

WIRRAL CHURCHES' ARK PROJECT

England & Wales · Charity number 1079070

Details

Other names	THE ARK
Status	Registered
Legal form	Charitable company
Company number	03896833
Registered	2000-01-24
Register	View on the Charity Commission register

Contact

Address	The Ark Mary Cole House 7 Sidney Street Birkenhead CH41 1BF
Phone	01516490111
Email	enquiries@wirralark.org.uk
Website	www.wirralark.org.uk

Activities

Objects: 1.1 THE CHARITY IS FORMED FOR THE BENEFIT OF THE COMMUNITY. ITS CHARITABLE OBJECTS ("THE OBJECTS") SHALL BE TO CARRY ON FOR THE BENEFIT OF THE COMMUNITY: 1.1.1 THE BUSINESS OF PROVIDING AND MANAGING HOUSING, INCLUDING SOCIAL HOUSING, AND PROVIDING ASSISTANCE TO HELP HOUSE PEOPLE AND ASSOCIATED FACILITIES, AMENITIES AND SERVICES FOR POOR AND / OR HOMELESS PEOPLE OR FOR THE RELIEF OF AGED, DISABLED (WHETHER PHYSICALLY OR MENTALLY) OR CHRONICALLY SICK PEOPLE; 1.1.2 ANY OTHER CHARITABLE OBJECT THAT CAN BE CARRIED OUT FROM TIME TO TIME BY A REGISTERED SOCIETY REGISTERED AS A PROVIDER OF SOCIAL HOUSING WITH THE REGULATOR.

Activities: The provision of accommodation and associated services to homeless persons

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Accommodation/housing
- **Who:** Other Defined Groups

Geography

- Wirral

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,706,530	£1,820,735	£1,774,429	41
2024-03-31	£1,870,184	£1,775,290	£1,888,634	37
2022-12-31	£1,431,073	£1,256,016	£1,793,740	33
2021-12-31	£1,270,640	£1,429,402	£1,671,330	35
2020-12-31	£1,399,131	£1,366,606	£1,783,288	35

Trustees

Name	Role	Appointed
Gary Robert Edmund Jones		2022-11-26
Ian Lester Roughley		2019-05-22
Ian Robert Getty		2026-03-10
Laura Corbett		2024-11-04
Lorna Quigley		2025-10-04
Lorraine Taylor		2022-04-28
MICHAEL WARNER		2026-03-10
Monju Haque		2024-11-04
Neil Drummond Westlake-Guy		2024-11-04
Paul Nethaniel Anson		2024-07-02

Accounts

Wirral Churches' Ark Project

**Financial Statements
For the Year Ended 31 March 2025**

**Regulator of Social Housing No. 5206
Registered Charity No. 1079070
Registered Company No. 03896833**

Wirral Churches' Ark Project

Financial Statements For the Year Ended 31 March 2025

Contents	Page
Officers and Advisers	1
Board Report incorporating the Strategic Report and Value for Money statement	2 - 12
Independent Auditors' Report	13 - 15
Statement of Comprehensive Income and Retained Earnings	16
Statement of Financial Position	17
Statement of Cash Flows	18
Notes to the Financial Statements	19 - 26

Wirral Churches' Ark Project

Officers and Advisers

Directors:	P N Anson L Corbett M Haque G R E Jones V K Jones A D Roberts I L Roughley L Taylor N Westlake-Guy	- Appointed 2 nd July 2024 - Appointed on 4 th November 2024 - Appointed on 4 th November 2024 - Appointed on 4 th November 2024
President:	Fr R Nelson	
Vice President:	Dr I J Cubbin	
Executive Director:	P Hardman	
Secretary:	A Thompson	
Registered office and Principle place of Business:	7 Sidney Street Birkenhead Wirral CH41 1BF	
Registrations:		
Company Number:	03896833	
Charity Number:	1079070	
Regulator of Social Housing:	5206	
External Auditors:	Xeinadin Audit Limited 46 Hamilton Square Birkenhead Merseyside CH41 5AR	
Bankers:	Barclays Bank plc Liscard Branch 188 Liscard Road Wallasey CH44 5TN	
Principal Solicitors:	Weightmans 100 Old Hall Street Liverpool L3 9QJ	

Wirral Churches' Ark Project

Strategic Report for the year ended 31 March 2025

This document relates to Wirral Churches' Ark Project, referred to as 'the Company' throughout this document.

Objectives and activities

The main objective is to continue to provide accommodation services in the broadest sense to homeless or potentially homeless people.

Significant activities

The activities undertaken to achieve the charity's objectives are:

- The provision of accommodation in the form of:
- 27 bed hostel (Mary Cole House) which includes the provision of meals, laundry and washing facilities;
- 7 move-on houses (2 bedroom accommodation);
- 9 move-on studio flats (Grand Trunk)
- 15 move-on studio flats (Hilltops)
- 6 bedroom women's only project (shared facilities);

Wirral Ark is also part of Wirral Council's Rough Sleeper Initiative (RSI) where we offer 3 emergency beds as part of the overall provision provided by punters each night.

History

Established in 1991 Wirral Churches' Ark Project, or Wirral Ark as it is more commonly known, is a charity focused on helping homeless individuals through the provision of accommodation and support. Our Articles of Association and supporting objects are clear:

The Charity is formed for the benefit of the community. Its charitable objects ('the Objects') shall be to carry on for the benefit of the community:

- *The business of providing and managing housing, including social housing, and providing assistance to help house people and associated facilities, amenities and services for poor and/or homeless people or for the relief of aged, disabled (whether physically or mentally) or chronically sick people;*
- *Any other charitable object that can be carried out from time-to-time by a registered society registered as a provider of Social Housing with the Regulator.*

Wirral Ark is Wirral's only independent homeless charity. We believe everyone has a right to a safe and secure place to live. We support hundreds of people each year who are experiencing homelessness or at risk of becoming homeless through providing housing from 11 properties situated across, Wallasey, Birkenhead and Prenton.

Overall our aim is to break the cycle of homelessness through our compassionate approach to homelessness and its many factors. Alongside our accommodation provision Wirral Ark also aims to address the root causes of homelessness, by playing a frontline role in addressing issues with substance misuse, mental health, physical health, social exclusion, low confidence and wellbeing, and distance from the labour market.

Through our accommodation, wrap around professional services and support, and a compassionate ear, Wirral Ark helps people achieve positive and real outcomes for themselves.

Wirral Ark works with Wirral Council's Housing Options Team and Rough Sleepers Initiative. After an initial assessment has been made by the referring organisation and the individual has been referred to Wirral Ark, our team provide quality accommodation and wrap around support to help them on the road to recovery with the aim of ending the cycle of homelessness.

Working with a Case Management Worker, our specialised Nurses and our Social Value Co-ordinator, residents receive comprehensive, personal support for their physical and mental needs in a safe and secure environment that nurtures independence and promotes building a better future.

People come to us from all walks of life: isolated people with mental health or drug problems, current and ex-offenders, former rough sleepers and people who are begging or street drinking. Wirral Ark staff work together as a team to create a specialised and dedicated path for each resident that will help them best realise their potential and lift them out of homelessness for good.

Wirral Ark provides a wide range of activities to promote physical and mental health and the building of relationships between residents and staff, other residents and the community in Wirral as a whole.

Finally, we want to educate and raise awareness for Wirral Ark's work, and the individual and societal issues people experiencing homelessness face in the community, by creating educational content to highlight these issues and our achievements.

Wirral Churches' Ark Project

Strategic Report for the year ended 31 March 2025

Our Mission

Wirral Ark aims to fearlessly unite people in the fight against homelessness. We help individuals experiencing homelessness achieve their personal ambitions through respect, courage, compassion, and a personalised plan of action.

Our Vision

Wirral Ark believes everyone deserves a safe and secure place to live and aims to reduce homelessness in Wirral by working together with our staff, residents, and supporters.

Our Values

Think Wirral Ark. Think HOME.

Honest - Wirral Ark acts openly and with integrity with our staff, residents and community.

Open Minded - Wirral Ark is free from judgement and bias, striving to help everyone break the cycle of homelessness and better themselves.

Motivated - Wirral Ark works tirelessly to provide a personalised plan of action for each resident to help better themselves.

Empathetic - Wirral Ark strives to understand and respect the journeys our residents have faced and offer a caring and compassionate environment.

Employees

Wirral Churches' Ark Project is committed to employing well managed, well informed and highly skilled staff. Within our business we are clear that the most important group of people are the staff.

At the end of March 2025 there were 34 employees (headcount) of which 18 were full-time and 16 part-time. All recruitment is done in a transparent manner to ensure fairness and the selection of the best candidate. All new staff are required to have a DBS check and are given a full induction to ensure they are ready to take on their new role.

In terms of gauging and understanding how our staff are feeling about their work, the business, and our residents, we combine a range of approaches which include our Employee Forum, supervisions, suggestion boxes, an open-door policy, and an annual employee survey. In our annual employee survey, January 2025, employees told us the following:

- 95% agreed or strongly agreed that they had a clear understanding of Wirral Ark's mission, visions & values.
- 100% agreed or strongly agreed that they can see how their role contributes towards Wirral Ark's mission, vision and values.
- 95% agreed or strongly agreed that they were happy in their role.
- 90% agreed or strongly agreed that Wirral Ark puts the needs of residents at the heart of everything we do.

When asked what makes them proud to work for Wirral Ark, our employees told us:

- 'Knowing that I work with people who genuinely care, not only about the people we serve but about each other. I am also proud that we do invest and continually want to do better, be better and ensure that our premises are constantly hitting the mark in terms of health & safety.'
- 'Being able to see the progress we make with our residents and watching them move on independently.'
- 'Being part of a team that makes a difference on a personal level for our residents and for the wider community.'

Colleagues also described the business as below over the last 2 surveys:

2025 – Supportive, Caring, Understanding & Compassionate.

2024 – Supportive, Caring, Compassionate and Friendly

Residents even think we are not too bad! On a scale of 1-10 how would you rate our service overall? 1=Poor, 10=Excellent

2025 – 9

2024 – 9

Wirral Ark strives to create a calm, professional, driven and caring environment where our values of HOME can thrive and prosper. We will continue to strive to secure stronger and greater positive feedback from staff as we move forward. In return the business asks that all staff recognise the efforts of the organisation and respond to the messages of 'Man in the Arena' and to treasure what we all have. Collective ownership of how the business cares and behaves will enable us to deliver great achievements and personal success for the residents we serve every day.

Wirral Churches' Ark Project

Strategic Report for the year ended 31 March 2025

Residents - Feedback

Committing to the importance of staff within Wirral Ark is in turn designed to ensure we continue to deliver the best services and care to our residents. In terms of gauging and understanding how our residents feel about our work, the business combines a range of approaches which includes suggestion boxes, a formal and transparent complaints process, resident meetings, exit surveys and an annual resident survey. From our annual resident survey in January 2025, we received the following highlights:

- 91% of our residents were either satisfied or very satisfied with the service provided by Wirral Ark as their landlord.
- 100% agreed or strongly agreed with the statement 'I know who my Support Worker is, and support is available when I need it'.
- 89% were either satisfied or very satisfied with the way Wirral Ark keep them informed about things that matter to them.

Some quotes from our residents:

- Accommodation is brilliant and one to one from staff all on your wavelength, kind caring and professional. I wouldn't be able to move forward without you. Provides a step towards a normal future. Make a big difference to a person's life. All on same page - no contradiction
- I was made to feel very welcome, and everything went really quickly after making contact. I am so grateful for the help I am receiving.
- I have found the staff very accommodating and have supported me really well helped me make new friends and meet people and helped me restart my life my accommodation is fabulous. It gives me what I need, and I feel safe at all times.
- Kind, respectful & willing to help people. Wirral Ark are faster to provide help than other services are.

Overall, if we all want work in a business like this, which is so beautifully and kindly described above residents, then it is up to us all to look after it, cherish it and make it better.

Residents - Profile

Asking residents to complete a survey every year does allow us to collect profile data which can only help us to develop more appropriate and targeted services for our residents:

NB: Figures in brackets are from our last report which covered 15 months. The current year figures are for 12 months:

- 95 (130) people took up residence at Wirral Ark's Accommodation services in the period 1st April 2024 – 31st March 2025.
- 76% (75%) of the people who took up residencies at Wirral Ark in the period were male, 24% (25%) were female.
- The average age of people taking up residencies was years 42.3 years (41.3 years).
- Most people taking up residencies described their ethnic origin as White: British – 93% (92%) with others identifying as follows.
 - 3% were Other Ethnic Group: Other
 - 1% were Mixed: White & Black African
 - 1% were Other Ethnic Group: Arab
 - 1% were Asian or Asian British: Other

Beyond identifying as homeless, our residents considered their other support needs as follows:

- 57% (72%) had mental health recorded as a secondary support need
- 37% (35%) had drug misuse problem recorded as a secondary support need
- 20% (31%) had offender or at risk of offending recorded as a secondary support need
- 34% (25%) had alcohol misuse problem recorded as a secondary support need
- 5% (8%) had refugee or asylum seeker recorded as a secondary need.

NB: In our last accounts we reported on Physical health, but a smaller proportion reported 'physical health needs' than 'refugee/asylum seeker' in 2024-25 compared with 2023-24.

Volunteers

Wirral Churches' Ark Project is appreciative of the valuable contribution of all the volunteers. Some stay with us for many years, for others we are a stepping stone to employment - but whatever the reason people join and for however long they stay, they are an important part of the organisation. Volunteers are required to have a DBS check if appropriate and are given training to ensure they are ready to undertake their role.

Wirral Churches' Ark Project

Strategic Report for the year ended 31 March 2025

Achievement and Performance

The period April 2024 to the end of March 2025 was a challenging but successful year. Particular areas of achievement include:

- Securing status of Registered Provider (RP) - 4 July 2024.
- Submitted our CQC Application in September 2024.
- Invested over £100K in new fire doors across our accommodation portfolio

Registered Provider

In July 2024 Wirral Ark Churches' Project secured Registered Provider (RP) status. It has been an incredibly difficult journey but staff and colleagues have persevered and eventually they secured the status they had long desired. Colleagues within Regulator for Social Housing (RSH) have been supportive and rightfully challenging at times but again Wirral Ark are hugely grateful for their efforts and patience.

Nurses Service

During the reporting period we continued to work towards securing CQC (Care Quality Commission) registration for our Nurses Service. In September 2024 we submitted our application and expect the CQC to visit to consider our application in 9-12 months.

Overall, we have not sought to change the service fundamentally although the demands of the CQC are clear in terms of process, procedure and evidence. The service continues to provide a hugely valuable service to residents which remains its core focus.

As with looking to secure RP status, reaching the level of organisation and performance demanded by the CQC drives better service provision for our residents which is one of the key objectives of our business.

Strategic Growth Plan

Wirral Ark launched its Strategic Growth Plan 2023-2024 which is built around 4 strategic growth areas. We will describe these within this document as 'Strategic Pillars'.



In order to deliver growth and improvement all of the Strategic Pillars must each be supported by underpinning areas of work, which in turn are delivered through a number of plans and activities:

TALENT EFFECTIVENESS	SOCIAL IMPACT	STRATEGIC DIRECTION	FINANCIAL STABILITY
Skills	Understanding Social Benefits	RP Accreditation	Funding Streams
Leadership	Living Brand Values	Vision	Cost Management
Effective Processes and Procedures	Communications (External)	Staff Buy-In	Accountability
Communications (Internal)	Strategic Partnerships	Board on Board	
	Core Products		

During 2024-2026 we will review the Strategic Growth Plan and decide whether it is fit for purpose, whether it can be extended or whether a whole new plan will be needed. For the moment we continue to work on delivering the activities which underpin the strategic pillars.

Wirral Churches' Ark Project

Strategic Report for the year ended 31 March 2025

Financial Review

As a Registered Social Landlord, Wirral Churches' Ark Project's accounts are prepared based on both the Accounting Direction for private registered providers of social housing issued by the Regulator of Social Housing and the National Housing Federation's Statement of Recommended Practice. Furthermore, Wirral Churches' Ark Project is a registered limited company and therefore the accounts are in accordance with Companies Act 2006.

The Board of Trustees are satisfied that these accounts reflect the financial position of Wirral Churches' Ark Project for the year ended 31 March 2025. The income is a blend from rents, contracts, commissioned services, grants, trading income, donation and fundraising events.

Our principal funding sources remained our Supporting People contracts with Wirral Borough Council for our hostel (Mary Cole House) and 14 move-on units (7x2 bedroom properties) our Ark Angel project, and Housing Benefit for all the accommodation units. These represent the majority of our income. In addition, residents pay Personal Costs for items such as TV licenses and food. Together these can be considered our core income. The total number of units is 71 plus 3 emergency/assessment rooms.

Turnover and other income for the year amounted to £1,699,228 (15 months to 31.03.24 £1,865,901), an annualised increase of 13% compared to the previous period. Operating Expenditure for the same period was £1,820,735 (15 months to 31.03.24 £1,775,289), an annualised increase of 28%, resulting in an operating deficit of £121,507. Interest received was £7,302 (15 months to 31.03.24 £4,282). Total deficit for the year was £114,205 compared to a surplus of £94,894 for the 15 months to 31 March 2024.

Unrestricted free reserves amounted to £368,936 (£275,529 in 2024) and this is made up of unrestricted reserves of £929,138 less unrestricted reserves represented by fixed assets of £550,202. Cash held in the bank at the end of the year amounted to £452,519 (£456,914 in 2024).

Salary costs continue to be a major expense to the charity but this is a necessity given the nature of the business. Wirral Ark is committed to doing the best it can for staff particularly through tough economic times. All income and expenditure is fully recorded and accounted for to the trustees. Sage 50 Accounts is used to record all transactions and is the basis for the monthly management accounts that are submitted to the Board and the statutory accounts process. The monthly payroll process has been outsourced.

Reserves Policy

The aim of the reserves policy is to ensure that Wirral Churches' Ark Project's ongoing activities are reasonably protected from unexpected variances in income and expenditure, and give the charity the ability to take up opportunities as they arise. The level of unrestricted reserves is reviewed each year by the Board in the context of the financial risks associated with the various income streams, expenditure categories and balance sheet items together with the charities ability to meet them from realizable / liquid reserves. The Board are satisfied the Wirral Churches' Ark Project current level of reserves meets that need.

As a charity limited by guarantee, no dividends are paid.

Wirral Churches' Ark Project

Strategic Report for the year ended 31 March 2025

Risk Management

During 2023 Wirral Ark developed a new Strategic Risk Register which contains 11 risks:

No	Risk	Sub-Committee
1	Failure to provide Decent Home Standard (DHS) properties	Operations
2	Failure to meet expectations on net zero carbon/sustainability	Finance
3	Ineffective governance / failure to comply with laws and regulation	Finance
4	Failure to comply with our Health and Safety obligations	Operations
5	Company is not financially sustainable	Finance
6	Failure to meet expectations on safeguarding	Staff & Resident
7	Data security breach	Finance
8	Poor data quality	Finance
9	Inability to attract, develop and retain skilled people	Staff & Resident
10	Failure to deliver services to required standards	Operations
11	Service quality fails to meet customers' expectations	Staff & Resident

The Board manage risk in the following manner:

- Each of the organisations 3 sub-committees manage a number of designated risks.
- The sub-committee is tasked with managing, mitigating and minimising these risks.
- Each sub-committee reports into the Board 3-4 times per year as appropriate on the risks to ensure the Board is fully aware and updated on all risks and the overall management and mitigation strategy.
- In addition, an Assurance Map has been created which provides assurance actions and measures against each risk. This provide the Board with confidence that evidence can be provided which supports the risk levels that are indicated.

Value for Money (VFM)

Adopted in 2024 the primary objectives of our VFM Policy are as follows:

- To ensure that the services we provide offer the best possible outcomes for our residents within the resources available.
- To maximize the efficiency and effectiveness of our operations by identifying and implementing cost-saving measures where possible without compromising service quality.
- To demonstrate transparency and accountability in the use of public funds and other resources.
- To continuously review and improve our practices to achieve greater value for money over time.

In support of these objectives we identified a range of areas across the business where we can look at VFM, and within that, cost-effectiveness, service quality, performance, and resident satisfaction. These are detailed in the table below:

Wirral Churches' Ark Project

Strategic Report for the year ended 31 March 2025

Value for Money Achievements in the past 12 months:

Value for Money KPIs.						
VFM Measure			2024/25 Performance			2025/26 Target
			Target	Actual	Variance	
Contract Income	MCH	£	265,080	267,378	2,298	276,951
	AA	£	42,250	51,690	9,440	40,000
	RSI	£	54,180	42,832	-11,348	36,000
	Nursing Service	£	35,159	35,159	0	35,159
Fundraising		£	88,000	115,884	27,884	89,000
Rent Collection						
- Voids		%	10.2	5.3	-4.9	9.6
		£	134,943	73,378	-61,565	151,918
- Bad Debt (service charge collected from clients)		£	28,273	13,034	-15,239	26,687
Repairs and Maintenance Costs (total spend)		£	115,196	271,094	155,898	119,723
Repairs and Maintenance Costs (excl Fire Doors replacement and GT refurb)		£	115,196	118,270	3,074	119,723

Contract Income:

- Income is predictable and secure in line with contract durations.
- AA (Ark Angel - move-on service) was extended (until December 2025)
- RSI expenditure was lower than planned and income simply matches as long as we don't go over budget.
 - Expenditure was less due to lower than expected resident resettlement and staffing costs.

Fundraising:

- The team performed well and exceeded their target and delivered unrestricted income for the business.

Rent Collection:

- VOIDS (weighted average) – the business performed better than expected through improved focus and contractor development leading to performance being 4.9% better than forecast.
- Bad Debt – reduced the bad debt realised by around £15K through improved resident support and relationship building.

Repairs and Maintenance

- The costs provided do not include staff costs ie Repairs and Maintenance Officer.
- The final budget for 2024-2025 did not have £100K of expenditure built into it for fitting fire doors because the commitment was made after the process had concluded. The budget also didn't include £31.9K of expenditure on the Grand Trunk because the grant supporting the investment didn't materialise until later in the year.
- The additional expenditure demonstrates Wirral Ark's commitment to on-going investment and upkeep in our accommodation.

Wirral Churches' Ark Project

Strategic Report for the year ended 31 March 2025

As part of our VFM we also included TSMs (Tenant Satisfaction Measures) because service quality and feedback directly from residents is hugely important to us as an organisation. In terms of the response the percentage given is the total of respondents who answered 'Very Satisfied/Strongly Agree' or 'Fairly Satisfied/Agree' to each of the questions.

