of The Ark Conference Centre Limited for a period of 10 years from 2012. This was represented as deferred income and was being released at the rate of £13,000 per annum and the final release was during the year ended 31 March 2021.

ARK MEDICAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Unrestricted funds				
Reserves	3,910,863	1,270,137	(910,644)	4,270,356
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds				
Training fund	63,108	15	-	63,123
Basingstoke Breast Cancer self-help group	500	-	(500)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	63,608	15	(500)	63,123
	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	3,974,471	1,270,152	(911,144)	4,333,479
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

ARK MEDICAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2021 £</i>
Unrestricted funds				
Reserves	3,583,143	1,251,177	(923,457)	3,910,863
Restricted funds				
Training fund	62,989	119	-	63,108
Basingstoke Breast Cancer self-help group	-	1,000	(500)	500
	<u>62,989</u>	<u>1,119</u>	<u>(500)</u>	<u>63,608</u>
Total of funds	<u><u>3,646,132</u></u>	<u><u>1,252,296</u></u>	<u><u>(923,957)</u></u>	<u><u>3,974,471</u></u>

20. Summary of funds

Summary of funds - current year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2022 £</i>
General funds	3,910,863	1,270,137	(910,644)	4,270,356
Restricted funds	63,608	15	(500)	63,123
	<u><u>3,974,471</u></u>	<u><u>1,270,152</u></u>	<u><u>(911,144)</u></u>	<u><u>4,333,479</u></u>

ARK MEDICAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

20. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2021 £</i>
General funds	3,583,143	1,251,177	(923,457)	3,910,863
Restricted funds	62,989	1,119	(500)	63,608
	<u>3,646,132</u>	<u>1,252,296</u>	<u>(923,957)</u>	<u>3,974,471</u>

Training fund - An anonymous donation was given to the Trust, from an ex-patient of one of the Trustees to be used for the advancement of education.

Basingstoke Breast Cancer self-help group - A grant was made by Tesco Bags of Help to support the meetings of this group.

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	3,376,804	-	3,376,804
Current assets	1,031,012	63,123	1,094,135
Creditors due within one year	(137,460)	-	(137,460)
Total	<u>4,270,356</u>	<u>63,123</u>	<u>4,333,479</u>

ARK MEDICAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	3,464,822	-	3,464,822
Current assets	543,347	64,108	607,455
Creditors due within one year	(97,305)	(500)	(97,805)
Creditors due in more than one year	(1)	-	(1)
Total	<u><u>3,910,863</u></u>	<u><u>63,608</u></u>	<u><u>3,974,471</u></u>

22. Free reserves

Free reserves are the amount of funds that the Charity holds at the end of the reporting period after making allowance for any restricted funds, designated funds and the carrying amount of fixed assets held.

	2022 £	2021 £
Total reserves	4,333,479	3,974,471
Restricted reserves	(63,123)	(63,608)
Designated reserves	-	-
Net book value of fixed assets	(3,376,804)	(3,464,822)
	<u><u>893,552</u></u>	<u><u>446,041</u></u>

ARK MEDICAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	<i>Group 2021 £</i>
Net income for the year (as per Statement of Financial Activities)	359,008	328,339
Adjustments for:		
Depreciation charges	111,623	119,275
Interest receivable	15	119
Increase in stocks	(1,673)	(1,478)
Decrease/(increase) in debtors	(7,961)	308,621
Increase/(decrease) in creditors	39,654	(266,797)
Net cash provided by operating activities	500,666	488,079

24. Analysis of cash and cash equivalents

	Group 2022 £	<i>Group 2021 £</i>
Cash in hand	1,050,050	573,004
Total cash and cash equivalents	1,050,050	573,004

25. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	Other non- cash changes £	At 31 March 2022 £
Cash at bank and in hand	573,004	477,046	-	1,050,050
Debt due after 1 year	(1)	-	1	-
	573,003	477,046	1	1,050,050

ARK MEDICAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

26. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £5,757 (2021 - £9,056). Contributions totalling £1,289 (2021 - £1,483) were payable to the fund at the reporting date.

27. Operating lease commitments

At 31 March 2022 the Group had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £
Not later than 1 year	15,871	13,557
Later than 1 year and not later than 5 years	14,809	22,808
	30,680	36,365

The Company had no commitments under non-cancellable operating leases.

28. Related party transactions

During the year the Company incurred room hire charges on behalf of other organisations of £2,760 (2021: £2,094) from its subsidiary, The Ark Conference Centre Limited. At the year end the Company had prepaid for room hire totalling £43,040 (2021: £45,799).