	Question	2025	2024
1.	Taking everything in to account, how satisfied or dissatisfied are you with the service provided by Wirral Ark as your landlord?	91%	93%
2.	Has Wirral Ark carried out a repair to your accommodation in the last 12 months? If yes, how satisfied or dissatisfied are you with the overall repairs service you have received to your accommodation in the last 12 months?	97%	92%
3.	Has Wirral Ark carried out a repair to your accommodation in the last 12 months? If yes, how satisfied or dissatisfied are you with the time taken to complete your most recent repair after you reported it?	90%	81%
4.	How Satisfied are you that Wirral Ark Provides Accommodation that is well maintained?	94%	93%
5.	Thinking about the condition of the property or building you live in, how satisfied or dissatisfied are you that Wirral Ark provides a home that is safe?	97%	95%
6.	How satisfied or dissatisfied are you that Wirral Ark listens to your views and acts upon them?	86%	78%
7.	How satisfied or dissatisfied are you with the way Wirral Ark keeps you informed about things that matter to you as a tenant?	89%	88%
8.	To what extent do you agree or disagree with the following statement? 'Wirral Ark treats me fairly and with respect'	91%	95%
9.	Have you made a complaint to Wirral Ark in the last 12 months? If yes, how satisfied or dissatisfied are you with Wirral Ark's approach to complaints handling?	71%	75%
10.	Do you live in a building with communal areas, either inside or outside, that Wirral Ark is responsible for maintaining? If yes, how satisfied or dissatisfied are you that Wirral Ark keeps communal areas clean and well-maintained?	88%	73%
11.	How satisfied are you that Wirral Ark makes a positive contribution to your neighbourhood?	87%	87%
12.	How satisfied are you with Wirral Ark's approach to handling anti-social behaviour?	95%	87%
13.	How satisfied or dissatisfied are you with the standard of furniture and other items provided by Wirral Ark within your accommodation?	85%	65%
14.	(MCH only) To what extent do you agree or disagree with the following statement? 'The meals provided at my accommodation are suitable for my needs'	77%	90%
15.	To what extent do you agree or disagree with the following statement? 'I have had the Service Charge explained to me and understand what it covers'	91%	92%
16.	To what extent do you agree or disagree with the following statement? 'I know who my support worker is and support is available when I need it'	100%	98%
17.	To what extent do you agree or disagree with the following statement? 'Staff listen to my wishes and understand my needs'	100%	93%
18.	To what extent do you agree or disagree with the following statement? 'Staff are able to help me reach my goals'	89%	90%
19.	On a scale of 1-10 how would you rate our service overall	9.06	8.57

Percentage the same or higher than in the previous year	Percentage less than 10 lower than the previous year	Percentage 10 or more lower than the previous year
---	--	--

Wirral Ark Churches' Project would make the additional comments against the following:

TSM 9 - For the most part complaints are driven by challenging NTQs (Notice-To-Quit) which have been upheld and therefore the person is no longer with us.

In turn this means the responses in the survey are from people who have not made a complaint. Potentially they are just letting us know what they think of the procedure without having used it. We will take this matter up with the SMT (Senior Management Team) because we don't want people to become dissatisfied when matters are not being considered or addressed.

TSM 14 - The anecdotal feedback I receive from staff and residents is very positive. The Chef is dedicated to her work and cares greatly for her residents and she has my full support.

In addition, it is worth noting that the Chef makes themselves available to talk to residents every month by organising a feedback session at MCH.

TSMs Overall – our overall results are very positive and everyone associated with Wirral Ark Churches Project should be proud of the feedback. However, it is essential we do not become complacent.

Wirral Churches' Ark Project

Strategic Report for the year ended 31 March 2025

Value For Money (VFM) Summary

Overall the business continues to perform strongly in terms of its fundamental purpose which is to accommodate and support individuals who are homeless as evidenced via our TSM data. In addition, we work hard to be as efficient as we can which is demonstrated through our performance in relation to service charge collection for example. Finally, our effectiveness is ably evidenced by the success of the business to raise funds through its development and fundraising efforts. Wirral Ark is a small Registered Provider (RP) but we are not complacent in our VFM efforts and endeavours.

Metric Summary

In addition to the current Value for Money metrics, the figures for the preceding and succeeding financial years have been provided, alongside a breakdown of the 2024-2025 metrics. Moreover, with their kind permission, the 2024-2025 Value for Money metrics for YMCA Cheshire have also been tabulated to provide a comparison against a commensurate social housing provider.

	Wirral Churches' Ark Project				YMCA Cheshire
	15 months to 31.03.24 Actual	2024-25		2025-26 Target	2024-25
		Target	Actual		
Re-investment %	0.00%	0.00%	0.00%	0.00%	3.48%
New Supply - social housing %	0.00%	0.00%	0.00%	0.00%	2.50%
New Supply – non-social housing %	0.00%	0.00%	0.00%	0.00%	0.00%
Gearing	-85.88%	-97.54%	-88%	-98.92%	-5.22%
EBITDA-MRI interest cover	N/A	N/A	N/A	N/A	8,126%
Headline social housing cost per unit	£16,940	£20,712	£19,118	£22,519	£14,747
Operating margin (social housing units)	38.48%	30.10%	-20.79%	6.91%	18.55%
Operating margin (overall)	5.17%	-0.51%	-7.72%	-0.69%	10.47%
Return on capital employed (ROCE)	4.8%	-0.44%	-6.85%	-0.75%	2.99%

Statement of Compliance with Regulatory Standards

Governance

Wirral Churches' Ark Project has adopted the National Housing Federation's Code of Governance 2020. Self-assessment of compliance with the Code will be undertaken at least annually. Wirral Ark is fully compliant with the Code.

Governance and Financial Viability Standard

Wirral Ark registered with the Regulator of Social Housing on 4 July 2024. Self-assessment of compliance with the Governance and Financial Viability Standard will be undertaken at least annually. Wirral Ark is fully compliant with the Standard.

Wirral Churches' Ark Project

Strategic Report for the year ended 31 March 2025

Structure, Governance and Management

Governing document

The organisation is a charitable company limited by guarantee, Registered Charity No 1079070, Company No 3896833.

The company was established under a Memorandum of Association, which established its objects and powers, and is governed by its Articles of Association.

Organisational Structure

The Board of Trustees can have a minimum of 6 members, and a maximum of 12. The Board meets quarterly to discuss plans for the charity, funding developments and current important issues affecting the business. In addition, there are three sub-committees:

1. Finance and Business Planning
2. Operations, Development and Health & Safety
3. Staff and resident welfare and engagement

The sub-committees have delegated powers from the full Board. A Chief Executive Officer is appointed by the Trustees to manage the day-to-day operations of the Charity.

Directors

The directors who served during the year were as follows:-

Dr I J Cubbin (resigned 6 March 2025)
M Godfrey (resigned 16 December 2024)
G A Ferris (resigned 16 December 2024)
A D Roberts
I L Roughly
V Jones
L Taylor
G Jones
P. Anson (appointed July 2024)
L Corbett (appointed Nov 2024)
M Haque (appointed Nov 2024)
N Westlake-Guy (appointed Nov 2024)

Recruitment and appointment of new trustees

Trustee directors are elected by a majority vote at a Trustee Meeting. Each trustee has a term of 3 years, with a maximum of 3 terms in a row ie nine years in total. This is being revised as we have secured Registered Provider (RP) status. Upon standing down no Trustee may stand as a Trustee again until a whole term has passed ie 3 years.

Statement of Directors' Responsibilities

The members of the Board are required by legislation concerning Registered Providers to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the Charity as at the end of the financial year and of the surplus and expenses of the Charity for that period.

In preparing the accounts appropriate accounting policies have been used and applied consistently, reasonable, and prudent judgements and estimates have been made, and the accounts have been prepared on a going concern basis.

The members of the Board are responsible for maintaining adequate accounting records, for safeguarding the assets of the Charity and for taking reasonable steps for preventing and detecting fraud and other irregularities.

The Board Members holding office at the date of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each member has taken all the steps that they ought to have taken as a member to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Signed on their behalf of the members of the Board:

.....
I Roughley- Chair

.....
P Hardman – Chief Executive Officer

.....
Date

Wirral Churches' Ark Project

Statement of Corporate Governance and Internal Controls

For the Year Ended 31 March 2025

Corporate Governance

During the period the Board complied in all material respects with the elements of the code of Governance issued by the National Housing Federation that are relevant and can be practically implemented given the size and nature of this organisation.

Internal Financial Controls

- 1.0 The Board acknowledge their ultimate responsibility for ensuring that the Charity has in place a system of controls that is appropriate to the various business environments in which it operates. These controls are designed to give reasonable assurance with respect to:
 - 1.1 The reliability of financial information used within the Charity or for publication
 - 1.2 The maintenance of proper accounting records, and
 - 1.3 The safeguarding of assets against unauthorised use or disposition.
- 2.0 It is the Board's responsibility to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial mis-statement or loss. Key elements include ensuring that:
 - 2.1 Formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Charity's assets.
 - 2.2 Experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established to maintain standards of performance.
 - 2.3 Forecasts and budgets are prepared which allow the Board and management to monitor the key business risks and financial objectives, and progress towards financial plans set for the short and the medium term; regular management accounts are prepared promptly, providing relevant, reliable and up to date financial and other information and significant variances from budgets are investigated as appropriate.
 - 2.4 All significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through relevant sub-committees comprising Board members and others.
 - 2.5 The Finance and Business Planning Sub-Committee reviews reports from the auditors to provide reasonable assurance that control procedures are in place and are being followed.
 - 2.6 The Finance and Business Planning Sub-Committee makes regular reports to the Board.
- 2.6 This includes a general review of the major risks facing the Charity.
Formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

In accordance with company law, as the Charity's directors, we certify that there is no relevant audit information of which the Charity's auditors are unaware and the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

.....

I Roughley - Chair

.....

Date

Wirral Churches' Ark Project

Independent Auditor's Report to the members of Wirral Churches' Ark Project

For the Year Ended 31 March 2025

Opinion

We have audited the financial statements of Wirral Churches' Ark Project (the 'Charity') for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income and Retained Earnings, the Statement of Financial Position, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies in note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 Charity's affairs as at 31 March 2025 and of 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Board's 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 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 Board with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Board is 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.

Wirral Churches' Ark Project

Independent Auditor's Report to the members of Wirral Churches' Ark Project

(continued)

For the Year Ended 31 March 2025

Opinions 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report included within 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:

- 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.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 11, the directors 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 directors 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 directors are responsible for assessing the Charity'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 directors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Charity through discussions with trustees and other management, and from our knowledge and experience of the sector;

Wirral Churches' Ark Project

Independent Auditor's Report to the members of Wirral Churches' Ark Project (continued)

For the Year Ended 31 March 2025

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, Charities Act 2011, Housing SORP 2018, the Housing and Regeneration Act 2008, the Accounting Direction for Private Registered Providers of Social Housing 2022, data protection, anti-bribery, employment, food hygiene and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management team and inspecting legal correspondence; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management team as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations. We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

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.

Helen Furlong FCA (Senior Statutory Auditor)
For and on behalf of Xeinadin Audit Limited

.....

Statutory Auditor
46 Hamilton Square
Birkenhead
Merseyside, CH41 5AR

Date:

Wirral Churches' Ark Project

Statement of Comprehensive Income and Retained Earnings
For the Year Ended 31 March 2025

	Notes	Year Ended 31-Mar-25 £	15 Months Ended 31-Mar-24 £
Turnover	2	1,574,715	1,752,875
Operating expenditure	2	(1,820,735) (246,020)	(1,775,289) (22,414)
Other income		124,513	113,026
Operating surplus		(121,507)	90,612
Interest receivable		7,302	4,282
Interest payable	5	-	-
Total surplus for the year and total comprehansive income		(114,205)	94,894
Retained earnings at the start of the year		1,888,634	1,793,740
Retained earnings at the end of the year	6	1,774,429	1,888,634

The notes on pages 19 to 26 form an integral part of these accounts

The financial statements on pages 16 to 26 were approved and authorised for issue by the Board on
and were signed on its behalf by :

Mr I Roughley - Chair

Date:

.....

.....

Mr A D Roberts - Trustee

Date:

.....

.....

The results relate wholly to continuing activities and the notes on pages 18 to 25 form an integral part of these accounts.

Wirral Churches' Ark Project

Statement of Financial Position
For the Year Ended 31 March 2025

	Notes	At 31-Mar-25 £	At 31-Mar-24 £
Fixed Assets			
Tangible fixed assets	10	1,429,049	1,482,780
Current Assets			
Trade and other debtors	11	149,213	133,326
Cash and cash equivalents	12	<u>452,519</u>	<u>456,914</u>
		601,732	590,240
Less: Creditors:			
Amounts falling due within one year	13	<u>(256,353)</u>	(184,386)
Net Current Assets		345,379	405,854
Total Assets Less Current Liabilities		<u>1,774,428</u>	<u>1,888,634</u>
Total net assets		<u>1,774,428</u>	<u>1,888,634</u>
Reserves			
Income and expenditure reserve		1,774,429	1,888,634
Total reserves		<u>1,774,429</u>	<u>1,888,634</u>

The notes on pages 19 to 26 form an integral part of these accounts

The financial statements on pages 16 to 26 were approved and authorised for issue by the Board on
and were signed on its behalf by:

Mr I Roughley - Chair

Date:

.....

.....

Mr A D Roberts - Trustee

Date:

.....

.....

The notes on pages 19 to 26 form an integral part of these accounts.

Company registration number: 03896833

Wirral Churches' Ark Project

Statement of Cash Flows For the Year Ended 31 March 2025

	Year Ended 31-Mar-25 £	15 Months Ended 31-Mar-24 £
Net cash flow from operating activities	(11,697)	172,053
Cash flow from investing activities		
Purchase of tangible fixed assets	-	(74,235)
Interest received	<u>7,302</u>	<u>4,282</u>
	7,302	(69,953)
Cash flow from financing activities		
Repayment of borrowings	-	(35,833)
	<u>-</u>	<u>(35,833)</u>
Net change in cash and cash equivalents	(4,395)	66,267
Cash and cash equivalents at the beginning of the year	456,914	390,647
Cash and cash equivalents at the end of the year	<u>452,519</u>	<u>456,914</u>

	Year Ended 31-Mar-25 £	15 Months Ended 31-Mar-24 £
Cash flow from operating activities		
Surplus for the year	(114,205)	94,894
Adjustments for non-cash items:		
Depreciation of housing properties	11,498	11,820
Depreciation of other tangible fixed assets	42,233	48,786
Decrease/(Increase) in trade and other debtors	(15,888)	(16,308)
Increase/(Decrease) in trade and other creditors	66,607	71,244
Increase/(Decrease) deferred income	5,360	(34,101)
Adjustments for investing or financing activities:		
Interest receivable	<u>(7,302)</u>	<u>(4,282)</u>
Net cash generated from operating activities	<u>(11,697)</u>	<u>172,053</u>

The notes on pages 19 to 26 form an integral part of these accounts

Wirral Churches' Ark Project

Notes to the Financial Statements For the Year Ended 31 March 2025

Legal Status

Wirral Churches' Ark Project is a private company, limited by guarantee, is incorporated in England and Wales under the Companies Act 2006 and is registered with the Regulator of Social Housing (registered number 5206) as a Private Registered Provider of Social Housing. The Company is a registered charity (registered number 1079070). The registered office is 7 Sidney Street, Birkenhead, Wirral, CH41 1BF

1. Principal Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with applicable United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice for registered housing providers; Housing SORP 2018.

The financial statements comply with the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022. The accounts are prepared on the historical cost basis of accounting, modified to include the revaluation of freehold properties, and are presented in sterling £ which is the functional currency of the entity.

These financial statements have been prepared in compliance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The Charity meets the definition of a public benefit entity (PBE).

Going Concern

The trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The review of financial position, reserves levels and future plans gives trustees confidence the charity remains a going concern for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Critical Accounting Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that the actual outcomes could differ from those estimates. The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements.

a. Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as expected future financial performance, economic viability and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

b. Pension and other post-employment benefits

Payments to defined contribution retirement schemes are charged as an expense as they fall due

c. Impairment of financial assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that financial assets or group of financial assets is impaired. If there is objective evidence of impairment, an impairment loss is recognised in profit and loss immediately.

d. Impairment of non-financial assets

Reviews for impairment of housing properties are carried out when a trigger has occurred and any impairment loss in a cash generating unit is recognised by a charge to the Statement of Comprehensive Income. Impairment is recognised where the carrying value of a cash generating unit exceeds the higher of its net realisable value or its value in use. A cash generating unit is defined as the smallest group of assets that independently generates cash flow and whose cash flow is largely independent of the cash flows generated by other assets. The Charity has identified a cash generating unit for impairment purposes at a property level. The Charity has assessed that no triggers for an impairment review has occurred.

Wirral Churches' Ark Project

Notes to the Financial Statements For the Year Ended 31 March 2025

1. Principal Accounting Policies (continued)

Turnover and revenue recognition

Turnover represents rental income receivable, revenue grants from local authorities and other donors and other income. Income is recognised in relation to the period when the goods or services have been supplied.

Rental income is recognised when the property is available for let, net of voids. Income from property sales is recognised on legal completion. No turnover relates to sales of housing accommodation during the year ended 31 March 2025

Grants

(i) Social Housing Grants

Social housing grants are deferred and released in line with the expected useful life of the asset to which they relate

(ii) Other Grants

Capital based grants and revenue based grants are credited to the income and expenditure accounts as they are received

Service charges

Service charge income and costs are recognised on an accruals basis.

Value Added Tax

The Charity charges VAT on some of its income and is able to recover part of the VAT it incurs on expenditure. All amounts disclosed in the accounts are inclusive of VAT to the extent that it is suffered by the Charity and not recoverable.

Tangible fixed assets and depreciation

Freehold land is not depreciated.

Housing Properties

Tangible fixed assets are stated at valuation less subsequent accumulated depreciation.

Where housing properties comprise two or more major components with substantially different useful economic lives (UELs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement or renewal of components is capitalised as incurred.

UELs for identified components are as follows:

	Years
Structure	50 - 100
Boiler	15
Electrical	25 - 40
Kitchen and Bathrooms	5 - 20
Windows	20 - 30
Roofs	15 - 70
Lift	15

Depreciation is charged on other tangible fixed assets on a reducing balance basis over the expected economic useful lives which are as follows, with the exception of leasehold improvements which is on a straight line basis:

	%
Leasehold improvements	20
Fixtures and fittings	20
Computer Equipment	25

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income in other operating expenses.

Operating Leases

Lease payments are recognised as an expense over the lease term on a straight line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight line basis.

Wirral Churches' Ark Project

Notes to the Financial Statements For the Year Ended 31 March 2025

1. Principal Accounting Policies (continued)

Retirement Benefits

The cost of providing retirement pensions and related benefits is charged to management expenses over the periods benefiting from the employees' services.

Financial Instruments

Financial assets and financial liabilities are measured at transaction price initially, plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Debt instruments that meet the conditions in paragraph 11.8(b) of FRS 102 are measured at amortised cost using the effective interest method, except where the arrangement constitutes a financing transaction. In this case the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt.

Impairment of Financial Assets

Financial instruments are assessed for impairment individually. For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that the entity would receive for the asset if it were to be sold at the reporting date.

2. Turnover, Cost of sales, Operating expenditure and Operating surplus

	2025		
	Turn-over £	Operating expenditure £	Operating surplus/ (deficit) £
Social housing lettings (note 3a)	668,876	(807,903)	(139,027)
Other social housing activities (note 3a)			
Property management	508,780	(560,953)	(52,173)
Supporting people	397,059	(397,059)	-
	1,574,715	(1,765,915)	(191,200)
Activities other than social housing (note 3b)	124,513	(54,820)	69,693
Total	1,699,228	(1,820,735)	(121,507)

	15 months to 31.03.24		
	Turn-over £	Operating expenditure £	Operating surplus £
Social housing lettings (note 3a)	706,820	(671,716)	35,104
Other social housing activities (note 3a)			
Property management	560,363	(542,833)	17,530
Supporting people	485,692	(485,692)	-
	1,752,875	(1,700,241)	52,634
Activities other than social housing (note 3b)	113,026	(75,048)	37,978
Total	1,865,901	(1,775,289)	90,612

Wirral Churches' Ark Project

Notes to the Financial Statements For the Year Ended 31 March 2025

3(a). Turnover and operating expenditure

	12 months to 31.03.25 £	15 months to 31.03.24 £
Income		
Rent receivable net of identifiable service charges and net of voids	590,485	628,896
Service charges	46,491	75,239
Other income from Social Housing	31,900	2,685
Total turnover from Social Housing Lettings	668,876	706,820
Operating expenditure		
Management	407,406	387,838
Premises costs and routine maintenance	388,999	272,058
Depreciation of Housing Properties	11,498	11,820
Total Operating expenditure on Social Housing Lettings	807,903	671,716
Operating Surplus on Social Housing Lettings	(139,027)	35,104
 Void losses (being rental income lost as a result of property not being let, although available for letting)	 73,378	 -

3(b). Turnover from activities other than social housing

	12 months to 31.03.25 £	15 months to 31.03.24 £
Fundraising activities	110,373	100,026
Project grants	14,140	13,000
	124,513	113,026

4. Accommodation owned, managed and in development

Under management at year end

	12 months to 31.03.25 No.	15 months to 31.03.24 No.
Supported hostel accommodation	32	32

5. Surplus on ordinary activities

	12 months to 31.03.25 £	15 months to 31.03.24 £
The operating surplus is stated after charging/(crediting):-		
Auditor's remuneration in their capacity as auditors (excluding VAT)	5,000	3,150
Auditor's remuneration for non-audit services (excluding VAT)	6,248	4,852
Operating lease charges	11,797	6,948
Depreciation of housing properties	11,498	11,820
Depreciation of other fixed assets	42,233	48,786

Wirral Churches' Ark Project

Notes to the Financial Statements For the Year Ended 31 March 2025

6. Key management personnel remuneration

Key management personnel are defined as the the Chief Executive Officer and the Head of Finance and Fundraising

	12 months to 31.03.25 £	15 months to 31.03.24 £
The aggregate emoluments paid to the management team		
Emoluments	106,325	118,463
Employers NI contributions	12,162	13,210
Pension contributions	3,164	3,526
	121,651	135,199

Non-executive directors received no remuneration in the current or previous year

The emoluments paid to the highest paid director, excluding pension contributions, were:	65,031	74,250
--	---------------	--------

The Chief Executive is a member of a separate pension scheme No enhanced or special terms apply. A contribution of £1,936 (15 months to 31.03.24 £2,200) was made by the Charity in addition to the personal contributions of the chief executive.

7. Employee information

The average weekly number of persons employed during the year expressed in full time equivalents (35 hours per week) was:

12 months to No.	15 months to No.
41	37

Staff costs

	£	£
Wages and salaries	810,894	925,808
Social security costs	67,762	73,895
Other pension costs	11,887	17,599
	890,543	1,017,302

Aggregate number of full time equivalent staff whose remuneration (including employers pensions) fell within bands of:

£60,000 to £70,000 in the period:	1	1
-----------------------------------	----------	---

8. Pension obligations

The Charity operates a separate defined contribution pension scheme for all qualifying employees. The assets of the schemes are held separately from those of the Charity in independently administered funds. The charge to the profit and loss account was £3,164 (15 months to 31.03.24 £3,526).

Wirral Churches' Ark Project

Notes to the Financial Statements
For the Year Ended 31 March 2025

9. Tangible fixed assets

	Social Housing Properties for Letting £	Freehold Land and Buildings £	Leasehold Improvements £	Fixtures and Fittings £	Computer Equipment £	Total Fixed Assets £
Cost or valuation						
At 1 April 2024	590,626	874,236	31,632	102,295	84,318	1,683,107
Additions	-	-	-	-	-	-
At 31 March 2025	590,626	874,236	31,632	102,295	84,318	1,683,107
Depreciation and impairment						
At 1 April 2024	11,820	17,855	21,753	84,820	64,079	200,327
Charge for the year	11,498	26,499	6,326	4,353	5,055	53,731
At 31 March 2025	23,318	44,354	28,079	89,173	69,134	254,058
Net Book Value						
At 31 March 2025	567,308	829,882	3,553	13,122	15,184	1,429,049
At 31 March 2024	578,806	856,381	9,879	17,475	20,239	1,482,780
Housing Properties comprises:					2025	2024
Freehold land and buildings					£	£
					567,308	578,806

Wirral Churches' Ark Project

Notes to the Financial Statements For the Year Ended 31 March 2025

10. Trade and other debtors

	2025 £	2024 £
Rent & service charge arrears	13,034	-
Less: provision for bad debts	(13,034)	-
	-	-
Trade debtors	93,870	91,829
Other debtors	-	887
Prepayments and accrued income	55,343	40,610
	<u>149,213</u>	<u>133,326</u>

Debtors are all due within one year.

11. Cash and cash equivalents

	2025 £	2024 £
Cash at bank and in hand	452,519	456,914
	<u>452,519</u>	<u>456,914</u>

12. Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	9,500	13,287
Other creditors	181,306	104,764
Taxation and social security	30,127	30,122
Accruals and deferred income	35,420	36,213
	<u>256,353</u>	<u>184,386</u>

13. Analysis of changes in net debt

	At 1 April 2024 £	Cash Flows £	Other Non- Cash Changes £	At 31 March 2025 £
Cash at Bank	456,914	(4,395)	-	452,519
	<u>456,914</u>	<u>(4,395)</u>	<u>-</u>	<u>452,519</u>

14. Share Capital

The Charity, which does not have a share capital, is Limited by Guarantee, whereby members contribute up to a maximum of £1 each should there be a deficiency on winding up.

15. Operating leases

The Charity holds office equipment under non-cancellable operating leases. At the end of the year the charity had commitments of total future minimum lease payments as follows:

	2025 £	2024 £
Not later than one year	11,797	11,797
Later than one year and not later than five years	9,049	20,845
	<u>20,846</u>	<u>32,642</u>

16. Capital Commitments

	2025 £	2024 £
Capital expenditure that has been contracted for but has not been provided for in the financial statements	-	-
Capital expenditure that has been approved by the Board but has not yet been contracted for	-	-
	<u>-</u>	<u>-</u>

17. Related Party Transactions

During the current and previous year, there were no related party transactions

No remuneration was paid to any trustee for services as a trustee

Wirral Churches' Ark Project

Notes to the Financial Statements For the Year Ended 31 March 2025

18. Movement on Reserves

	Restricted Reserve					Designated Reserve	Total
	General £	Housing Properties £	SP & NHS Contracts £	Night Shelter Transformation £	Other Projects	Stock Condition Reserve £	£
At 1 January 2023	840,073	859,593	12,724	66,448	14,902	-	1,793,740
Surplus/(Deficit) for the period	114,690	(22,492)	9,607	(1,660)	(5,251)	-	94,894
Transfer	(100,000)	64,788		(64,788)		100,000	
At 31 March 2024	854,763	901,889	22,331	-	9,651	100,000	1,888,634
Surplus/(Deficit) for the year	(25,625)	(56,598)	(22,331)	-	(9,651)		(114,205)
Transfer	100,000					(100,000)	
At 31 March 2025	929,138	845,291	-	-	-	-	1,774,429

Restricted Funds

Housing properties

The housing properties refurbishment was funded to a large extent through grant income. The amount shown in restricted funds is therefore the value of the property relating to the grant income.

Night Shelter Transformation

This represents funding from Department for Levelling Up, Housing & Communities to transform the Night Shelter and this is now incorporated into Mary Cole House.

Designated Funds

Towards the end of the financial year 2023/24, the Charity became aware of a pressing issue regarding the fire doors in a number of its properties. Whilst the fire doors had been installed to comply with regulations applicable, these regulations have changed significantly post Grenfell. Wirral Ark is keen to provide safe homes and therefore committed to replacing fire doors in all the properties where they are the Landlord. The estimated cost of this work was circa £100k. Although it was too late for this to be included in the 2024/25 budget, the work was planned for early in this new financial year. The Directors felt that it was prudent to designate an amount of £100k from the general reserves in the 2023/24 accounts for this upcoming cost.

The work was carried out at a total cost of just under £118k including VAT (the VAT not being recoverable due to the properties the work was completed on having all exempt income).

The cost has been incurred and the work completed so the £100k can be released from the designated reserve.

Accounts

Charity registration number 1079070

Company registration number 3896833 (England and Wales)

WIRRAL CHURCHES' ARK PROJECT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 15 MONTHS ENDED 31 MARCH 2024

WIRRAL CHURCHES' ARK PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr I J Cubbin Mr M Godfrey Ms G A Ferris Mr A D Roberts Mr I L Roughley Miss L Taylor Mr G R E Jones Ms V K Jones
President	Fr Robert Nelson
Secretary	Merril Grundy
Charity number	1079070
Company number	3896833
Registered office	7 Sidney Street Birkenhead Merseyside CH41 1BF
Auditor	Xeinadin Audit Limited 46 Hamilton Square Birkenhead Wirral Merseyside CH41 5AR

WIRRAL CHURCHES' ARK PROJECT

CONTENTS

	Page
Trustees' report	1 - 10
Statement of trustees' responsibilities	11
Independent auditor's report	12 - 15
Statement of financial activities	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19 - 34

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE 15 MONTHS ENDED 31 MARCH 2024

The trustees present their report and the financial statements of the charity for the fifteen months ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)".

Objectives and activities

Established in 1991 Wirral Churches' Ark Project, or Wirral Ark as it is more commonly known, is a charity focused on helping homeless individuals through the provision of accommodation and support. Our Articles of Association and supporting objects are clear:

The Charity is formed for the benefit of the community. Its charitable objects ('the Objects') shall be to carry on for the benefit of the community:

- *The business of providing and managing housing, including social housing, and providing assistance to help house people and associated facilities, amenities and services for poor and/or homeless people or for the relief of aged, disabled (whether physically or mentally) or chronically sick people;*
- *Any other charitable object that can be carried out from time-to-time by a registered society registered as a provider of Social Housing with the Regulator.*

Wirral Ark is Wirral's only independent homeless charity. We believe everyone has a right to a safe and secure place to live. We support hundreds of people each year who are experiencing homelessness or at risk of becoming homeless through providing housing from 11 properties situated across, Wallasey, Birkenhead and Prenton.

Overall our aim is to break the cycle of homelessness through our compassionate approach to homelessness and it's many factors. Alongside our accommodation provision Wirral Ark also aims to address the root causes of homelessness, by playing a frontline role in addressing issues with substance misuse, mental health, physical health, social exclusion, low confidence and wellbeing, and distance from the labour market.

Through our accommodation, wrap around professional services and support, and a compassionate ear, Wirral Ark helps people achieve positive and real outcomes for themselves.

Wirral Ark works with Wirral Council's Housing Options Team and Rough Sleepers Initiative. After an initial assessment has been made by the referring organisation and the individual has been referred to Wirral Ark, our team provide quality accommodation and wrap around support to help them on the road to recovery with the aim of ending the cycle of homelessness.

Working with a Case Management Worker, our specialised Nurses and our Activities Co-ordinator, clients receive comprehensive, personal support for their physical and mental needs in a safe and secure environment that nurtures independence and promotes building a better future.

People come to us from all walks of life: isolated people with mental health or drug problems, current and ex-offenders, former rough sleepers and people who are begging or street drinking. Wirral Ark staff work together as a team to create a specialised and tailor made path for each client that will help them best realise their potential and lift them out of homelessness for good.

Wirral Ark provides a wide range of activities to promote physical and mental health and the building of relationships between clients and staff, other clients and the community in Wirral as a whole.

Finally, we want to educate and raise awareness for Wirral Ark's work, and the individual and societal issues people experiencing homelessness face in the community, by creating educational content to highlight these issues and our achievements.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE 15 MONTHS ENDED 31 MARCH 2024**

Our Mission

Wirral Ark aims to fearlessly unite people in the fight against homelessness. We help individuals experiencing homelessness achieve their personal ambitions through respect, courage, compassion, and a personalised plan of action.

Our Vision

Wirral Ark helps believes everyone deserves a safe and secure place to live and aim to reduce homelessness in Wirral by working together with our staff, residents, and supporters.

Our Values

Think Wirral Ark. Think HOME.

Honest - Wirral Ark acts openly and with integrity with our staff, residents and community.

Open Minded - Wirral Ark is free from judgement and bias, striving to help everyone break the cycle of homelessness and better themselves.

Motivated - Wirral Ark works tirelessly to provide a personalised plan of action for each resident to help better themselves.

Empathetic - Wirral Ark strives to understand and respect the journeys our residents have faced and offer a caring and compassionate environment.

Public benefit

Wirral Churches' Ark Project exists for the benefit of the public and its aims are stated under 'Objectives and Aims' above

Significant activities

The activities undertaken to achieve the charity's objectives are:

- The provision of accommodation in the form of a 27 bed hostel which includes the provision of meals, laundry and washing facilities;
- 7 move on houses (2 bed roomed shared accommodation);
- 9 move on studio flats in Birkenhead;
- 15 move on studio flats in Prenton;
- 6 bedroom women's only project (shared facilities);

Wirral Ark is also part of Wirral Council's Rough Sleeper Initiative (RSI) where we offer 3 emergency beds as part of the overall provision provided by a range of partners each night.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

Employees

Wirral Churches' Ark Project is committed to employing well managed, well informed and highly skilled staff. Within our Strategic Growth plan 2023-2024 we positioned the value of our staff to our business as we sought to resolve the old chicken and egg debate ie which came first and, in our world, which are the most important, staff or resident ? For the avoidance of doubt in Wirral Ark the most important group of people are the staff.

At the end of March 2024 there were 34 employees (headcount) of which 19 were full-time and 15 part-time. All recruitment is done in a transparent manner to ensure fairness and the selection of the best candidate. All new staff are required to have a DBS check and are given a full induction to ensure they are ready to take on their new role.

In terms of gauging and understanding how our staff are feeling about their work, the business and our residents, we combine a range of approaches which include our Employee Forum, first meeting October 2022, supervisions, suggestion boxes, an open-door policy and an annual employee survey. In our annual employee survey, January 2024, employees told us the following:

- 100% agreed or strongly agreed that they had a clear understanding of Wirral Ark's mission, visions & values
- 97% agreed or strongly agreed that they can see how their role contributes towards Wirral Ark's mission, vision and values
- 83% agreed or strongly agreed that we are a better organisation than we were 12 months ago.
- 90% agreed or strongly agreed that they were happy in their role.

When asked what makes them proud to work for Wirral Ark, our employees told us:

- 'We give people the opportunity and support to make real and positive changes in their lives, to live independently and achieve their full potential. We have a strong and passionate staff team and a good reputation in the local community.'
- 'Providing support and making a difference in people's lives, along with providing a pathway out of homelessness and into a safe environment.'
- 'I have worked for The Ark for a very long time and I still love what I do, I'm proud to be part of an organisation that has a positive impact in tackling homeless issues. The organisation has a genuine purpose and drive to make things better, not just at an individual level but also for the wider community'.

Colleagues also described the business as below over the last 2 surveys:

2024 – Supportive, Caring, Compassionate and Friendly
2023 – Compassionate, Caring, Professional

Residents even think we are not too bad ! On a scale of 1-10 how would you rate our service overall? 1=Poor, 10=Excellent

2024 - 9
2023 - 8

Wirral Ark strives to create a calm, professional, driven and caring environment where our values of HOME can thrive and prosper. We will continue to strive to secure stronger and greater positive feedback from staff as we move forward. In return the business asks that all staff recognise the efforts of the organisation and respond to the messages of 'Man in the Arena' and to treasure what we all have. Collective ownership of how the business cares and behaves will enable us to deliver great achievements and personal success for the residents we serve every day.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

Residents - Feedback

Committing to the importance of staff within Wirral Ark is in turn designed to ensure we continue to deliver the best services and care to our residents. In terms of gauging and understanding how our residents feel about our work, the business combines a range of approaches which includes suggestion boxes, a formal and transparent complaints process, resident meetings, exit surveys and an annual resident survey. From our annual resident survey in January 2024 we received the following highlights:

- 93% of our residents were either satisfied or very satisfied with the service provided by Wirral Ark as their landlord.
- 98% agreed or strongly agreed with the statement 'I know who my Support Worker is and support is available when I need it'.
- 88% were either satisfied or very satisfied with the way Wirral Ark keep them informed about things that matter to them.

Some quotes from our residents:

- 'In general my experience of Wirral Ark has been overwhelmingly positive since being a resident of Mary Cole House in July 2022 & then Grand Trunk. My overall health (esp. mental) has improved and I feel able and am moving on all be it with a few backward steps or blips along the way'
- 'The support I get on a one to one level with staff really helps me to cope with certain menial tasks. In the past I would of always not do them or put them to the back of my mind. Working with staff makes me more confident to achieve these tasks.'
- 'Fantastic Support. When I arrived at Hilltops 7 months ago I was broken, drug and drink dependent. With the support and advice of the wonderful staff I was able to slowly pull myself out of that dark hole and focus.'

Overall, if we all want work in a business like this, which is so beautifully and kindly described above residents, then it is up to us all to look after it, cherish it and make it better.

Resident - Profile

Asking residents to complete a survey every year does allow us to collect profile data which can only help us to develop more appropriate and targeted services for our residents:

NB: Figures in brackets are from our last report which covered 12 months. The current year figures are for 15 months:

- 130 (128) people took up residence at Wirral Ark's Accommodation services in the period 1st January 2023 – 31st March 2024.
- 75% (73%) of the people who took up residencies at Wirral Ark in the period were male, 25% (27%) were female.
- The average age of people taking up residencies was 41.3 years (42.1 years).
- The majority of people taking up residencies described their ethnic origin as White: British – 86% (92%) with others identifying as follows
 - o 5% were Black or Black British: African
 - o 4% were Mixed: White & Black African
 - o 3% were Other Ethnic Group: Arab
 - o 1% were Asian or Asian British: Other
 - o 1% were Other Ethnic Group: Other
- Beyond identifying as homeless, our residents considered their other support needs as follows:
 - o 72% (52%) had mental health recorded as a secondary support need
 - o 35% (40%) had drug misuse problem recorded as a secondary support need
 - o 31% (12%) had offender or at risk of offending recorded as a secondary support need
 - o 25% (24%) had alcohol misuse problem recorded as a secondary support need
 - o 18% (8%) had physical health need recorded as secondary health need

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

Volunteers

Wirral Churches' Ark Project is appreciative of the valuable contribution of all the volunteers. Some stay with us for many years, for others we are a stepping stone to employment - but whatever the reason people join and for however long they stay, they are an important part of the organisation. Volunteers are required to have a DBS check if appropriate and are given training to ensure they are ready to undertake their role.

Achievements and performance

The period January 2023 to the end of March 2024 continued to be a demanding but enabling time for Wirral Ark and in particular we achieved strong progress across the following areas:

- seeking to become a Registered Provider (RP)
- seeking to become registered with the Care Quality Commission (CQC) in order to embed our Nurses Service within the heart of our business
- launching our Strategic Growth Plan (2023-2024)
- moving all our resident management information onto one system ie Mainstay
- securing Mary Cole House Supported People (SP) contract from May 2023

Registered provider

Throughout the 15-month period we continued to move forward in terms of securing Registered Provider (RP) status from the Regulator of Social Housing (RSH). For example, we:

- Formally adopted National Housing Federation (NHF) Code of Conduct (NHF Code of Governance already in place)
- Formally adopted Housing Ombudsman's Complaint Handling Code April 2022
- Updated a range of policies including:
 - o Housing Policy
 - o Assurance Policy
 - o Rent Policy
 - o Board Appraisal Policy
- Developed a new Strategic Risk Register
- Developed a new Assurance Map
- Built a 5-year financial forecast model

All of these pieces of work, regardless of securing RP status, are helping to build a better Wirral Ark which is more sustainable and viable in the future.

Nurses services

During the reporting period we also undertook to secure CQC registration for our Nurses Service. This will bring confidence and compliance to the service which will enable us to secure on-going funding for the service from the local Integrated Care Board (ICB) whilst in due course considering future service expansion.

Fortunately, the staff involved in delivering the service are all experienced nurses who are familiar with the requirements of the CQC regime. However, it is clear to everyone that the service will need to operate within a more demanding level of overall governance than has been experienced to-date. Examples will include:

- Processes and paperwork will need to be followed and evidenced at all times
- Files, documents, evidence will need to be kept in a clear and organised manner
- Reports will need to be produced on a monthly basis
- IT systems will need to be updated and integrated with Wirral Ark
- Governance of the service will need to be brought into the working mechanics of Wirral Ark ie management, reporting, operating mechanics, performance.
- The service will need to designate:
 - A Registered Manager
 - A Nominated Person eg CEO Paul Hardman
- On-going audits from the CQC and quarterly contract audit with the ICB will become common place.

As with looking to secure RP status, reaching the level of organisation and performance demanded by the CQC drives better service provision for our residents which is one of the key objectives of our business.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

Wirral Ark launched its Strategic Growth Plan 2023-2024 which is built around 4 strategic growth areas. We will describe these within this document as 'Strategic Pillars'.



In order to deliver growth and improvement all of the Strategic Pillars must each be supported by underpinning areas of work, which in turn are delivered through a number of plans and activities.

It is important to recognise that 'growth' is not solely focused on increasing turnover or securing additional funding. For the most part it is directed at the growth of the business through for example, improving how we work, developing our staff, listening to our residents and celebrating our successes. It is also about the growth of the business in terms of consistently delivering on its values, our increased levels of professionalism and overall maturity.

As detailed earlier, to deliver growth each Strategic Pillar must be supported by underpinning areas of work, which in turn are delivered through a number of plans and activities. Work done by colleagues during the three stages developed the following:

TALENT EFFECTIVENESS	SOCIAL IMPACT	STRATEGIC DIRECTION	FINANCIAL STABILITY
Skills	Understanding Social Benefits	RP Accreditation	Funding Streams
Leadership	Living Brand Values	Vision	Cost Management
Effective Processes and Procedures	Communications (External)	Staff Buy-In	Accountability
Communications (Internal)	Strategic Partnerships	Board on Board	
	Core Products		

Mainstay

A key step Wirral Ark also took during the January 2023- March 2024 period was moving all our resident service information onto Mainstay which is the client management system used by all providers of commissioned services working with vulnerable households affected by homelessness across the Wirral and Liverpool City Region.

Previously our two commissioned services, Mary Cole House and Ark Angel used the Mainstay system to record all their work with residents within these projects. This didn't include our on-going work with residents staying in Hilltops, Grand Trunk and Waterview. This hindered overall management oversight and performance improvement. However, since around July 2023 all resident services are on Mainstay which enables a range of progress and performance reports to be run monthly, quarterly and annually.

Mary Cole House

From May 2023 we secured a contract with Wirral Council to deliver the Mary Cole House hostel contract for another 3 years. Unfortunately, towards the end of the tender process the Council chose to cover the 3-year period through 1 year contracts which was rather unsettling. However, it should not distract from the fact that we retained our contract through submitting a strong tender and we look forward to serving, to the best of our ability, our residents and individuals over this period.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE 15 MONTHS ENDED 31 MARCH 2024*

Financial review

Our principal funding sources remained our Supporting People contracts with Wirral Borough Council for our hostel (Mary Cole House) and 14 move-on units (7x2 bedroom properties) our Ark Angel project, and Housing Benefit for all the accommodation units. These represent the majority of our income. In addition, residents pay Personal Costs for items such as TV licenses and food. Together these can be considered our core income. The total number of units is 71 plus 3 emergency/assessment rooms.

Incoming resources for the 15 months amounted to £1,870,184 (£1,431,073 12 months to 31.12.22) and expenditure amounted to £1,775,771 (£1,256,016 in 2022) giving a contribution to reserves of £94,894 (£122,410 in 2022).

Unrestricted free reserves amounted to £275,529 (£230,515 at 31.12.22) and this is made up of unrestricted, undesignated reserves of £854,763 less unrestricted reserves represented by fixed assets of £579,234. Cash held in the bank at the end of the period amounted £456,914 (£390,647 at 31.12.22).

Salary costs continue to be a major expense for the charity, but this is a necessity given the nature of the business. Wirral Ark is committed to doing the best it can for our staff particularly through tough economic times.

All income and expenditure is fully recorded and accounted for to the trustees. Sage 50 Accounts is used to record all the transactions and is the basis for the monthly management accounts that are submitted to the Board and the statutory accounts process. The monthly payroll process has been outsourced.

Reserves policy

The aim of the reserves policy is to ensure that Wirral Churches' Ark Project's ongoing activities are reasonably protected from unexpected variances in income and give the charity the ability to take up opportunities as they arise. The level of unrestricted reserves is reviewed each year by the Board in the context of the financial risks associated with the various income streams, expenditure categories and balance sheet items together with the charities ability to meet them from realisable/liquid reserves. The Board are satisfied the Wirral Churches' Ark Project's current level of reserves meets that needed.

As a charity limited by guarantee, no dividends are paid.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

During 2023 Wirral Ark develop a new Strategic Risk Register which contains 11 risks:

No	Risk	Sub-Committee
1	Failure to provide Decent Home Standard (DHS) properties	Operations
2	Failure to meet expectations on net zero carbon/sustainability	Finance
3	Ineffective governance / failure to comply with laws and regulation	Finance
4	Failure to comply with our Health and Safety obligations	Operations
5	Company is not financially sustainable	Finance
6	Failure to meet safeguarding standards and requirements	Staff & Resident
7	Data security breach	Finance
8	Poor data quality	Finance
9	Inability to attract, develop and retain skilled people	Staff & Resident
10	Failure to deliver services to required standards	Operations
11	Service quality fails to meet customers' expectations	Staff & Resident

The Board manage risk in the following manner:

- Each of the organisations 3 sub-committees manage a number of designated risks.
- The sub-committee is tasked with managing, mitigating and minimising these risks.
- Each sub-committee reports into the Board 4 times per year as appropriate on the risks to ensure the Board is fully aware and updated on all risks and the overall management and mitigation strategy.
- In addition, an Assurance Map has been created which provides assurance actions and measures against each risk. This provide the Board with confidence that evidence can be provided which supports the risk levels that are indicated.

Summary

Wirral Churches' Ark Project has had a demanding year but ultimately it has been progressive and successful. We are moving inexorably towards securing Registered Provider (RP) status which will be hugely important for the long-term sustainability of the organisation. Understanding, managing and improving the services we deliver is already taking place through having all our activity recorded on Mainstay whilst we've also secured our flagship Mary Cole House hostel service for 3 more years. Well done everyone !

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

Structure, governance and management

Wirral Churches' Ark Project exists to aid the relief of poverty, in particular by the provision of accommodation and support for homeless persons or those facing homelessness. The company (Company Registration number 3896833) is governed by its Memorandum and Articles of Association, is limited by guarantee, and is registered as a charity under the Charities Act 1960 (Charity registration number 1079070).

The trustees, who are also the directors for the purpose of company law, and who served during the 15 months and up to the date of signature of the financial statements were:

Dr I J Cubbin
Mr M Godfrey
Ms G A Ferris
Mr A D Roberts
Mr I L Roughley
Miss L Taylor
Mr G R E Jones
Ms V K Jones

Recruitment and appointment of new trustees

Trustee directors are elected by a majority vote at a Trustee Meeting. Each trustee has a term of 3 years, with a maximum of 3 terms in a row ie nine years in total. This will need to be revised if we secure Registered Provider (RP) status as they only allow 6 years in total. Upon standing down no Trustee may stand as a Trustee again until a whole term has passed ie 3 years.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The Board of Trustees can have a minimum of 6 members, and a maximum of 12. The Board meets quarterly to discuss plans for the charity, funding developments and current important issues affecting the business. In addition, there are three sub-committees:

1. Finance and Business Planning
2. Operations, Development and Health & Safety
3. Staff and resident welfare and engagement

The sub-committees have delegated powers from the full Board. A Chief Executive Officer is appointed by the Trustees to manage the day-to-day operations of the Charity.

Induction and training of new trustees

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.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

Dr I J Cubbin
Trustee

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE 15 MONTHS ENDED 31 MARCH 2024***

Dated: 26 September 2024

WIRRAL CHURCHES' ARK PROJECT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE 15 MONTHS ENDED 31 MARCH 2024

The trustees, who are also the directors of Wirral Churches' Ark Project for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 15 months.

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 Charities SORP;
- 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 charity will continue in operation.

The trustees are responsible for keeping adequate 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WIRRAL CHURCHES' ARK PROJECT

Opinion

We have audited the financial statements of Wirral Churches' Ark Project (the 'charity') for the 15 months ended 31 March 2024 which comprise, the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, 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 charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the 15 months 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.

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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charity'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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial 15 months for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WIRRAL CHURCHES' ARK PROJECT

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 and the charity'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WIRRAL CHURCHES' ARK PROJECT

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with trustees and other management, and from our knowledge and experience of charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, Charities Act 2011, data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management team and inspecting legal correspondence; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management team as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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. 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 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WIRRAL CHURCHES' ARK PROJECT

Helen Furlong FCCA (Senior Statutory Auditor)
for and on behalf of Xeinaidin Audit Limited

.....

Accountants
Statutory Auditor

46 Hamilton Square
Birkenhead
Wirral
Merseyside
CH41 5AR

WIRRAL CHURCHES' ARK PROJECT

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE 15 MONTHS ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations, legacies and grants	3	98,584	13,000	111,584	62,732	94,355	157,087
<u>Charitable activities</u>							
Mary Cole House	6	515,220	359,238	874,458	350,731	256,330	607,061
Housing Support	6	751,964	126,454	878,418	530,045	106,696	636,741
Projects	6	-	-	-	-	28,440	28,440
Other trading activities	4	1,442	-	1,442	1,387	-	1,387
Investments	5	4,282	-	4,282	357	-	357
Total income		1,371,492	498,692	1,870,184	945,252	485,821	1,431,073
Expenditure on:							
Raising funds	8	28,958	-	28,958	35,826	-	35,826
<u>Charitable activities</u>							
Mary Cole House	7	592,532	358,562	951,094	435,219	231,955	667,174
Housing Support	7	635,312	136,397	771,709	380,571	135,136	515,707
Projects	7	-	23,529	23,529	(14,404)	51,713	37,309
Total charitable expenditure		1,227,844	518,488	1,746,332	801,386	418,804	1,220,190
Total resources expended		1,256,802	518,488	1,775,290	837,212	418,804	1,256,016
Net incoming/(outgoing) resources		114,690	(19,796)	94,894	108,040	67,017	175,057
Other recognised gains and losses							
Revaluation of tangible fixed assets		-	-	-	(57,378)	4,731	(52,647)
Net movement in funds		114,690	(19,796)	94,894	50,662	71,748	122,410
Fund balances at 1 January 2023		840,073	953,667	1,793,740	789,411	881,919	1,671,330
Fund balances at 31 March 2024		954,763	933,871	1,888,634	840,073	953,667	1,793,740

The statement of financial activities includes all gains and losses recognised in the 15 months.

The statement of financial activities includes all gains and losses recognised in the 15 months. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WIRRAL CHURCHES' ARK PROJECT

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2022 £	£
Fixed assets					
Tangible assets	14		1,482,780		1,469,151
Current assets					
Debtors	15	133,326		117,018	
Cash at bank and in hand		456,914		390,647	
		590,240		507,665	
Creditors: amounts falling due within one year	16	(184,386)		(157,243)	
Net current assets			405,854		350,422
Total assets less current liabilities			1,888,634		1,819,573
Creditors: amounts falling due after more than one year	17		-		(25,833)
Net assets excluding pension liability			1,888,634		1,793,740
Net assets			1,888,634		1,793,740
The funds of the charity					
Restricted income funds	23	933,871		953,667	
Unrestricted funds		954,763		840,073	
		1,888,634		1,793,740	

The financial statements were approved by the trustees on 26 September 2024

Dr I J Cubbin
Trustee

Company registration number 3896833 (England and Wales)

WIRRAL CHURCHES' ARK PROJECT

STATEMENT OF CASH FLOWS

FOR THE 15 MONTHS ENDED 31 MARCH 2024

	Notes	2024 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	26		172,053		186,322
Investing activities					
Purchase of tangible fixed assets		(74,235)		(5,138)	
Investment income received		4,282		357	
Net cash used in investing activities			(69,953)		(4,781)
Financing activities					
Repayment of bank loans		(35,833)		(10,000)	
Net cash used in financing activities			(35,833)		(10,000)
Net increase in cash and cash equivalents			66,267		171,541
Cash and cash equivalents at beginning of 15 months			390,647		219,106
Cash and cash equivalents at end of 15 months			456,914		390,647

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 15 MONTHS ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Wirral Churches' Ark Project is a private company limited by guarantee incorporated in England and Wales. The registered office is 7 Sidney Street, Birkenhead, Merseyside, CH41 1BF.

1.1 Reporting period

The charity took the decision to extend the accounting reference date to 31 March 2024, to bring in line with strategic funders. The figures presented in the financial statements are for a 15 month period whereas the comparative figures are for a 12 month period.

1.2 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.3 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 15 MONTHS ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.6 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 are allocated on the portion of the asset's use.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred

1.7 Tangible fixed assets

Tangible fixed assets costing more than £1,000 are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% on cost
Leasehold improvements	20% on cost
Fixtures and fittings	20% on reducing balance
Computers	20% on reducing balance

Freehold land and assets in the course of construction are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations, legacies and grants

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024 £	2024 £	2024 £	2022 £	2022 £	2022 £
Donations and gifts	97,570	-	97,570	62,683	-	62,683
Legacies receivable	1,014	-	1,014	49	-	49
Grants	-	13,000	13,000	-	94,355	94,355
	<u>98,584</u>	<u>13,000</u>	<u>111,584</u>	<u>62,732</u>	<u>94,355</u>	<u>157,087</u>
Donations and gifts						
Donations and gifts	92,258	-	92,258	59,303	-	59,303
Gift aid	5,312	-	5,312	3,380	-	3,380
	<u>97,570</u>	<u>-</u>	<u>97,570</u>	<u>62,683</u>	<u>-</u>	<u>62,683</u>
Grants receivable for core activities						
Projects	-	13,000	13,000	-	94,355	94,355
	<u>-</u>	<u>13,000</u>	<u>13,000</u>	<u>-</u>	<u>94,355</u>	<u>94,355</u>

4 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2022 £
Sale of merchandise	<u>1,442</u>	<u>1,387</u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2022 £
Interest receivable	4,282	357

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 15 MONTHS ENDED 31 MARCH 2024

6 Income from charitable activities

	Mary Cole House 2024 £	Housing Support 2024 £	Total 2024 £	Mary Cole House 2022 £	Housing Support 2022 £	Projects 2022 £	Total 2022 £
Supporting people	315,289	126,454	441,743	216,515	106,696	28,440	351,651
Housing benefits	29,687	599,209	628,896	3,491	422,023	-	425,514
Residents charges	2,021	73,219	75,240	1,625	52,214	-	53,839
Performance related grants	43,949	-	43,949	39,815	-	-	39,815
Ancillary trading income	480,827	79,536	560,363	345,325	50,104	-	395,429
Other income	2,685	-	2,685	290	5,704	-	5,994
	<u>874,458</u>	<u>878,418</u>	<u>1,752,876</u>	<u>607,061</u>	<u>636,741</u>	<u>28,440</u>	<u>1,272,242</u>
Analysis by fund							
Unrestricted funds	515,220	751,964	1,267,184	350,731	530,045	-	880,776
Restricted funds	359,238	126,454	485,692	256,330	106,696	28,440	391,466
	<u>874,458</u>	<u>878,418</u>	<u>1,752,876</u>	<u>607,061</u>	<u>636,741</u>	<u>28,440</u>	<u>1,272,242</u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 15 MONTHS ENDED 31 MARCH 2024

7 Expenditure on charitable activities

	Mary Cole House 2024 £	Housing Support 2024 £	Projects 2024 £	Total 2024 £	Mary Cole House 2022 £	Housing Support 2022 £	Projects 2022 £	Total 2022 £
Direct costs								
Staff costs	529,094	208,466	20,781	758,341	360,897	117,705	21,008	499,610
Depreciation	20,372	23,953	-	44,325	2,515	10,549	5,391	18,455
Other staff costs	34,775	4,313	1,375	40,463	34,409	2,722	685	37,816
Premises costs	79,146	278,818	-	357,964	66,094	175,602	342	242,038
Catering	36,592	284	-	36,876	29,129	229	9	29,367
Professional and consultancy fees	6,360	2,098	-	8,458	267	1,978	2,192	4,437
Other costs	24,650	32,673	1,373	58,696	9,896	34,939	-	44,835
	730,989	550,605	23,529	1,305,123	503,207	343,724	29,627	876,558
Share of support and governance costs (see note 9)								
Support	217,212	218,197	-	435,409	161,200	169,080	7,552	337,832
Governance	2,893	2,907	-	5,800	2,767	2,903	130	5,800
	951,094	771,709	23,529	1,746,332	667,174	515,707	37,309	1,220,190
Analysis by fund								
Unrestricted funds	592,532	635,312	-	1,227,844	435,219	380,571	(14,404)	801,386
Restricted funds	358,562	136,397	23,529	518,488	231,955	135,136	51,713	418,804
	951,094	771,709	23,529	1,746,332	667,174	515,707	37,309	1,220,190

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

8 Raising funds

	Unrestricted funds	Unrestricted funds
	2024	2022
	£	£
<u>Fundraising and publicity</u>		
Staff costs	22,561	31,221
Other fundraising costs	6,397	4,605
	<u>28,958</u>	<u>35,826</u>

9 Support costs allocated to activities

	2024	2022
	£	£
Staff costs	236,400	191,765
Depreciation	16,281	25,136
Other staff costs	13,343	10,661
Premises costs	45,622	24,597
Insurance	30,550	20,817
IT and telephone costs	32,562	25,965
Consultancy fees	18,005	10,239
Non recoverable VAT	30,273	20,702
Other costs	12,373	7,950
Governance costs	5,800	5,800
	<u>441,209</u>	<u>343,632</u>
Analysed between:		
Mary Cole House	220,105	163,967
Housing Support	221,104	171,983
Projects	-	7,682
	<u>441,209</u>	<u>343,632</u>

10 Net movement in funds

	2024	2022
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	3,150	3,000
Depreciation of owned tangible fixed assets	60,606	43,590
	<u></u>	<u></u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the 15 months.

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Employees

The average monthly number of employees during the 15 months was:

	2024 Number	2022 Number
	37	33

Employment costs

	2024 £	2022 £
Wages and salaries	925,808	656,537
Social security costs	73,895	52,958
Other pension costs	17,599	13,101
	1,017,302	722,596

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2022 Number
£60,000 - £70,000	1	-

Remuneration of key management personnel

The key management personnel of the charity comprise the Chief Executive Officer and the Head of Finance and Fundraising whose employee benefits for the fifteen months ended 31 March 2024 total £121,990 (12 months to 31 December 2022: £91,997).

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 15 MONTHS ENDED 31 MARCH 2024

14 Tangible fixed assets

	Freehold land and buildings	Leasehold improvements	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost or valuation					
At 1 January 2023	1,390,627	76,009	102,295	84,318	1,653,249
Additions	74,235	-	-	-	74,235
Disposals	-	(44,377)	-	-	(44,377)
At 31 March 2024	1,464,862	31,632	102,295	84,318	1,683,107
Depreciation					
At 1 January 2023	-	47,744	79,014	57,340	184,098
Depreciation charged in the 15 months	29,675	18,386	5,806	6,739	60,606
Eliminated in respect of disposals	-	(44,377)	-	-	(44,377)
At 31 March 2024	29,675	21,753	84,820	64,079	200,327
Carrying amount					
At 31 March 2024	1,435,187	9,879	17,475	20,239	1,482,780
At 31 December 2022	1,390,627	28,265	23,281	26,978	1,469,151

Included within Land and buildings is property which was revalued in July 2022 at £1,389,000 by Byrom & Thomas, independent Chartered Surveyors, not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 March 2024, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been £1,504,843 (31.12.22 £1,538,283).

15 Debtors

	2024 £	2022 £
Amounts falling due within one year:		
Trade debtors	91,829	75,540
Other debtors	887	500
Prepayments and accrued income	40,610	40,978
	133,326	117,018

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

16 Creditors: amounts falling due within one year

	Notes	2024 £	2022 £
Bank loans	18	-	10,000
Other taxation and social security		30,122	23,695
Deferred income	20	-	34,101
Trade creditors		13,287	15,921
Other creditors		104,764	54,322
Accruals and deferred income		36,213	19,204
		<u>184,386</u>	<u>157,243</u>

17 Creditors: amounts falling due after more than one year

	Notes	2024 £	2022 £
Bank loans	18	-	25,833
		<u>-</u>	<u>25,833</u>

18 Loans and overdrafts

	2024 £	2022 £
Bank loans	-	35,833
	<u>-</u>	<u>35,833</u>
Payable within one year	-	10,000
Payable after one year	-	25,833
	<u>-</u>	<u>35,833</u>

The Bank loan represents the government secured Bounce Back Loan repayable over six years. Interest is charged at 2.5%

19 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2022 £
Within one year	11,797	-
Between two and five years	20,845	-
	<u>32,642</u>	<u>-</u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

20 Deferred income

	2024 £	2022 £
Arising from Grants	-	34,101

Deferred income movement during the year is as follows:

	2024 £	2022 £
Deferred income is included within:		
Current liabilities	-	34,101
Movements in the 15 months:		
Deferred income at 1 January 2023	34,101	36,284
Released from previous periods	(485,692)	(395,266)
Resources deferred in the 15 months	451,591	393,083
Deferred income at 31 March 2024	-	34,101

21 Retirement benefit schemes

	2024 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	17,599	13,101

The charity operates two separate defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2024 £
Stock condition reserve	-	-	-	100,000	-	100,000
General funds	840,073	1,371,492	(1,256,802)	(100,000)	-	854,763
	840,073	1,371,492	(1,256,802)	-	-	954,763

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

22 Unrestricted funds (Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2022
	£	£	£	£	£	£
General funds	789,411	945,252	(837,212)	-	(57,378)	840,073

23 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2024
	£	£	£	£	£	£
Mary Cole House property	319,982	-	(7,271)	64,788	-	377,499
The Grand Trunk and Ark Angel properties	528,957	-	(10,484)	-	-	518,473
Supported Housing renovations	10,654	-	(4,737)	-	-	5,917
Supporting People	12,724	441,743	(443,416)	-	-	11,051
Night Shelter Transformation	66,448	-	(1,660)	(64,788)	-	-
NHS Wirral	-	43,949	(32,669)	-	-	11,280
Other projects	14,902	13,000	(18,251)	-	-	9,651
	953,667	498,692	(518,488)	-	-	933,871

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

23 Restricted funds (Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2022
	£	£	£	£	£	£
Mary Cole House property	420,888	-	-	-	(100,906)	319,982
The Grand Trunk and Ark Angel properties	423,320	-	-	-	105,637	528,957
Supported Housing renovations	14,443	-	(3,789)	-	-	10,654
Supporting People	12,724	351,651	(351,651)	-	-	12,724
Night Shelter Transformation	-	66,448	-	-	-	66,448
Befriending	5,591	14,910	(20,501)	-	-	-
NHS Wirral	-	39,815	(39,815)	-	-	-
Waterview Project	1,253	-	(1,253)	-	-	-
Other projects	3,700	12,997	(1,795)	-	-	14,902
	<u>881,919</u>	<u>485,821</u>	<u>(418,804)</u>	<u>-</u>	<u>4,731</u>	<u>953,667</u>

Mary Cole House property

The hostel building full refurbishment was funded to a large extent through grant income. The amount shown in restricted funds is therefore the value of the property relating to the grant income.

The Grand Trunk and Ark Angel Properties

The Grand Trunk refurbishment was funded to a large extent through grant income. The amount shown in restricted funds is therefore the value of the property relating to the grant income.

Supported Housing Renovations

Grant income received during 2020 for the refurbishment and conversion of the ground floor of the Grand Trunk carried out in Spring 2021.

Night Shelter Transformation

This represents funding from Department for Levelling Up, Housing & Communities to transform the Night Shelter and this is now incorporated into Mary Cole House.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

24 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	579,234	903,546	1,482,780
Current assets/(liabilities)	375,529	30,325	405,854
	<u>954,763</u>	<u>933,871</u>	<u>1,888,634</u>
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
At 31 December 2022:			
Tangible assets	609,558	859,593	1,469,151
Current assets/(liabilities)	256,348	94,074	350,422
Long term liabilities	(25,833)	-	(25,833)
	<u>840,073</u>	<u>953,667</u>	<u>1,793,740</u>

25 Related party transactions

There were no disclosable related party transactions during the 15 months (2022 - none).

26 Cash generated from operations	2024 £	2022 £
Surplus for the 15 months	94,894	175,057
Adjustments for:		
Investment income recognised in statement of financial activities	(4,282)	(357)
Depreciation and impairment of tangible fixed assets	60,606	43,590
Movements in working capital:		
(Increase) in debtors	(16,308)	(21,964)
Increase/(decrease) in creditors	71,244	(7,821)
(Decrease) in deferred income	(34,101)	(2,183)
Cash generated from operations	<u>172,053</u>	<u>186,322</u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 15 MONTHS ENDED 31 MARCH 2024

27 Analysis of changes in net funds

	At 1 January 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	390,647	66,267	456,914
Loans falling due within one year	(10,000)	10,000	-
Loans falling due after more than one year	(25,833)	25,833	-
	<u>354,814</u>	<u>102,100</u>	<u>456,914</u>

WIRRAL CHURCHES' ARK PROJECT

England & Wales - Charity number 1079070

Accounts

Charity registration number 1079070

Company registration number 3896833 (England and Wales)

WIRRAL CHURCHES' ARK PROJECT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

WIRRAL CHURCHES' ARK PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr I J Cubbin	
	Mr M Godfrey	
	Ms G A Ferris	
	Mr A D Roberts	
	Mr I L Roughley	
	Miss L Taylor	(Appointed 28 April 2022)
	Mr G R E Jones	(Appointed 26 November 2022)
	Ms Victoria Jones	(Appointed 28 April 2022)
Secretary	M Grundy	
Charity number	1079070	
Company number	3896833	
Registered office	7 Sidney Street Birkenhead Merseyside CH41 1BF	
Auditor	Xelnadin Audit Limited 2 Hilliards Court Chester Business Park Chester Cheshire CH4 9QP	

WIRRAL CHURCHES' ARK PROJECT

CONTENTS

	Page
Trustees' report	1 - 5
Statement of trustees' responsibilities	6
Independent auditor's report	7 - 10
Statement of financial activities	11 - 12
Balance sheet	13
Statement of cash flows	15
Notes to the financial statements	16 - 30

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report and the consolidated financial statements of the charity and its trading subsidiary for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)".

Objectives and activities

Established in 1991 Wirral Churches' Ark Project, or Wirral Ark as it is more commonly known, is a charity focused on helping homeless individuals through the provision of accommodation and support. Our Articles of Association and supporting objects are clear:

The Charity is formed for the benefit of the community. Its charitable objects ('the Objects') shall be to carry on for the benefit of the community:

- *The business of providing and managing housing, including social housing, and providing assistance to help house people and associated facilities, amenities and services for poor and/or homeless people or for the relief of aged, disabled (whether physically or mentally) or chronically sick people;*
- *Any other charitable object that can be carried out from time-to-time by a registered society registered as a provider of Social Housing with the Regulator.*

Wirral Ark is Wirral's only independent homeless charity. We believe everyone has a right to a safe and secure place to live. We support hundreds of people each year who are experiencing homelessness or at risk of becoming homeless through providing housing from 11 properties situated across, Wallasey, Birkenhead and Prenton.

Overall our aim is to break the cycle of homelessness through our compassionate approach to homelessness and it's many factors. Alongside our accommodation provision Wirral Ark also aims to address the root causes of homelessness, by playing a frontline role in addressing issues with substance misuse, mental health, physical health, social exclusion, low confidence and wellbeing, and distance from the labour market.

Through our accommodation, wrap around professional services and support, and a compassionate ear, Wirral Ark helps people achieve positive and real outcomes for themselves.

Wirral Ark works with Wirral Council's Housing Options Team and Rough Sleepers Initiative. After an initial assessment has been made by the referring organisation and the individual has been referred to Wirral Ark, our team provide quality accommodation and wrap around support to help them on the road to recovery with the aim of ending the cycle of homelessness.

Working with a Case Management Worker, our specialised Nurses and our Activities Co-ordinator, clients receive comprehensive, personal support for their physical and mental needs in a safe and secure environment that nurtures independence and promotes building a better future.

People come to us from all walks of life: isolated people with mental health or drug problems, current and ex-offenders, former rough sleepers and people who are begging or street drinking. Wirral Ark staff work together as a team to create a specialised and tailor made path for each client that will help them best realise their potential and lift them out of homelessness for good.

Wirral Ark provides a wide range of activities to promote physical and mental health and the building of relationships between clients and staff, other clients and the community in Wirral as a whole.

Finally, we want to educate and raise awareness for Wirral Ark's work, and the individual and societal issues people experiencing homelessness face in the community, by creating educational content to highlight these issues and our achievements.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Mission and Values

During 2022 Wirral Ark's Board and Staff revisited its Mission, Vision and Values which resulted in the following:

Our Mission

Wirral Ark aims to fearlessly unite people in the fight against homelessness. We help individuals experiencing homelessness achieve their personal ambitions through respect, courage, compassion, and a personalised plan of action.

Our Vision

Wirral Ark helps believes everyone deserves a safe and secure place to live and aim to reduce homelessness in Wirral by working together with our staff, residents, and supporters.

Our Values

Think Wirral Ark. Think HOME.

Honest - Wirral Ark acts openly and with integrity with our staff, residents and community.

Open Minded - Wirral Ark is free from judgement and bias, striving to help everyone break the cycle of homelessness and better themselves.

Motivated - Wirral Ark works tirelessly to provide a personalised plan of action for each resident to help better themselves.

Empathetic - Wirral Ark strives to understand and respect the journeys our residents have faced and offer a caring and compassionate environment.

Public benefit

Wirral Churches' Ark Project exists for the benefit of the public and its aims are stated under 'Objectives and Aims' above

Significant activities

The activities undertaken to achieve the charity's objectives are:

- The provision of accommodation in the form of a 27 bed hostel which includes the provision of meals, laundry and washing facilities;
- 7 move on houses (2 bed roomed shared accommodation);
- 9 move on studio flats in Birkenhead;
- 15 move on studio flats in Prenton;
- and a 6 bedroom women's only project;

Wirral Ark is also part of Wirral Council's Rough Sleeper Initiative (RSI) where we offer 2 emergency beds as part of the overall provision provided by a range of partners each night.

Employees

Wirral Churches' Ark Project is committed to employing well managed, well informed and highly skilled staff. At the end of 2022 there were 35 employees (headcount) of which 19 were full-time. All recruitment is done in a transparent manner to ensure fairness and the selection of the best candidate. All new staff are required to have a DBS check and are given a full induction to ensure they are ready to take on their new role.

Regular training is undertaken to cover both statutory requirements and the needs of the business / employees.

Volunteers

Wirral Churches' Ark Project is appreciative of the valuable contribution of all the volunteers. Some stay with us for many years, for others we are a stepping stone to employment - but whatever the reason people join and for however long they stay, they are an important part of the organisation. Volunteers are required to have a DBS check if appropriate and are given training to ensure they are ready to undertake their role

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2022**

Achievements and performance

Performance Review

- 118 people took up residence at Wirral Ark's accommodation services in 2022
- 73% of the people who took up residencies at Wirral Ark in the period were male, 26% were female and 1% non-binary.
- The average age of people taking up residencies was 42.1 years.
- The majority of people taking up residencies described their ethnic origin as White: British - 92% with others identifying as follows:
 - 3% were White: Other
 - 2% were Asian or Asian British
 - 2% were Other Ethnic Group: Arab
 - 2% were Other Ethnic Group: Other
- Beyond identifying as homeless, our residents considered their additional support needs as follows:
 - o 52% had Mental Health recorded as a secondary support need.
 - o 40% had Drug Misuse recorded as a secondary support need.
 - o 24% had Alcohol Misuse recorded as a secondary support need.
 - o 12% had Offender or at Risk of Offending recorded as a secondary support need
 - o 8% had Physical or Sensory Disability recorded as a secondary support need.
- In terms of resident feedback we received the following views:
 - o 88% of our residents were either satisfied or very satisfied with the service provided by Wirral Ark as their landlord.
 - o 94% agreed or strongly agreed with the statement 'I know who my support worker is and support is available when I need it'.
 - o 91% were either satisfied or very satisfied with the way Wirral Ark keep them informed about things that matter to them.
 - o On average residents rated the services 8.24 out of 10.

A quote from a resident: 'I've found Wirral Ark staff very easy to talk to and listen to. They have always asked how I am and if I need any help with anything to not hesitate to ask. I've needed some guidance on one or two issues and they listened and helped me with no bias. I find the staff to be very helpful whenever I have needed their help.'

In terms of staff feedback the following results are strong but we must continue to improve in the coming years:

- I have a clear understanding of Wirral Ark's mission, vision & values – 91% agree / strongly agree.
- I can see how my role contributes towards Wirral Ark's mission, vision & values – 96% agree / strongly agree.
- I have a voice and am listened to by senior members of Wirral Ark – 96% agree / strongly agree
- We are a better organisation than we were 12 months ago – 83% agree / strongly agree
- I am happy in my role – 91% agree / strongly agree

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Financial review

In 2022 our principle funding sources remained our Supporting People contracts with Wirral Borough Council for the hostel and 14 move on units and Housing Benefit for all the accommodation units. These represent the majority of our income. In addition, residents pay Personal Costs for items such as TV Licences and food. Together these can be considered as our core income. The total number of units is 71.

Incoming resources for the year amounted to £1,431,073 (£1,270,640 in 2021) and expenditure amounted to £1,256,016 (£1,429,402 in 2021) giving a contribution to reserves of £122,410 (deficit of £158,762 in 2021).

Unrestricted free reserves amounted to £230,515 (£87,813 in 2021) and this is made up of unrestricted reserves of £840,073 less unrestricted reserves represented by fixed assets of £609,558. Cash held in the bank at the end of the year amounted £390,657 (£219,106 in 2021).

These figures include a grant of just under £67k for refurbishment and conversion of the Hub at the hostel into 2 more bedrooms to be used as assessment rooms. The work will be carried out mid 2023.

Salary costs continue to be a major expense for the charity, but this is a necessity given the nature of the business. Wirral Ark is committed to doing the best it can for our staff particularly through tough economic times. All income and expenditure is fully recorded and accounted for to the trustees. Sage 50 Accounts is used to record all the transactions and is the basis for the monthly management accounts that are submitted to the Board and the statutory accounts process. The monthly payroll process has been outsourced.

Reserves policy

The aim of the reserves policy is to ensure that Wirral Churches' Ark Project's ongoing activities are reasonably protected from unexpected variances in income and give the charity the ability to take up opportunities as they arise. The level of unrestricted reserves is reviewed each year by the Board in the context of the financial risks associated with the various income streams, expenditure categories and balance sheet items together with the charities ability to meet them from realisable/liquid reserves. The Board are satisfied the Wirral Churches' Ark Project's current level of reserves meets that needed.

As a charity limited by guarantee, no dividends are paid.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees manage risk in the following manner:

- A Risk Register that is managed by the Risk Management Sub-Committee, is reviewed quarterly, new risks are assessed and previous actions reviewed to ensure progress and completion.
- The sub-committee reports into the Full Board four times during the year to ensure the Board is fully aware and updated on all risks and the overall management and mitigation strategy.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management

Wirral Churches' Ark Project exists to aid the relief of poverty, in particular by the provision of accommodation and support for homeless persons or those facing homelessness. The company (Company Registration number 3896833) is governed by its Memorandum and Articles of Association, is limited by guarantee, and is registered as a charity under the Charities Act 1960 (Charity registration number 1079070).

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr I J Cubbin

Mr N L Jones

(Resigned 28 April 2022)

Mr P Ashley-Mudie

(Resigned 18 July 2022)

Mr M Godfrey

Ms G A Ferris

Mr A D Roberts

Mr I L Roughley

Miss L Taylor

(Appointed 28 April 2022)

Mr D Dodd-Hughes

(Appointed 28 April 2022 and resigned 30 November 2022)

Mr G R E Jones

(Appointed 26 November 2022)

Ms Victoria Jones

(Appointed 28 April 2022)

Recruitment and appointment of new trustees

Trustee directors are elected by a majority vote at a Trustee Meeting. Each Trustee has a term of three years, with a maximum of three terms in a row, ie nine years total. Upon standing down, no Trustee may stand as a Trustee again until a whole term has passed, ie three years.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The board of Trustees can have a minimum of 6 members. The board meets quarterly to discuss the plans for the charity, funding developments and current important issues affecting the business. In addition, there are three sub-committees - Finance and Business Planning, Risk Management and Service Delivery. These groups have delegated powers from the full Board. A Chief Executive Officer is appointed by the Trustees to manage the day-to-day operations of the charity.

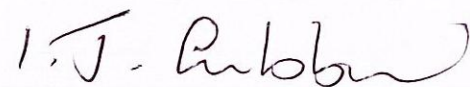
Induction and training of new trustees

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.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Dr I J Cubbin

Trustee

Dated: 12 June 2023

WIRRAL CHURCHES' ARK PROJECT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees, who are also the directors of Wirral Churches' Ark Project for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WIRRAL CHURCHES' ARK PROJECT

Opinion

We have audited the financial statements of Wirral Churches' Ark Project (the 'charity') and its subsidiary for the year ended 31 December 2022 which comprise, the consolidated statement of financial activities, the consolidated and charity balance sheet, the consolidated statement of cash flows and the notes to the financial statements, 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 and charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, 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.

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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charity'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.

Other Information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WIRRAL CHURCHES' ARK PROJECT

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 and the charity'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WIRRAL CHURCHES' ARK PROJECT

Extent to which the audit was considered capable of detecting Irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with trustees and other management, and from our knowledge and experience of charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, Charities Act 2011, data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management team and inspecting legal correspondence; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management team as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of Irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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. 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 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WIRRAL CHURCHES' ARK PROJECT



**Helen Furlong FCCA (Senior Statutory Auditor)
for and on behalf of Xelnadin Audit Limited**

12 June 2023

**Accountants
Statutory Auditor**

2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9QP

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations, legacies and grants	3	62,732	94,355	157,087	98,998	63,323	162,321
Charitable activities							
Mary Cole House	4	350,731	256,330	607,061	324,179	232,664	556,843
Housing Support	4	530,045	106,696	636,741	430,468	51,647	482,115
Projects	4	-	28,440	28,440	625	63,670	64,295
Other trading activities	5	1,387	-	1,387	4,629	-	4,629
Investments	6	357	-	357	437	-	437
Total income		945,252	485,821	1,431,073	859,336	411,304	1,270,640
Expenditure on:							
Raising funds	7	35,826	-	35,826	85,809	-	85,809
Charitable activities							
Mary Cole House	8	435,219	231,955	667,174	466,193	259,703	725,896
Housing Support	8	380,571	135,136	515,707	410,987	89,751	500,738
Projects	8	(14,404)	51,713	37,309	35,577	81,382	116,959
Total charitable expenditure		801,386	418,804	1,220,190	912,757	430,836	1,343,593
Total resources expended		837,212	418,804	1,256,016	998,566	430,836	1,429,402
Disposal of investment	11	-	-	-	91,539	-	91,539

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

Net Incoming/(outgoing) resources	108,040	67,017	175,057	(47,691)	(19,532)	(67,223)
Other recognised gains and losses						
Revaluation of tangible fixed assets	(57,378)	4,731	(52,647)	-	-	-
	<u>50,662</u>	<u>71,748</u>	<u>122,410</u>	<u>(47,691)</u>	<u>(19,532)</u>	<u>(67,223)</u>
Net movement in funds						
Fund balances at 1 January 2022	789,411	881,919	1,671,330	837,102	901,451	1,738,553
	<u>789,411</u>	<u>881,919</u>	<u>1,671,330</u>	<u>837,102</u>	<u>901,451</u>	<u>1,738,553</u>
Fund balances at 31 December 2022	<u>840,073</u>	<u>953,667</u>	<u>1,793,740</u>	<u>789,411</u>	<u>881,919</u>	<u>1,671,330</u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	15		1,469,151		1,560,249
Current assets					
Debtors	16	117,018		95,054	
Cash at bank and in hand		390,647		219,106	
		<u>507,665</u>		<u>314,160</u>	
Creditors: amounts falling due within one year	17	<u>(157,243)</u>		<u>(167,246)</u>	
Net current assets			350,422		146,914
Total assets less current liabilities			1,819,573		1,707,163
Creditors: amounts falling due after more than one year	18		(25,833)		(35,833)
Net assets			<u>1,793,740</u>		<u>1,671,330</u>
Income funds					
Restricted funds	21		953,667		881,919
General unrestricted funds			840,073		789,411
			<u>1,793,740</u>		<u>1,671,330</u>

The financial statements were approved by the Trustees on 12 June 2023

I. J. Cubbin

Dr I J Cubbin
Trustee

Company Registration No. 3896833

WIRRAL CHURCHES' ARK PROJECT

CHARITY BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	15		1,469,151		1,560,249
Current assets					
Debtors	16	117,018		95,054	
Cash at bank and in hand		390,647		219,106	
		507,665		314,160	
Creditors: amounts falling due within one year	17	(151,243)		(167,246)	
Net current assets			350,422		146,914
Total assets less current liabilities			1,819,573		1,707,163
Creditors: amounts falling due after more than one year	18		(25,833)		(35,833)
Net assets			1,793,740		1,671,330
Income funds					
Restricted funds	21	953,667		881,919	
General unrestricted funds		840,073		789,411	
		1,793,740		1,671,330	

The financial statements were approved by the Trustees on 12 June 2023

I. J. Cubbin

Dr I J Cubbin
Trustee

Company Registration No. 3896833

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	24		186,322		(99,859)
Investing activities					
Purchase of tangible fixed assets		(5,138)		(214,383)	
Proceeds on disposal of investments		-		91,539	
Investment income received		357		437	
Net cash used in investing activities			(4,781)		(122,407)
Financing activities					
Repayment of bank loans		(10,000)		(124,168)	
Net cash used in financing activities			(10,000)		(124,168)
Net increase/(decrease) in cash and cash equivalents			171,541		(346,434)
Cash and cash equivalents at beginning of year			219,106		565,540
Cash and cash equivalents at end of year			390,647		219,106

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity Information

Wirral Churches' Ark Project is a private company limited by guarantee incorporated in England and Wales. The registered office is 7 Sidney Street, Birkenhead, Merseyside, CH41 1BF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 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 are allocated on the portion of the asset's use.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred

1.6 Tangible fixed assets

Tangible fixed assets costing more than £1,000 are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% on cost
Leasehold improvements	20% on cost
Fixtures and fittings	20% on reducing balance
Computers	20% on reducing balance

Freehold land and assets in the course of construction are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other recognised gains and losses and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in net income/ (expenditure) or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and loss are recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.9 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Basis of consolidation

The group financial statements consolidate the financial statements of Wirral Churches' Ark Project and its subsidiary, Wirral Ark Trading CIC, drawn up to 31 December 2021. The results of the subsidiary are consolidated for the period from the date of incorporation on 24 October 2019 to 31 December 2021. The subsidiary ceased trading during the year to 31 December 2021 and all balances eliminated at that date.

Advantage is being taken of Section 408 of the Companies Act 2006 not to present the Parent Company's Statement of Financial Activities including Income and Expenditure Account.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations, legacies and grants

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	62,683	-	62,683	61,806	-	61,806
Legacies receivable	49	-	49	625	-	625
Grants	-	94,355	94,355	36,567	63,323	99,890
	<u>62,732</u>	<u>94,355</u>	<u>157,087</u>	<u>98,998</u>	<u>63,323</u>	<u>162,321</u>
Donations and gifts						
Donations and gifts	59,303	-	59,303	59,541	-	59,541
Gift aid	3,380	-	3,380	571	-	571
Other	-	-	-	1,694	-	1,694
	<u>62,683</u>	<u>-</u>	<u>62,683</u>	<u>61,806</u>	<u>-</u>	<u>61,806</u>
Grants receivable for core activities						
Housing Support	-	-	-	-	42,140	42,140
Projects	-	94,355	94,355	10,129	21,183	31,312
Core operations	-	-	-	26,438	-	26,438
	<u>-</u>	<u>94,355</u>	<u>94,355</u>	<u>36,567</u>	<u>63,323</u>	<u>99,890</u>

WIRRAL CHURCHES' ARK PROJECT
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

4 Charitable activities

	Mary Cole House 2022	Housing Support 2022	Projects 2022	Total 2022	Mary Cole House 2021	Housing Support 2021	Projects 2021	Total 2021
	£	£	£	£	£	£	£	£
Supporting people	216,515	106,696	28,440	351,651	215,776	51,647	63,670	331,093
Housing benefits	3,481	422,023	-	425,514	720	350,903	-	351,623
Residents charges	1,625	52,214	-	53,839	455	37,337	-	37,792
Performance related grants	39,815	-	-	39,815	16,888	-	-	16,888
Ancillary trading income	345,325	50,104	-	395,429	322,973	38,616	-	361,589
Other income	280	5,704	-	5,984	31	3,612	625	4,268
	<u>607,061</u>	<u>636,741</u>	<u>28,440</u>	<u>1,272,242</u>	<u>556,843</u>	<u>482,115</u>	<u>64,295</u>	<u>1,103,253</u>
Analysis by fund								
Unrestricted funds	350,731	530,045	-	880,776	324,179	430,468	625	755,272
Restricted funds	<u>256,330</u>	<u>106,696</u>	<u>28,440</u>	<u>391,466</u>	<u>232,664</u>	<u>51,647</u>	<u>63,670</u>	<u>347,981</u>
	<u>607,061</u>	<u>636,741</u>	<u>28,440</u>	<u>1,272,242</u>	<u>556,843</u>	<u>482,115</u>	<u>64,295</u>	<u>1,103,253</u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Fundraising events	-	4,336
Other trading activities	1,387	293
	<u>1,387</u>	<u>4,629</u>
Other trading activities	<u>1,387</u>	<u>4,629</u>

6 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	357	437
	<u>357</u>	<u>437</u>

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Staff costs	31,221	35,482
Other fundraising costs	4,605	3,523
	<u>35,826</u>	<u>39,005</u>
Fundraising and publicity	<u>35,826</u>	<u>39,005</u>
<u>Trading costs</u>		
Staff costs	-	14,993
Other trading activities	-	23,814
Support costs	-	7,997
	<u>-</u>	<u>46,804</u>
Trading costs	<u>-</u>	<u>46,804</u>
	<u>35,826</u>	<u>85,809</u>
	<u>35,826</u>	<u>85,809</u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2022**

8 Charitable activities

	Mary Cole House 2022 £	Housing Support 2022 £	Projects 2022 £	Total 2022 £	Mary Cole House 2021 £	Housing Support 2021 £	Projects 2021 £	Total 2021 £
Staff costs	360,897	117,705	21,008	499,610	313,158	114,834	66,036	494,028
Depreciation and Impairment	2,515	10,549	5,391	18,455	48,090	34,968	6,739	88,797
Other staff costs	34,409	2,722	685	37,816	38,768	4,005	6,449	47,222
Premises costs	66,094	175,602	342	242,038	87,805	162,846	6,398	256,849
Catering	29,129	229	9	29,367	28,936	168	-	29,104
Professional and consultancy fees	267	1,978	2,192	4,437	1,117	616	348	2,081
Other costs	9,896	34,939	-	44,835	13,316	14,180	9,549	37,045
	<u>503,207</u>	<u>343,724</u>	<u>29,627</u>	<u>876,558</u>	<u>529,190</u>	<u>331,417</u>	<u>95,519</u>	<u>956,128</u>
Share of support costs (see note 9)	161,200	169,080	7,552	337,832	193,965	166,961	21,141	382,067
Share of governance costs (see note 9)	2,767	2,803	130	5,800	2,741	2,360	299	5,400
	<u>667,174</u>	<u>515,707</u>	<u>37,309</u>	<u>1,220,190</u>	<u>725,896</u>	<u>500,738</u>	<u>116,959</u>	<u>1,343,593</u>
Analysis by fund								
Unrestricted funds	435,219	380,571	(14,404)	801,386	466,193	410,987	35,577	912,757
Restricted funds	231,955	135,136	51,713	418,804	259,703	89,751	81,382	430,836
	<u>667,174</u>	<u>515,707</u>	<u>37,309</u>	<u>1,220,190</u>	<u>725,896</u>	<u>500,738</u>	<u>116,959</u>	<u>1,343,593</u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	191,765	-	191,765	234,555	-	234,555
Other staff costs	10,661	-	10,661	26,670	-	26,670
Premises costs	24,597	-	24,597	19,951	-	19,951
Insurance	20,817	-	20,817	19,101	-	19,101
Telephone and computer costs	25,965	-	25,965	27,422	-	27,422
Consultancy fees	10,239	-	10,239	11,667	-	11,667
Non recoverable VAT	20,702	-	20,702	26,303	-	26,303
Other costs	7,950	-	7,950	7,419	-	7,419
Loan interest	-	-	-	7,997	-	7,997
Depreciation	25,136	-	25,136	8,979	-	8,979
Audit fees	-	3,000	3,000	-	2,880	2,880
Accountancy	-	2,800	2,800	-	2,520	2,520
	<u>337,832</u>	<u>5,800</u>	<u>343,632</u>	<u>390,064</u>	<u>5,400</u>	<u>395,464</u>
Analysed between						
Trading	-	-	-	7,997	-	7,997
Charitable activities	<u>337,832</u>	<u>5,800</u>	<u>343,632</u>	<u>382,067</u>	<u>5,400</u>	<u>387,467</u>
	<u>337,832</u>	<u>5,800</u>	<u>343,632</u>	<u>390,064</u>	<u>5,400</u>	<u>395,464</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Disposal of Investment

	Total	Unrestricted funds
	2022	2021
	£	£
Disposal of subsidiary	<u>-</u>	<u>91,539</u>

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

13 Employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
33	35

Employment costs

	2022 £	2021 £
Wages and salaries	656,537	706,877
Social security costs	52,958	59,383
Other pension costs	13,101	12,798
	<u>722,596</u>	<u>779,058</u>

14 Ark Trading CIC

A summary of the results of the subsidiary is shown below:

	2022 £	2021 £
Expenditure		(46,804)
	<u>-</u>	<u>(46,804)</u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Tangible fixed assets - group and charity

	Freehold land and buildings	Leasehold improvements	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost or valuation					
At 1 January 2022	2,313,617	76,009	102,295	84,318	2,576,239
Additions	5,138	-	-	-	5,138
Revaluation	(928,128)	-	-	-	(928,128)
At 31 December 2022	1,390,627	76,009	102,295	84,318	1,653,249
Depreciation and impairment					
At 1 January 2022	875,482	16,695	73,213	50,600	1,015,990
Depreciation charged in the year	-	31,049	5,801	6,740	43,590
Revaluation	(875,482)	-	-	-	(875,482)
At 31 December 2022	-	47,744	79,014	57,340	184,098
Carrying amount					
At 31 December 2022	1,390,627	28,265	23,281	26,978	1,469,151
At 31 December 2021	1,438,135	59,314	29,081	33,719	1,560,249

Included within Land and buildings is property with carrying amount of £1,390,626 which was revalued in July 2022 at £1,389,000 by Byrom & Thomas, independent Chartered Surveyors, not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 December 2022, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been £1,538,283 (2021 £567,755).

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Debtors - group and charity

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	75,540	48,478
Other debtors	500	500
Prepayments and accrued income	40,978	46,076
	<u>117,018</u>	<u>95,054</u>

17 Creditors: amounts falling due within one year - group and charity

	Notes	2022 £	2021 £
Bank loans	19	10,000	10,000
Other taxation and social security		23,895	31,864
Deferred income	20	34,101	36,284
Trade creditors		15,921	15,818
Other creditors		54,322	64,216
Accruals		19,204	9,064
		<u>157,243</u>	<u>167,246</u>

18 Creditors: amounts falling due after more than one year - group and charity

	Notes	2022 £	2021 £
Bank loans	19	<u>25,833</u>	<u>35,833</u>

19 Loans and overdrafts - group and charity

	2022 £	2021 £
Bank loans	<u>35,833</u>	<u>45,833</u>
Payable within one year	10,000	10,000
Payable after one year	<u>25,833</u>	<u>35,833</u>

The Bank loan represents the government secured Bounce Back Loan repayable over six years. Interest is charged at 2.5%

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

20 Deferred Income - group and charity

	2022 £	2021 £
Arising from Grants	34,101	36,284
	<u>34,101</u>	<u>36,284</u>
Deferred income movement during the year is as follows:		
	2022 £	2021 £
Deferred income is included within:		
Current liabilities	34,101	36,284
	<u>34,101</u>	<u>36,284</u>
Movements in the year:		
Deferred income at 1 January 2022	36,284	36,945
Released from previous periods	(395,266)	348,537
Resources deferred in the year	393,083	(349,198)
	<u>34,101</u>	<u>36,284</u>
Deferred income at 31 December 2022	34,101	36,284

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Restricted funds - group and charity

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2021	Movement in funds		Transfer to capital ¹	Balance at January 2022	Movement in funds		Balance at 31 December 2022
	£	Incoming resources	Resources expended	£	£	Incoming resources	Resources expended	£
Mary Cole House property	447,154	-	(26,266)	-	420,888	-	-	319,982
The Grand Trunk and Ark Angel property	340,235	-	(20,128)	103,213	423,320	-	-	528,957
Supported Housing renovations	79,167	42,140	(3,651)	(103,213)	14,443	-	(3,789)	10,654
Supporting People	-	331,092	(318,368)	-	12,724	351,651	(351,651)	12,724
Night Shelter Transformation	-	-	-	-	-	66,448	-	66,448
Social Lettings Agency	8,341	-	(8,341)	-	-	-	-	-
Befriending	13,925	14,667	(23,001)	-	5,591	14,910	(20,501)	-
NHS Wirral	-	16,888	(16,888)	-	-	39,815	(39,815)	-
Waterview Project	9,080	-	(7,827)	-	1,253	-	(1,253)	-
Other projects	3,549	6,517	(6,366)	-	3,700	12,997	(1,795)	14,902
	901,451	411,304	(430,836)	-	881,919	485,821	(418,804)	953,667

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Restricted funds - group and charity

(Continued)

Mary Cole House property

The hostel building full refurbishment was funded to a large extent through grant income. The amount shown in restricted funds is therefore the value of the property relating to the grant income.

The Grand Trunk and Ark Angel Properties

The Grand Trunk refurbishment was funded to a large extent through grant income. The amount shown in restricted funds is therefore the value of the property relating to the grant income.

Supported Housing Renovations

Grant income received during 2020 for the refurbishment and conversion of the ground floor of the Grand Trunk carried out in Spring 2021.

Night Shelter Transformation

This represents funding from Department for Levelling Up, Housing & Communities to transform the Night Shelter.

Social Lettings Agency

Grants received for initial development and support of setting up the subsidiary CIC.

Befriending

Grant received for a new project delivery which was delayed due to Covid -19 restrictions.

Watervlew Project

Grant received from Nationwide for the delivery of women's only project.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

22 Analysis of net assets between funds - group and company

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:						
Tangible assets	609,558	859,593	1,469,151	701,598	858,651	1,560,249
Net current assets	256,348	94,074	350,422	123,646	23,268	146,914
Long term liabilities	(25,833)	-	(25,833)	(35,833)	-	(35,833)
	<u>840,073</u>	<u>953,667</u>	<u>1,793,740</u>	<u>789,411</u>	<u>881,919</u>	<u>1,671,330</u>

23 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

24 Cash generated from operations

	2022 £	2021 £
Surplus/(deficit) for the year	175,057	(67,223)
Adjustments for:		
Investment income recognised in statement of financial activities	(357)	(437)
Gain on disposal of investments	-	(91,539)
Depreciation and impairment of tangible fixed assets	43,590	98,778
Movements in working capital:		
(Increase)/decrease in debtors	(21,964)	14,912
(Decrease) in creditors	(7,821)	(53,689)
(Decrease) in deferred income	(2,183)	(661)
Cash generated from/(absorbed by) operations	<u>186,322</u>	<u>(99,859)</u>

25 Analysis of changes in net funds

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	219,106	171,541	390,647
Loans falling due within one year	(10,000)	-	(10,000)
Loans falling due after more than one year	(35,833)	10,000	(25,833)
	<u>173,273</u>	<u>181,541</u>	<u>354,814</u>

Accounts

Charity registration number 1079070

Company registration number 3896833 (England and Wales)

WIRRAL CHURCHES' ARK PROJECT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



McLintocks

Xeinadin Group

WIRRAL CHURCHES' ARK PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr I J Cubbin	
	Mr P Ashley-Mudie	
	Mr M Godfrey	
	Ms G A Ferris	
	Mr A D Roberts	
	Mr I L Roughley	
	Mr Duncam Dodd-Hughes	(Appointed 28 April 2022)
	Ms Victoria Jones	(Appointed 28 April 2022)
	Miss L Taylor	(Appointed 28 April 2022)
Secretary	M Grundy	
Charity number	1079070	
Company number	3896833	
Registered office	7 Sidney Street Birkenhead Merseyside CH41 1BF	
Auditor	Xeinadin Audit Limited 2 Hilliards Court Chester Business Park Chester Cheshire CH4 9PX	

WIRRAL CHURCHES' ARK PROJECT

CONTENTS

	Page
Trustees' report	1 - 8
Statement of trustees' responsibilities	9
Independent auditor's report	10 - 13
Statement of financial activities	14
Balance sheet	15
Statement of cash flows	20
Notes to the financial statements	17 - 34

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report and the consolidated financial statements of the charity and its trading subsidiary for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)".

Objectives and activities

The main objective is to continue to provide accommodation services in the broadest sense to homeless or potentially homeless people. Wirral Churches' Ark Project's (WCAP) mission is:

Wirral Churches' Ark Project's mission is:

- to provide high quality supportive accommodation to people aged 18 and over who are homeless or at risk of homelessness;
- to offer support, guidance and opportunity to all service users to enable them to reach their full potential;
- to facilitate, promote and improve the health and wellbeing of all service users, including addressing substance misuse issues.

The organisation aspires to:

- Be an innovator in approaches to the provision of homeless services and support for homeless people that is non-discriminatory, respectful of individual needs and human rights and provides homeless people with a sense of community, enabling them to develop a sense of belonging
- Inspire decision-makers and attract resources to support its vision.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2021**

Strategy for achieving objectives

Wirral Churches' Ark Project's strategy for achieving its aims and objectives are to:

- Provide an effective introduction to relevant specialist services for clients
- Maintain strong relationships with housing providers and other partner agencies in order to give clients best support and opportunities
- Ensure staff are well trained, motivated and skilled in the work they undertake
- Manage effectively all resources to optimise achievements
- Ensure opportunities are provided to all clients to take part in social and educational activities.

Values

The values that guide the actions and decisions of WCAP were refreshed by staff and members of the Board during the summer of 2021:

- We show COMPASSION
 - We put ourselves in others' shoes, taking care to fully understand their circumstances.
- We RESPECT one another
 - We remember we're all human. We treat others as we want to be treated and have a right to respect in return.
- We create IMPACT
 - We're not bystanders. We get stuck in - taking action to create change and drive results.
- We are RESPONSIVE
 - Our approach is human, intelligent and empowering. We innovate and adapt to people and situations.
- We act with COURAGE
 - We are fearless in the face of change and adversity. We are resilient survivors who take risks for the people we care about..

Good Governance:

- We will maintain high professional standards, accountability and ethical behaviour in governance, management and service delivery

Responsive Services

- We will provide high quality services based on sound research and prevailing professional standards
- We will involve and consult service users, staff and key stakeholders in decision-making
- We will employ skilled and compassionate staff and provide rewarding jobs and a safe work environment
- We will collaborate and share information with other agencies to improve and develop services

Public benefit

Wirral Churches' Ark Project exists for the benefit of the public and its aims are stated under 'Objectives and Aims' above

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2021***

Significant activities

The activities undertaken to achieve the charity's objectives are:

- The provision of accommodation in the form of a 27 bed hostel which includes the provision of meals, laundry and washing facilities;
- 7 move on houses (2 bed roomed shared accommodation);
- 9 move on studio flats in Birkenhead;
- 15 move on studio flats in Prenton;
- and a 6 bedroom women's only project;

WCAP is also part of Wirral Council's Rough Sleeper Initiative (RSI) where we offer 2 emergency beds as part of the overall provision provided by a range of partners each night.

Employees

Wirral Churches' Ark Project is committed to employing well managed, well informed and highly skilled staff. At the end of 2021 there were 35 employees (headcount) of which 19 were full-time. All recruitment is done in a transparent manner to ensure fairness and the selection of the best candidate. All new staff are required to have a DBS check and are given a full induction to ensure they are ready to take on their new role.

Regular training is undertaken to cover both statutory requirements and the needs of the business / employees.

Volunteers

Wirral Churches' Ark Project is appreciative of the valuable contribution of all the volunteers. Some stay with us for many years, for others we are a stepping stone to employment - but whatever the reason people join and for however long they stay, they are an important part of the organisation. Volunteers are required to have a DBS check if appropriate and are given training to ensure they are ready to undertake their role

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2021**

Achievements and performance

2021

2021 represented a challenging and tumultuous year for Wirral Ark and everyone in the UK and across the world I would suggest because of COVID-19. Wirral Ark also lost a long standing and successful CEO, Aydin Djemal, and recruited a replacement, Paul Hardman, who took over on April 12, 2022.

Normally the context of a working year is set by an organisation through a combination of a strategic plan, annual budget, contract delivery, growth plans etc. However, this was the start of the second year of the COVID-19 pandemic. UK regulators had approved the use of the Pfizer & BioNTech vaccine on December 2nd the previous year only for the country to enter into its third national lockdown on January 6th, 2021.

On February 22nd 2021 the Government released its 4-point roadmap for lifting COVID-19 restrictions which in the end had to be delayed by 4 weeks until most legal limitations were lifted on July 19th. 2021 finished far better than it started in relation to the virus but fresh requirements to wear face masks were required towards the end of the year due to the advent of Omicron.

Impact of COVID-19

It is difficult to describe how the pandemic impacted on the business beyond the obvious in terms of people's worries, staff and client sickness etc but in simple terms it fundamentally created 'distance' in terms of how the business was able to work with customers and each other. After all, one of the key defenses against COVID-19 was 2m rule, keeping your distance. Unfortunately, in effect staff had to keep their distance from customers, from team members and from colleagues as people worked separately and/or from home.

As a result, the benefits both personal and professionally of day-to-day discussion and interaction with colleagues and people we service was lost and weakened. Given the organisation had to operating in this manner for a long time it should not be underestimated how much time and effort has been needed from everyone to regain its previous poise, and confidence during the latter half of 2021 as COVID-19 was brought under some semblance of control.

From an operational viewpoint as mentioned earlier the impact was probably universal to many organisations ie staff worries, staff sickness, childcare issues due to school closures and isolation etc. For our business the challenges are greater because we work with clients all the time and therefore cover is a must as we have minimum acceptable staffing levels to meet. In the meantime, client support has to be put on hold or reduced until staff return which doesn't help clients progress. It should also be understood that some of our clients caught COVID-19 which then placed even bigger demands on staff to ensure residents were both safe and not endangering other clients, staff or the general public.

Finally, you will read below how COVID-19 had a devastating impact on the Charity's aim to build a social letting agency for Wirral. As an organisation that is dedicated to reducing and ending homelessness the provision of a considerate accommodation service dedicated to listening and adapting to the needs of our clients would have been hugely rewarding. Therefore, to have had many years of preparation and delivery work blown away by COVID-19 has been very difficult to accept.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Wirral Ark Trading CIC (WATCIC) – Ark Lettings

Wrapped inside this context was the recruitment of a new CEO who had to address the outstanding issue of Ark Lettings, Wirral Ark's CIC subsidiary that was set up in 2019 to take forward ambitions to grow and develop a social letting agency (SLA) for Wirral under the brand of Ark Lettings.

In early 2020 the organisation had a clear plan and purpose to take forward the CIC, supported by a committed internal management team and Board. Unfortunately, COVID-19 was creeping across the world at the same time and by March 2020, just as the new staff had been recruited and were giving notice to their employers, the country was forced into Lockdown. 2020 then delivered a number of unknowns and uncertainties as limited re-openings (May 2020) were quickly followed by optimism of an early end to the pandemic, including use of new local applications of tiered lockdown systems (June 2020 onwards) before the second national lockdown was ordered in November 2020 (finished Dec 2020) and the third lockdown, referenced earlier, was imposed from January to March 2021.

Through all this uncertainty and confusion staff remained focused and the assumption was that there would be a rapid improvement in housing market confidence in early 2021 and deals could be stuck with prospective owners/landlords that would begin to create the pipeline of lettings envisaged by the business plan. Unfortunately, we found property owners/landlords were continuing to be exceedingly cautious due to the impact of COVID-19 and that the few units available were Houses in Multiple Occupancy (HMOs) which didn't match the design of our business model. Also, there was almost no turnover taking place in self-contained lettings and confidence was subdued and watchful.

It took some time to consider the future of Ark Lettings but with great regret at a Wirral Ark Board meeting on October 30th it was agreed the CIC should be closed. Overall the Board has a primary duty to protect the core charity, Wirral Churches' Ark Project (WCAP) and taking forward Ark Lettings it was decided would place too much financial and operational risk on the founding charity. It should go on the record that Wirral Ark were hugely disappointed to take this decision and thanked the WATCIC Board for their work and dedication in trying to make Ark Lettings a success.

The financial impact of the closure of the CIC, was to recognise and add back to reserves the losses incurred to date of £91,539.

Grand Trunk - 3 new ground floor flats

The Grand Trunk is a former pub which closed and remained derelict for 15 years until WCAP purchased it in 2012. In February 2013 it was refurbished, and 6 studio flats were realised to support homeless people, with the ground floor being used as WCAP's head office.

In 2021 WCAP decided to move its Head Office to central Birkenhead, and refurbished the ground floor to create 3 more flats for vulnerable people through raising around £145K. Overall 13 external organisations donated £95K with WCAP also contributing £50K to the project cost. Ably supported by local architects, who also provided project build expertise and consultancy, and local tradespeople the new flats were brought on-line in July 2021. Thanks to one and all for their efforts and contributions.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

Our principle funding sources continue to be our Supporting People contracts with Wirral Borough Council for the Mary Cole House (MCH) hostel and 14 move on units along with Housing Benefit for all the accommodation units. In addition to the Service Charge we place on clients these represent the majority of our income. Together these can be considered as our core income.

The effect of the Covid 19 pandemic continued through 2021. Whilst our core income streams were unaffected, our ability to bring in the additional donations or to fundraise continued to be curtailed. In addition, our costs continued to be higher than normal with expenditure such as extra cleaning and PPE costs. We expanded into more digital marketing to try and offset the lack of face-to-face opportunities and keep our supporters engaged and up to date with initiatives throughout the organisation.

Incoming resources for the year amounted to £1,268,946 (2020:£1,399,131) and expenditure amounted to £1,429,402 (2020: £1,366,606) leaving a deficit for the year on activities of £160,456 (2020: surplus £32,525). Following the decision to place the trading subsidiary into liquidation accumulated losses of £91,539 have been added back to general reserves giving reserves carried forward of £1,669,636.

Unrestricted free reserves net of fixed assets amounted to £86,119 and cash held in the bank amounted to £219,106.

Points to note:

Salary costs continue to be the major expense for the charity, but this is a necessity given the nature of the business. Our staff are a major asset to the company and are valued. We have a duty to be a good employer. During these turbulent times we have allowed hybrid working where possible and ensured that staff are supported through any issues brought about by the pandemic. As the cost of living rises we will endeavour to support our staff as much as we are able.

All income and expenditure is fully recorded and accounted for to the trustees. Sage 50 Accounts is used to record all the transactions and is the basis for the monthly management accounts that are submitted to the Board and the statutory accounts process. We have outsourced the running of the monthly payroll.

Reserves policy

The aim of the reserves policy is to ensure that Wirral Churches' Ark Project's ongoing activities are reasonably protected from unexpected variances in income and give the charity the ability to take up opportunities as they arise. The level of unrestricted reserves is reviewed each year by the Board in the context of the financial risks associated with the various income streams, expenditure categories and balance sheet items together with the charities ability to meet them from realizable/liquid reserves. The Board are satisfied the Wirral Churches' Ark Project's current level of reserves meets that need.

As a charity limited by guarantee, no dividends are paid.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have a risk management strategy that comprises:

- A dedicated Risk Management Sub-Committee that meets quarterly, assesses new risks and tracks previously agreed actions to mitigate risk.
- A Risk Register that is managed by the Risk Management Sub-Committee and is reviewed by the Full Board periodically

Structure, governance and management

Wirral Churches' Ark Project exists to aid the relief of poverty, in particular by the provision of accommodation and support for homeless persons or those facing homelessness. The company (Company Registration number 3896833) is governed by its Memorandum and Articles of Association, is limited by guarantee, and is registered as a charity under the Charities Act 1960 (Charity registration number 1079070).

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr I J Cubbin

Mr N L Jones

(Resigned 28 April 2022)

Mr P Ashley-Mudie

Mr M Godfrey

Ms G A Ferris

Mr A D Roberts

Mr I L Roughley

Mr Duncam Dodd-Hughes

(Appointed 28 April 2022)

Ms Victoria Jones

(Appointed 28 April 2022)

Miss L Taylor

(Appointed 28 April 2022)

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Recruitment and appointment of new trustees

Trustee directors are elected by a majority vote at a Trustee Meeting. Each Trustee has a term of three years, with a maximum of three terms in a row, ie nine years total. Upon standing down, no Trustee may stand as a Trustee again until a whole term has passed, ie three years.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The board of Trustees can have a minimum of 6 members. The board meets quarterly to discuss the plans for the charity, funding developments and current important issues affecting the business. In addition, there are three sub-committees - Finance and Business Planning, Risk Management and Service Delivery. These groups have delegated powers from the full Board. A Chief Executive Officer is appointed by the Trustees to manage the day to day operations of the charity.

Induction and training of new trustees

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.

Auditor

In accordance with the company's articles, a resolution proposing that Xeinadin Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Dr I J Cubbin

Trustee

Dated: 6 June 2022



WIRRAL CHURCHES' ARK PROJECT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors of Wirral Churches' Ark Project for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF WIRRAL CHURCHES' ARK PROJECT

Opinion

We have audited the financial statements of Wirral Churches' Ark Project (the 'charity') and its subsidiary for the year ended 31 December 2021 which comprise, the consolidated statement of financial activities, the consolidated and charity balance sheet, the consolidated statement of cash flows and the notes to the financial statements, 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 and charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, 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.

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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charity'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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF WIRRAL CHURCHES' ARK PROJECT

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within 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 the knowledge and understanding of the group and charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

In the light of the knowledge and understanding of the 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 the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 and the charity'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF WIRRAL CHURCHES' ARK PROJECT

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with trustees and other management, and from our knowledge and experience of charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, Charities Act 2011, data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management team and inspecting legal correspondence; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management team as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF WIRRAL CHURCHES' ARK PROJECT

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. 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Helen Furlong FCCA (Senior Statutory Auditor)
for and on behalf of Xeinaidin Audit Limited

26 Oct 22

Accountants
Statutory Auditor

2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9PX

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations, legacies and grants	3	98,998	63,323	162,321	138,367	271,760	410,127
<u>Charitable activities</u>							
Mary Cole House	4	324,179	232,664	556,843	333,662	259,877	593,539
Housing Support	4	430,468	51,647	482,115	291,707	52,665	344,372
Projects	4	625	63,670	64,295	1,354	38,803	40,157
Other trading activities	5	4,629	-	4,629	10,132	-	10,132
Investments	6	437	-	437	804	-	804
Total income		859,336	411,304	1,270,640	776,026	623,105	1,399,131
Expenditure on:							
Raising funds	7	85,809	-	85,809	92,954	30,000	122,954
<u>Charitable activities</u>							
Mary Cole House	8	466,193	259,703	725,896	491,766	281,893	773,659
Housing Support	8	410,987	89,751	500,738	250,654	86,040	336,694
Projects	8	35,577	81,382	116,959	40,826	92,473	133,299
Total charitable expenditure		912,757	430,836	1,343,593	783,246	460,406	1,243,652
Total resources expended		998,566	430,836	1,429,402	876,200	490,406	1,366,606
Disposal of investment	11	91,539	-	91,539	-	-	-
Gross transfers between funds		-	-	-	50,432	(50,432)	-
Net (expenditure)/income for the year/							
Net movement in funds		(47,691)	(19,532)	(67,223)	(49,742)	82,267	32,525
Fund balances at 1 January 2021		837,102	901,451	1,738,553	886,844	819,184	1,706,028
Fund balances at 31 December 2021		789,411	881,919	1,671,330	837,102	901,451	1,738,553

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	14		1,560,249		1,444,643
Current assets					
Debtors	14	95,054		109,966	
Cash at bank and in hand		219,106		565,540	
		314,160		675,506	
Creditors: amounts falling due within one year	15	(167,246)		(215,763)	
Net current assets			146,914		459,743
Total assets less current liabilities			1,707,163		1,904,386
Creditors: amounts falling due after more than one year	16		(35,833)		(165,833)
Net assets			1,671,330		1,738,553
Income funds					
Restricted funds	20		881,919		901,450
Unrestricted funds			789,411		837,103
			1,671,330		1,738,553

The financial statements were approved by the Trustees on 6 June 2022

I. J. Cubbin

Dr I J Cubbin
Trustee

Company Registration No. 3896833

WIRRAL CHURCHES' ARK PROJECT

CHARITY BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	14		1,560,249		1,444,643
Current assets					
Debtors	14	93,360		109,516	
Cash at bank and in hand		219,106		489,960	
		<u>312,466</u>		<u>599,476</u>	
Creditors: amounts falling due within one year	15	<u>(167,246)</u>		<u>(214,998)</u>	
Net current assets			145,220		384,478
Total assets less current liabilities			<u>1,705,469</u>		<u>1,829,121</u>
Creditors: amounts falling due after more than one year	16		(35,833)		(45,833)
Net assets			<u><u>1,669,636</u></u>		<u><u>1,783,288</u></u>
Income funds					
Restricted funds	20	881,919		901,451	
Unrestricted funds		777,613		881,837	
		<u>1,669,636</u>		<u>1,783,288</u>	

The financial statements were approved by the Trustees on 6 June 2022

I. J. Cubbin

Dr I J Cubbin
Trustee

Company Registration No. 3896833

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Wirral Churches' Ark Project is a private company limited by guarantee incorporated in England and Wales. The registered office is 7 Sidney Street, Birkenhead, Merseyside, CH41 1BF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 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 are allocated on the portion of the asset's use.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred

1.6 Tangible fixed assets

Tangible fixed assets costing more than £1,000 are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	4.5% on reducing balance
Leasehold improvements	4.5% on reducing balance
Fixtures and fittings	20% on reducing balance
Computers	20% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Basis of consolidation

The group financial statements consolidate the financial statements of Wirral Churches' Ark Project and its subsidiary, Wirral Ark Trading CIC, drawn up to 31 December 2020. The results of the subsidiary are consolidated for the period from the date of incorporation on 24 October 2019 to 31 December 2020.

Advantage is being taken of Section 408 of the Companies Act 2006 not to present the Parent Company's Statement of Financial Activities including Income and Expenditure Account.

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	28		(99,859)		75,855
Investing activities					
Purchase of tangible fixed assets		(214,383)		(99,606)	
Proceeds on disposal of investments		91,539		-	
Investment income received		437		804	
Net cash used in investing activities			(122,407)		(98,802)
Financing activities					
Proceeds of new loan		-		120,000	
Proceeds of new bank loans		-		50,000	
Repayment of bank loans		(124,168)		-	
Net cash (used in)/generated from financing activities			(124,168)		170,000
Net (decrease)/increase in cash and cash equivalents			(346,434)		147,053
Cash and cash equivalents at beginning of year			565,540		418,487
Cash and cash equivalents at end of year			219,106		565,540

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations, legacies and grants

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	61,806	-	61,806	48,922	7,983	56,905
Legacies receivable	625	-	625	-	-	-
Grants	36,567	63,323	99,890	89,445	263,777	353,222
	<u>98,998</u>	<u>63,323</u>	<u>162,321</u>	<u>138,367</u>	<u>271,760</u>	<u>410,127</u>
Donations and gifts						
Donations and gifts	59,541	-	59,541	45,233	7,983	53,216
Gift aid	571	-	571	3,689	-	3,689
Other	1,694	-	1,694	-	-	-
	<u>61,806</u>	<u>-</u>	<u>61,806</u>	<u>48,922</u>	<u>7,983</u>	<u>56,905</u>
Grants receivable for core activities						
Mary Cole House funding	-	-	-	-	1,049	1,049
Housing Support	-	42,140	42,140	-	111,581	111,581
Projects	10,129	21,183	31,312	8,103	121,147	129,250
Core operations	26,438	-	26,438	80,821	-	80,821
Other	-	-	-	521	30,000	30,521
	<u>36,567</u>	<u>63,323</u>	<u>99,890</u>	<u>89,445</u>	<u>263,777</u>	<u>353,222</u>

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Charitable activities

	Mary Cole House 2021	Housing Support 2021	Projects 2021	Total 2021	Mary Cole House 2020	Housing Support 2020	Projects 2020	Total 2020
	£	£	£	£	£	£	£	£
Supporting people	215,776	51,647	63,670	331,093	242,989	52,665	38,803	334,457
Housing benefits	720	350,903	-	351,623	642	231,115	-	231,757
Residents charges	455	37,337	-	37,792	-	20,868	-	20,868
Performance related grants	16,888	-	-	16,888	16,888	-	-	16,888
Ancillary trading income	322,973	38,616	-	361,589	333,020	39,724	-	372,744
Other income	31	3,612	625	4,268	-	-	1,354	1,354
	556,843	482,115	64,295	1,103,253	593,539	344,372	40,157	978,068
Analysis by fund								
Unrestricted funds	324,179	430,468	625	755,272	333,662	291,707	1,354	626,723
Restricted funds	232,664	51,647	63,670	347,981	259,877	52,665	38,803	351,345
	556,843	482,115	64,295	1,103,253	593,539	344,372	40,157	978,068

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Fundraising events	4,336	9,405
Other trading activities	293	727
	<u>4,629</u>	<u>10,132</u>

6 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	437	804
	<u>437</u>	<u>804</u>

7 Raising funds

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2021	2020	2020	2020
	£	£	£	£
<u>Fundraising and publicity</u>				
Staff costs	35,482	39,409	-	39,409
Other fundraising costs	3,523	8,809	-	8,809
	<u>39,005</u>	<u>48,218</u>	<u>-</u>	<u>48,218</u>
<u>Trading costs</u>				
Staff costs	14,993	29,866	-	29,866
Other trading activities	23,814	11,188	30,000	41,188
Support costs	7,997	3,682	-	3,682
	<u>46,804</u>	<u>44,736</u>	<u>30,000</u>	<u>74,736</u>
	<u>85,809</u>	<u>92,954</u>	<u>30,000</u>	<u>122,954</u>

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Charitable activities

	Mary Cole House 2021 £	Housing Support 2021 £	Projects 2021 £	Total 2021 £	Mary Cole House 2020 £	Housing Support 2020 £	Projects 2020 £	Total 2020 £
Staff costs	313,158	114,834	66,036	494,028	317,940	78,097	65,230	461,267
Depreciation and impairment	48,090	34,968	6,739	89,797	59,888	33,569	-	93,457
Other staff costs	36,768	4,005	6,449	47,222	84,302	3,657	16,897	104,856
Premises costs	87,805	162,646	6,398	256,849	81,526	97,527	7,864	186,917
Catering	28,936	168	-	29,104	37,586	116	2,011	39,713
Professional and consultancy fees	1,117	616	348	2,081	2,152	8,988	17,526	28,666
Other costs	13,316	14,180	9,549	37,045	13,067	11,930	11,783	36,780
	529,190	331,417	95,519	956,126	596,461	233,884	121,311	951,656
Share of support costs (see note 9)	193,965	166,961	21,141	382,067	174,255	101,102	11,789	287,146
Share of governance costs (see note 9)	2,741	2,360	299	5,400	2,943	1,708	199	4,850
	725,896	500,738	116,959	1,343,593	773,659	336,694	133,299	1,243,652
Analysis by fund								
Unrestricted funds	466,193	410,987	35,577	912,757	491,766	250,654	40,826	783,246
Restricted funds	259,703	89,751	81,382	430,836	281,893	86,040	92,473	460,406
	725,896	500,738	116,959	1,343,593	773,659	336,694	133,299	1,243,652

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	234,555	-	234,555	203,666	-	203,666
Other staff costs	26,670	-	26,670	6,766	-	6,766
Premises costs	19,951	-	19,951	14,909	-	14,909
Insurance	19,101	-	19,101	16,821	-	16,821
Telephone and computer costs	27,422	-	27,422	19,282	-	19,282
Consultancy fees	11,667	-	11,667	5,593	-	5,593
Non recoverable VAT	26,303	-	26,303	16,660	-	16,660
Other costs	7,419	-	7,419	2,963	-	2,963
Loan interest	7,997	-	7,997	3,682	-	3,682
Depreciation	8,979	-	8,979	486	-	486
Audit fees	-	2,880	2,880	-	2,880	2,880
Accountancy	-	2,520	2,520	-	1,970	1,970
	<u>390,064</u>	<u>5,400</u>	<u>395,464</u>	<u>290,828</u>	<u>4,850</u>	<u>295,678</u>
Analysed between						
Trading	7,997	-	7,997	3,682	-	3,682
Charitable activities	382,067	5,400	387,467	287,146	4,850	291,996
	<u>390,064</u>	<u>5,400</u>	<u>395,464</u>	<u>290,828</u>	<u>4,850</u>	<u>295,678</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Disposal of investment

	Unrestricted funds	Total
	2021 £	2020 £
Disposal of subsidiary	<u>91,539</u>	<u>-</u>

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

12 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	35	35
	<u>35</u>	<u>35</u>
Employment costs	2021 £	2020 £
Wages and salaries	706,877	668,969
Social security costs	59,383	51,979
Other pension costs	12,798	13,260
	<u>779,058</u>	<u>734,208</u>

13 Ark Trading CIC

A summary of the results of the subsidiary is shown below:

	2021 £	2020 £
Turnover		30,000
Expenditure	(46,804)	(74,735)
	<u>(46,804)</u>	<u>(44,735)</u>

Aggregate assets and liabilities

Current assets	-	76,030
Current liabilities	-	(765)
Deferred liabilities	-	(120,000)
	<u>-</u>	<u>(44,735)</u>

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Tangible fixed assets - group and charity

	Freehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Computers £	Total £
Cost or valuation					
At 1 January 2021	2,144,537	38,353	96,302	82,664	2,361,856
Additions	169,080	37,656	5,993	1,654	214,383
At 31 December 2021	2,313,617	76,009	102,295	84,318	2,576,239
Depreciation and impairment					
At 1 January 2021	807,754	1,492	65,958	42,008	917,212
Depreciation charged in the year	67,728	15,203	7,256	8,591	98,778
At 31 December 2021	875,482	16,695	73,214	50,599	1,015,990
Carrying amount					
At 31 December 2021	1,438,135	59,314	29,081	33,719	1,560,249
At 31 December 2020	1,336,783	36,861	30,343	40,656	1,444,643

Included within Land and buildings is a property with a carrying amount of £740,120 which was revalued in March 2019 at £850,000 by Smith and Sons, independent valuers, not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 December 2021, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been £567,755 (2019 £594,507).

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

14 Debtors - group

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	48,478	35,505
Other debtors	500	-
Prepayments and accrued income	46,076	74,461
	<u>95,054</u>	<u>109,966</u>

Debtors - charity

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	48,478	35,505
Other debtors	500	-
Prepayments and accrued income	46,076	74,011
	<u>95,054</u>	<u>109,516</u>

15 Creditors: amounts falling due within one year - group

	Notes	2021 £	2020 £
Bank loans	21	10,000	4,167
Other taxation and social security		31,864	51,982
Deferred income	23	36,284	36,945
Trade creditors		15,818	75,964
Other creditors		64,216	32,973
Accruals		9,064	13,732
		<u>167,246</u>	<u>215,763</u>

Creditors: amounts falling due within one year - charity

	Notes	2021 £	2020 £
Bank loans	21	10,000	4,167
Other taxation and social security		31,864	51,233
Deferred income	23	36,284	36,945
Trade creditors		15,818	75,964
Other creditors		64,216	32,957
Accruals		9,064	13,732
		<u>167,246</u>	<u>214,998</u>

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

16 Creditors: amounts falling due after more than one year - group

	Notes	2021 £	2020 £
Bank loans	21	35,833	45,833
Other borrowings		-	120,000
		<u>35,833</u>	<u>165,833</u>

Creditors: amounts falling due after more than one year - charity

	Notes	2021 £	2020 £
Bank loans	21	<u>35,833</u>	<u>45,833</u>

17 Loans and overdrafts - group

	2021 £	2020 £
Bank loans	45,833	50,000
Other loans	-	120,000
	<u>45,833</u>	<u>170,000</u>

Payable within one year	10,000	4,167
Payable after one year	<u>35,833</u>	<u>165,833</u>

Amounts included above which fall due after five years:

Payable by instalments	<u>-</u>	<u>5,833</u>
------------------------	----------	--------------

The Bank loan represents the government secured Bounce Back Loan repayable over six years. Interest is charged at 2.5%

The other loan is a loan from Homeless link for £120,000. Interest is charged at 8% and repayments commence in February 2022 until October 2024.

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Loans and overdrafts - charity		
	2021	2020
	£	£
Bank loans	45,833	50,000
Payable within one year	10,000	4,167
Payable after one year	35,833	165,833
Amounts included above which fall due after five years:		
Payable by instalments	-	5,833
The bank loan represents the government secured Bounce Back loan repayable over six years. Interest is charged at 2.5%		
18 Deferred income - group and charity		
	2021	2020
	£	£
Arising from Grants	36,284	36,945
Deferred income movement during the year is as follows:		
	2021	2020
	£	£
Unexpended balance at 1 January 2021	36,945	125,877
Amounts received in year	348,537	415,789
Amounts credited to statement of financial activities	(349,198)	(504,721)
Unexpended balance at 31 December 2020	36,284	36,945

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Restricted funds - group and charity

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2020	Movement in funds			Transfer to capital ¹	Balance at January 2021	Movement in funds			Transfer to capital	Balance at 31 December 2021
		£	Incoming resources	Resources expended	£		Incoming resources	Resources expended	£		
Mary Cole House property	463,724		5,445	(22,015)	-	447,154	-	(26,266)	-	-	420,888
The Grand Trunk and Ark Angel property	354,717		1,740	(16,222)	-	340,235	-	(20,128)	103,213	103,213	423,320
Supported Housing renovations	-		91,176	(5,359)	(6,650)	79,167	42,140	(3,651)	(103,213)	(103,213)	14,443
Supporting People	-		334,457	(334,457)	-	-	331,092	(318,368)	-	-	12,724
Thrive	-		43,039	-	(43,039)	-	-	-	-	-	-
Social Lettings Agency	-		25,590	(17,249)	-	8,341	-	(8,341)	-	-	-
Befriending	-		20,500	(6,575)	-	13,925	14,667	(23,001)	-	-	5,591
NHS Wirral	-		16,888	(16,888)	-	-	16,888	(16,888)	-	-	-
Waterview Project	-		18,665	(9,585)	-	9,080	-	(7,827)	-	-	1,253
Other projects	743		35,605	(32,056)	(743)	3,549	6,517	(6,366)	-	-	3,700
	819,184		593,105	(460,406)	(50,432)	901,451	411,304	(430,836)	-	-	881,919

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20	Restricted funds - group and charity	(Continued)
----	--------------------------------------	-------------

Mary Cole House property

The hostel building full refurbishment was funded to a large extent through grant income. The amount shown in restricted funds is therefore the value of the property relating to the grant income.

The Grand Trunk and Ark Angel Properties

The Grand Trunk refurbishment was funded to a large extent through grant income. The amount shown in restricted funds is therefore the value of the property relating to the grant income.

Supported Housing renovations

Grant income received during 2020 for the refurbishment and conversion of the ground floor of the Grand Trunk carried out in Spring 2021.

Social Lettings Agency

Grants received for initial development and support of setting up the subsidiary CIC.

Befriending

Grant received for a new project delivery which was delayed due to Covid -19 restrictions.

Waterview Project

Grant received from Nationwide for the delivery of women's only project.

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

21 Analysis of net assets between funds - group

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Tangible assets	701,598	858,651	1,560,249	657,254	787,389	1,444,643
Net current assets	123,646	23,268	146,914	345,681	114,062	459,743
Long term liabilities	(35,833)	-	(35,833)	(165,833)	-	(165,833)
	<u>789,411</u>	<u>881,919</u>	<u>1,671,330</u>	<u>837,102</u>	<u>901,451</u>	<u>1,738,553</u>

Analysis of net assets between funds - charity

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Tangible assets	701,598	858,651	1,560,249	657,254	787,389	1,444,643
Net current assets	123,646	23,268	146,914	270,416	114,062	384,478
Long term liabilities	(35,833)	-	(35,833)	(45,833)	-	(45,833)
	<u>789,411</u>	<u>881,919</u>	<u>1,671,330</u>	<u>881,837</u>	<u>901,451</u>	<u>1,783,288</u>

22 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

23 Cash generated from operations

	2021 £	2020 £
(Deficit)/surplus for the year	(67,223)	32,525
Adjustments for:		
Investment income recognised in statement of financial activities	(437)	(804)
Gain on disposal of investments	(91,539)	-
Depreciation and impairment of tangible fixed assets	98,778	93,943
Movements in working capital:		
Decrease in debtors	14,912	58,176
(Decrease) in creditors	(53,689)	(19,053)
(Decrease) in deferred income	(661)	(88,932)
Cash (absorbed by)/generated from operations	<u>(99,859)</u>	<u>75,855</u>

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

24 Analysis of changes in net funds

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	565,540	(346,434)	219,106
Loans falling due within one year	(4,167)	(5,833)	(10,000)
Loans falling due after more than one year	(165,833)	130,000	(35,833)
	<u>395,540</u>	<u>(222,267)</u>	<u>173,273</u>

Accounts

Charity Registration No. 1079070

Company Registration No. 3896833 (England and Wales)

WIRRAL CHURCHES' ARK PROJECT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

WIRRAL CHURCHES' ARK PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr I J Cubbin Mr N L Jones Mr P Ashley-Mudie Mr M Godfrey Ms G A Ferris Mr A D Roberts Mr I L Roughley
Secretary	M Grundy
Charity number	1079070
Company number	3896833
Registered office	7 Sidney Street Birkenhead Merseyside CH41 1BF
Auditor	McLintocks (NW) Limited 46 Hamilton Square Birkenhead Wirral Merseyside CH41 5AR

WIRRAL CHURCHES' ARK PROJECT

CONTENTS

	Page
Trustees' report	1 - 6
Statement of trustees' responsibilities	7
Independent auditor's report	8 - 11
Statement of financial activities	12 - 13
Balance sheet	14
Statement of cash flows	16
Notes to the financial statements	17 - 33

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and the consolidated financial statements of the charity and its trading subsidiary for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)".

Objectives and activities

The main objective is to continue to provide accommodation services in the broadest sense to homeless or potentially homeless people.

Wirral Churches' Ark Project's mission is:

- to provide high quality supportive accommodation to people aged 18 and over who are homeless or at risk of homelessness;
- to offer support, guidance and opportunity to all service users to enable them to reach their full potential;
- to facilitate, promote and improve the health and wellbeing of all service users, including addressing substance misuse issues.

The organisation aspires to:

- Be an innovator in approaches to the provision of homeless services and support for homeless people that is non-discriminatory, respectful of individual needs and human rights and provides homeless people with a sense of community, enabling them to develop a sense of belonging
- Inspire decision-makers and attract resources to support its vision.

Strategy for achieving objectives

Wirral Churches' Ark Project's strategy for achieving its aims and objectives are to:

- Provide an effective introduction to relevant specialist services for clients
- Maintain strong relationships with housing providers and other partner agencies in order to give clients best support and opportunities
- Ensure staff are well trained, motivated and skilled in the work they undertake
- Manage effectively all resources to optimise achievements
- Ensure opportunities are provided to all clients to take part in social and educational activities.

The values that guide the actions and decisions of Wirral Churches' Ark Project in applying the strategy include:

- Real Outcomes
 - We are committed to housing the homeless and not rejecting people regarded as "hard to house" or "high risk"
 - We will provide housing that service users can be proud to call home
- Equity, Fairness and Respect
 - We will treat all people with warmth, respect their rights as individuals and make them aware of their rights
 - We will ensure fair, non-discriminatory treatment and access to services
 - We will have courage to challenge things we see as wrong and stand up for things we believe in
 - We will work with people in ways that encourage them to take responsibility for and control over their own lives

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

Good Governance:

- We will maintain high professional standards, accountability and ethical behaviour in governance, management and service delivery

Responsive Services

- We will provide high quality services based on sound research and prevailing professional standards
- We will involve and consult service users, staff and key stakeholders in decision-making
- We will employ skilled and compassionate staff and provide rewarding jobs and a safe work environment
- We will collaborate and share information with other agencies to improve and develop services

Community

- We will develop the community's understanding of homelessness
- We will encourage the local community and its businesses to share in the responsibility for tackling the causes of homelessness

Public benefit

Wirral Churches' Ark Project exists for the benefit of the public and its aims are stated under 'Objectives and Aims' above

Significant activities

The activities undertaken to achieve the charity's objectives are:

- The provision of accommodation in the form of a 27 bed hostel which includes the provision of meals, laundry and washing facilities; 7 move on houses (2 bed roomed shared accommodation); 6 move on studio flats in Birkenhead; 15 move on studio flats in Prenton; and a 6 bedroom women's only project;
- The provision of day and night shelters for rough sleepers;
- The provision of suitably qualified and trained staff in all areas of its work;
- Assistance and support with all aspects of homelessness - emotional, addictive behaviour, relational, moving to independence, education and training;
- The provision of meaningful occupation, designed to stimulate, motivate and educate;
- The signposting to appropriate external services;
- The provision of a first point of contact for homeless, or near homeless people, providing advice, expertise and practical and emotional support.
- The use of the Irene Kennedy Centre as a learning and activities hub, in conjunction with Crisis.

Employees and volunteers

Employees

Wirral Churches' Ark Project is committed to employing well managed, well informed and highly skilled staff. At the end of 2020 there were 36 employees (headcount) of which 21 were full-time. All recruitment is done in a transparent manner to ensure fairness and the selection of the best candidate. All new staff are required to have a DBS check and are given a full induction to ensure they are ready to take on their new role.

Regular training is undertaken to cover both statutory requirements and the needs of the business / employees.

Volunteers

Wirral Churches' Ark Project is appreciative of the valuable contribution of all the volunteers. Some stay with us for many years, for others we are a stepping stone to employment - but whatever the reason people join and for however long they stay, they are an important part of the organisation. Volunteers are required to have a DBS check if appropriate and are given training to ensure they are ready to undertake their role.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

Achievements and performance

The year 2020 will be remembered by many people as the year of Covid 19. Wirral Ark had begun the year like most with optimism and plans for growth, but as March arrived with the first lockdown the emphasis changed dramatically with a new focus on safety of both clients and staff and helping the wider community as much as possible.

For the hostel, Covid 19 restrictions required careful interpretation and implementation; the closure of communal areas including dining; encouragement of hand washing / gel and wearing of masks in communal spaces; restrictions on visitors; extra cleaning; less face to face interaction between staff and clients; external services not being able to be run (eg Crisis courses). Processes were devised to support any clients who tested positive stay safe in their room with food being delivered to them on disposable plates etc.

Clients in the houses and flats were supported through the Arklight Client Support Scheme that swung into operation early in April. Money was raised to purchase and deliver much needed food and other provisions for clients who were isolated due to lockdown. This continued for many weeks and was vital to our clients keeping safe.

Even through the lockdowns and restrictions, our building work on our new 15 bedroom accommodation continued and in October we opened our latest property – Hilltops in Prenton. There are 15 self-contained studio flats in the building with space for staff to meet clients. We are grateful to the many supporters who helped fund the building.

The nationwide 'Everybody In' campaign was a great success but required organisations such as Wirral Ark to step in and provide support to those being housed in the temporary accommodation, which in this area was through a number of Bed and Breakfast facilities in Liverpool. Wirral Ark set up a Floating Support service funded by Wirral Council to support these clients through a very difficult period and help move them on to more permanent accommodation.

Our Arklight night shelter project that had operated through the winter of 2019 and into January and February of 2020 with the wonderful help of local churches and volunteers, was not allowed to take place in the winter of 2020 due to national Covid 19 restrictions on shared accommodation spaces. Whether this project will be allowed in the future remains to be seen but we were grateful to all those that helped with the project early in the year and the shelter this provided.

Head Office staff moved to mainly home working from March 2020 and adapted to the changes this required. Zoom became the norm for meetings and scanning post and sending emails were the order of the day for communication.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

Performance Review

Mary Cole House

Mary Cole House remains our busiest project. In 2020 we housed 75 different guests in the 27 unit property. This was much lower than normal in terms of number of clients in and out because of the move on restrictions placed on us due to Covid 19 so that clients remained with us much longer. Occupancy rate was 98%..

Ark Angel

In the Ark Angel project, we had 39 different guests across the 14 units. Again, the restrictions for moving people on was noticeable compared to previous years and this was also affected by the lack of places to move on to. Occupancy of the project was 88%

The Grand Trunk

At the Grand Trunk we had 10 different guests across our 6 units. Occupancy of the project was 92%. Plans were drawn up for the conversion of the ground floor of the property from offices into 3 flats and planning consent was obtained with the building work starting in March 2021.

Waterview

The women's only house is a 6 bedroom HMO and had an occupancy rate of 81%. 11 different clients were housed during the year.

Hilltops

This 15 bedroom facility opened late in the year following major refurbishment and only became fully operational in 2021.

Financial review

In 2020 our principle funding sources remained our Supporting People contracts with Wirral Borough Council for the hostel and 14 move on units and Housing Benefit for all the accommodation units. These represent the majority of our income. In addition, we charge a Service Charge to clients. Together these can be considered as our core income.

The restrictions that Covid 19 placed on the organisation were more considerable than would have been thought initially. Although our core income streams were unaffected, our ability to bring in the additional donations or to fundraise were hampered. Our skilled fundraising and grant application team quickly swung into action and made sure we applied for and were successful at accessing a number of specific grants to offset the lack of income from some normal channels and cover the extra costs that Covid 19 placed on the organisation.

The Statement of Financial Activities shows a positive contribution to reserves for the year of £32,525. Given all the uncertainty of the year, it is felt that this is a great achievement by all those associated with the organisation.

Points to note:

Salary costs continue to be a major expense for the charity, but this is a necessity given the nature of the business.

All income and expenditure is fully recorded and accounted for to the trustees. Sage 50 Accounts and Sage Payroll are used to record all the transactions and are the basis for the monthly management accounts that are submitted to the Board and the statutory accounts process.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

Reserves policy

The aim of the reserves policy is to ensure that Wirral Churches' Ark Project's ongoing activities are reasonably protected from unexpected variances in income and give the charity the ability to take up opportunities as they arise. The level of unrestricted reserves is reviewed each year by the Board in the context of the financial risks associated with the various income streams, expenditure categories and balance sheet items together with the charities ability to meet them from realisable/liquid reserves. The Board are satisfied the Wirral Churches' Ark Project's current level of reserves meets that need.

As a charity limited by guarantee, no dividends are paid.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have a risk management strategy that comprises:

- A dedicated Risk Management Sub-Committee that meets quarterly, assesses new risks and tracks previously agreed actions to mitigate risk.
- A risk Register that is managed by the Risk Management Sub-Committee and is reviewed by the Full Board periodically
- A Risk Management Officer, who is a staff member tasked with updating and handling the risk register, and who can offer a whistleblowing route direct to the Board.

Structure, governance and management

Wirral Churches' Ark Project exists to aid the relief of poverty, in particular by the provision of accommodation and support for homeless persons or those facing homelessness. The company (Company Registration number 3896833) is governed by its Memorandum and Articles of Association, is limited by guarantee, and is registered as a charity under the Charities Act 1960 (Charity registration number 1079070).

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr I J Cubbin
Mr N L Jones
Mr P Ashley-Mudie
Mr M Godfrey
Ms G A Ferris
Mr A D Roberts
Mr I L Roughley

Recruitment and appointment of new trustees

Trustee directors are elected by a majority vote at a Trustee Meeting. Each Trustee has a term of three years, with a maximum of three terms in a row, ie nine years total. Upon standing down, no Trustee may stand as a Trustee again until a whole term has passed, ie three years.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

The board of Trustees can have a minimum of 6 members. The board meets quarterly to discuss the plans for the charity, funding developments and current important issues affecting the business. In addition, there are three sub-committees - Finance and Business Planning, Risk Management and Service Delivery. These groups have delegated powers from the full Board. A Chief Executive Officer is appointed by the Trustees to manage the day to day operations of the charity.

WIRRAL CHURCHES' ARK PROJECT

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Induction and training of new trustees

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.

Wholly owned subsidiaries

Wirral Ark opened a wholly owned trading subsidiary in October 2019. Known as Wirral Ark Trading CIC (Company number 12280787), this will be the vehicle through which the Ark Lettings project is delivered. The CIC currently has three directors all of whom are Wirral Ark directors. The CIC is a membership organisation with only one member, which is Wirral Ark. All profits from the CIC will go directly to Wirral Ark.

In 2019 the CIC obtained £150,000 start-up funding from Homeless Link in the form of a mixed grant and loan which was received by the CIC at the very end of that year. There were no activities undertaken in 2019.

Ark Lettings, which is a social lettings agency, because of Covid-19 and the nature of the work it does, has been unable to progress at all operationally in 2020 due to the various lockdowns and the Government's overall response to the pandemic. A lettings agency requires a vibrant, moving rental market which is the opposite to what was in place during the pandemic.

Therefore, instead of being able to engage with landlords and tenants, the staff team have focused on largely preparatory work. For example, the Ark Lettings brand has been designed, signed off and moved onto stationery, a web-site and office front. Supporting contracts and paperwork have been created and housing / tenancy management systems have been set up. In essence, the supporting infrastructure and systems are in place and ready to go when conditions are more favourable.

Auditor

Following a review and application to tender, McLintocks (NW) Limited were appointed as auditors in early in 2021 and a resolution that they will be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



Dr I J Cubbin

Trustee

Dated: 7 September 2021

WIRRAL CHURCHES' ARK PROJECT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also the directors of Wirral Churches' Ark Project for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF WIRRAL CHURCHES' ARK PROJECT

Opinion

We have audited the financial statements of Wirral Churches' Ark Project (the 'charity') and its subsidiary for the year ended 31 December 2020 which comprise, the consolidated statement of financial activities, the consolidated and charity balance sheet, the consolidated statement of cash flows and the notes to the financial statements, 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 and charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, 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.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charity'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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF WIRRAL CHURCHES' ARK PROJECT

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within 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 the knowledge and understanding of the group and charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 and the charity'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF WIRRAL CHURCHES' ARK PROJECT

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with trustees and other management, and from our knowledge and experience of charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, Charities Act 2011, data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management team and inspecting legal correspondence; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management team as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

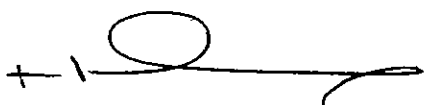
WIRRAL CHURCHES' ARK PROJECT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF WIRRAL CHURCHES' ARK PROJECT

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. 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Helen Furlong FCCA (Senior Statutory Auditor)
for and on behalf of McLintocks (NW) Limited

7 September 2021

Chartered Accountants
Statutory Auditor

46 Hamilton Square
Birkenhead
Wirral
Merseyside
CH41 5AR

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income from:							
Donations, legacies and grants	3	138,367	271,760	410,127	51,308	110,281	161,589
Charitable activities							
Mary Cole House	4	333,662	259,877	593,539	315,340	256,077	571,417
Housing Support	4	291,707	52,665	344,372	213,656	51,166	264,822
Projects	4	1,354	38,803	40,157	2,079	10,182	12,261
Other trading activities	5	10,132	-	10,132	12,095	22,520	34,615
Investments	6	804	-	804	1,394	-	1,394
Total income		776,026	623,105	1,399,131	595,872	450,226	1,046,098
Expenditure on:							
Raising funds	7	92,954	30,000	122,954	909	54,938	55,848
Charitable activities							
Mary Cole House	8	491,766	281,893	773,659	456,301	295,984	752,285
Housing Support	8	250,654	86,040	336,694	167,387	91,131	258,518
Projects	8	40,826	92,473	133,299	25,737	50,165	75,902
Total charitable expenditure		783,246	460,406	1,243,652	649,425	437,280	1,086,705
Total resources expended		876,200	490,406	1,366,606	650,334	492,218	1,142,553

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

Net (outgoing)/ incoming resources before transfers	(100,174)	132,699	32,525	(54,462)	(41,992)	(96,455)
Gross transfers between funds	50,432	(50,432)	-	159,774	(159,774)	-
Net (expenditure)/income for the year/ Net movement in funds	(49,742)	82,267	32,525	105,312	(201,766)	(96,455)
Fund balances at 1 January 2020	886,844	819,184	1,706,028	781,531	1,020,952	1,802,483
Fund balances at 31 December 2020	837,102	901,451	1,738,553	886,843	819,184	1,706,028

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13		1,444,643		1,438,980
Current assets					
Debtors	14	109,966		168,142	
Cash at bank and in hand		565,540		418,487	
		<u>675,506</u>		<u>586,629</u>	
Creditors: amounts falling due within one year	15	<u>(215,763)</u>		<u>(319,581)</u>	
Net current assets			459,743		267,048
Total assets less current liabilities			<u>1,904,386</u>		<u>1,706,028</u>
Creditors: amounts falling due after more than one year	16		(165,833)		-
Net assets			<u><u>1,738,553</u></u>		<u><u>1,706,028</u></u>
Income funds					
Restricted funds	20		901,451		819,184
Unrestricted funds			837,102		886,844
			<u><u>1,738,553</u></u>		<u><u>1,706,028</u></u>

The financial statements were approved by the Trustees on 7 September 2021

I. J. Cubbin

Dr I J Cubbin
Trustee

Company Registration No. 3896833

WIRRAL CHURCHES' ARK PROJECT

CHARITY BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13		1,444,643		1,438,980
Current assets					
Debtors	14	109,516		168,142	
Cash at bank and in hand		489,960		418,487	
		599,476		586,629	
Creditors: amounts falling due within one year	15	(214,998)		(319,581)	
Net current assets			384,478		267,048
Total assets less current liabilities			1,829,121		1,706,028
Creditors: amounts falling due after more than one year	16		(45,833)		-
Net assets			1,783,288		1,706,028
Income funds					
Restricted funds	20	901,451		819,184	
Unrestricted funds		881,837		886,844	
		1,783,288		1,706,028	

The financial statements were approved by the Trustees on 7 September 2021

I. J. Cubbin

Dr I J Cubbin
Trustee

Company Registration No. 3896833

WIRRAL CHURCHES' ARK PROJECT

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	28		75,855		215
Investing activities					
Purchase of tangible fixed assets		(99,606)		-	
Investment income received		804		1,394	
Net cash (used in)/generated from investing activities			(98,802)		1,394
Financing activities					
Proceeds of new loan		120,000		-	
Proceeds of new bank loans		50,000		-	
Net cash generated from/(used in) financing activities			170,000		-
Net increase in cash and cash equivalents			147,053		1,609
Cash and cash equivalents at beginning of year			418,487		416,878
Cash and cash equivalents at end of year			565,540		418,487

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Wirral Churches' Ark Project is a private company limited by guarantee incorporated in England and Wales. The registered office is 7 Sidney Street, Birkenhead, Merseyside, CH41 1BF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets costing more than £1,000 are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	4.5% on reducing balance
Leasehold improvements	4.5% on reducing balance
Fixtures and fittings	20% on reducing balance
Computers	20% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other recognised gains and losses and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in net income/(expenditure) or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and loss are recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.14 Basis of consolidation

The group financial statements consolidate the financial statements of Wirral Churches' Ark Project and its subsidiary, Wirral Ark Trading CIC, drawn up to 31 December 2020. The results of the subsidiary are consolidated for the period from the date of incorporation on 24 October 2019 to 31 December 2020.

Advantage is being taken of Section 408 of the Companies Act 2006 not to present the Parent Company's Statement of Financial Activities including Income and Expenditure Account.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations, legacies and grants

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Donations and gifts	48,922	7,983	56,905	39,601	-	39,601
Grants	89,445	263,777	353,222	11,707	110,281	121,988
	<u>138,367</u>	<u>271,760</u>	<u>410,127</u>	<u>51,308</u>	<u>110,281</u>	<u>161,589</u>
Donations and gifts						
Donations and gifts	45,233	7,983	53,216	34,721	-	34,721
Gift aid	3,689	-	3,689	4,880	-	4,880
	<u>48,922</u>	<u>7,983</u>	<u>56,905</u>	<u>39,601</u>	<u>-</u>	<u>39,601</u>
Grants receivable for core activities						
Mary Cole House funding	-	1,049	1,049	6,000	16,888	22,888
Housing Support	-	111,581	111,581	-	23,068	23,068
Projects	8,103	121,147	129,250	5,707	37,905	43,612
Core operations	80,821	-	80,821	-	32,420	32,420
Other	521	30,000	30,521	-	-	-
	<u>89,445</u>	<u>263,777</u>	<u>353,222</u>	<u>11,707</u>	<u>110,281</u>	<u>121,988</u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Charitable activities

	Mary Cole House 2020	Housing Support 2020	Projects 2020	Total 2020	Mary Cole House 2019	Housing Support 2019	Projects 2019	Total 2019
	£	£	£	£	£	£	£	£
Supporting people	242,989	52,665	38,803	334,457	256,077	51,166	10,182	317,425
Housing benefits	642	231,115	-	231,757	454	160,232	-	160,686
Residents charges	-	20,868	-	20,868	809	15,989	-	16,798
Performance related grants	16,888	-	-	16,888	-	-	-	-
Ancillary trading income	333,020	39,724	-	372,744	314,077	37,435	-	351,512
Other income	-	-	1,354	1,354	-	-	2,079	2,079
	<u>593,539</u>	<u>344,372</u>	<u>40,157</u>	<u>978,068</u>	<u>571,417</u>	<u>264,822</u>	<u>12,261</u>	<u>848,500</u>
Analysis by fund								
Unrestricted funds	333,662	291,707	1,354	626,723	315,340	213,656	2,079	531,075
Restricted funds	259,877	52,665	38,803	351,345	256,077	51,166	10,182	317,425
	<u>593,539</u>	<u>344,372</u>	<u>40,157</u>	<u>978,068</u>	<u>571,417</u>	<u>264,822</u>	<u>12,261</u>	<u>848,500</u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Other trading activities

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2020	2019	2019	2019
	£	£	£	£
Fundraising events	9,405	9,271	22,520	31,791
Other trading activities	727	2,824	-	2,824
	<u>10,132</u>	<u>12,095</u>	<u>22,520</u>	<u>34,615</u>

6 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	804	1,394
	<u>804</u>	<u>1,394</u>

7 Raising funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
<u>Fundraising and publicity</u>						
Staff costs	39,409	-	39,409	-	29,629	29,629
Advertising	-	-	-	-	1,034	1,034
Other fundraising costs	8,809	-	8,809	909	24,276	25,185
	<u>48,218</u>	<u>-</u>	<u>48,218</u>	<u>909</u>	<u>54,939</u>	<u>55,848</u>
<u>Trading costs</u>						
Staff costs	29,866	-	29,866	-	-	-
Other trading activities	11,188	30,000	41,188	-	-	-
Support costs	3,682	-	3,682	-	-	-
	<u>44,736</u>	<u>30,000</u>	<u>74,736</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>92,954</u>	<u>30,000</u>	<u>122,954</u>	<u>909</u>	<u>54,939</u>	<u>55,848</u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Charitable activities

	Mary Cole House 2020 £	Housing Support 2020 £	Projects 2020 £	Total 2020 £	Mary Cole House 2019 £	Housing Support 2019 £	Projects 2019 £	Total 2019 £
Staff costs	317,940	78,097	65,230	461,267	361,230	66,936	18,299	446,465
Depreciation and impairment	59,888	33,569	-	93,457	61,550	22,337	-	83,887
Other staff costs	84,302	3,657	16,897	104,856	58,100	18,213	10,244	86,557
Premises costs	81,526	97,527	7,864	186,917	67,869	84,775	5,416	158,060
Catering	37,586	116	2,011	39,713	24,759	107	337	25,203
Professional and consultancy fees	2,152	8,988	17,526	28,666	-	-	20,513	20,513
Other costs	13,067	11,930	11,783	36,780	17,724	9,734	8,658	36,116
	596,461	233,884	121,311	951,656	591,232	202,102	63,467	856,801
Share of support costs (see note 9)	174,255	101,102	11,789	287,146	158,233	55,431	12,215	225,879
Share of governance costs (see note 9)	2,943	1,708	199	4,850	2,820	985	220	4,025
	773,659	336,694	133,299	1,243,652	752,285	258,518	75,902	1,086,705
Analysis by fund								
Unrestricted funds	491,766	250,654	40,826	783,246	456,301	167,387	25,737	649,425
Restricted funds	281,893	86,040	92,473	460,406	295,984	91,131	50,165	437,280
	773,659	336,694	133,299	1,243,652	752,285	258,518	75,902	1,086,705

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Staff costs	203,666	-	203,666	166,026	-	166,026
Other staff costs	6,766	-	6,766	2,641	-	2,641
Premises costs	14,909	-	14,909	-	-	-
Insurance	16,821	-	16,821	11,997	-	11,997
Telephone and computer costs	19,282	-	19,282	15,438	-	15,438
Consultancy fees	5,593	-	5,593	4,683	-	4,683
Non recoverable VAT	16,660	-	16,660	12,623	-	12,623
Other costs	2,963	-	2,963	12,471	-	12,471
Loan interest	3,682	-	3,682	-	-	-
Depreciation	486	-	486	-	-	-
 Audit fees	-	2,880	2,880	-	2,880	2,880
Accountancy	-	1,970	1,970	-	1,145	1,145
	<u>290,828</u>	<u>4,850</u>	<u>295,678</u>	<u>225,879</u>	<u>4,025</u>	<u>229,904</u>
Analysed between						
Trading	3,682	-	3,682	-	-	-
Charitable activities	287,146	4,850	291,996	225,879	4,025	229,904
	<u>290,828</u>	<u>4,850</u>	<u>295,678</u>	<u>225,879</u>	<u>4,025</u>	<u>229,904</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	35	31
	<u>35</u>	<u>31</u>
Employment costs	2020 £	2019 £
Wages and salaries	668,969	580,174
Social security costs	51,979	46,793
Other pension costs	13,260	15,153
	<u>734,208</u>	<u>642,120</u>

12 Ark Trading CIC

A summary of the results of the subsidiary is shown below:

	2020 £
Turnover	30,000
Expenditure	(74,735)
	<u>(44,735)</u>
Aggregate assets and liabilities	
Current assets	76,030
Current liabilities	(765)
Deferred liabilities	(120,000)
	<u>(44,735)</u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

13 Tangible fixed assets - group and charity

	Freehold land and buildings	Leasehold improvements	Fixtures and fittings	Computers	Total
	£	£	£	£	£
Cost or valuation					
At 1 January 2020	2,136,902	-	84,798	40,549	2,262,249
Additions	7,635	38,353	11,503	42,115	99,606
At 31 December 2020	2,144,537	38,353	96,301	82,664	2,361,855
Depreciation and impairment					
At 1 January 2020	735,395	-	56,610	31,264	823,269
Depreciation charged in the year	72,359	1,492	9,348	10,744	93,943
At 31 December 2020	807,754	1,492	65,958	42,008	917,212
Carrying amount					
At 31 December 2020	1,336,783	36,861	30,343	40,656	1,444,643
At 31 December 2019	1,401,507	-	28,188	9,285	1,438,980

Included within Land and buildings is a property with a carrying amount of £780,422 which was revalued in March 2019 at £850,000 by Smith and Sons, independent valuers, not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 December 2020, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £594,507 (2019 £617,075).

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

14 Debtors - group

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	35,505	134,821
Prepayments and accrued income	74,461	33,321
	<u>109,966</u>	<u>168,142</u>

Debtors - charity

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	35,505	134,821
Prepayments and accrued income	74,011	33,321
	<u>109,516</u>	<u>168,142</u>

15 Creditors: amounts falling due within one year - group

	Notes	2020	2019
		£	£
Bank loans	20	4,167	-
Other taxation and social security		51,982	38,159
Deferred income	22	36,945	125,877
Trade creditors		75,964	-
Other creditors		32,973	107,249
Accruals		13,732	48,296
		<u>215,763</u>	<u>319,581</u>

Creditors: amounts falling due within one year - charity

	Notes	2020	2019
		£	£
Bank loans	20	4,167	-
Other taxation and social security		51,233	38,159
Deferred income	22	36,945	125,877
Trade creditors		75,964	-
Other creditors		32,957	107,249
Accruals		13,732	48,296
		<u>214,998</u>	<u>319,581</u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

16 Creditors: amounts falling due after more than one year - group

	Notes	2020 £	2019 £
Bank loans	20	45,833	-
Other borrowings		120,000	-
		<u>165,833</u>	<u>-</u>

Creditors: amounts falling due after more than one year - charity

	Notes	2020 £	2019 £
Bank loans	20	45,833	-
		<u>45,833</u>	<u>-</u>

17 Loans and overdrafts

	2020 £	2019 £
Bank loans	50,000	-
Other loans	120,000	-
	<u>170,000</u>	<u>-</u>

Payable within one year	4,167	-
Payable after one year	165,833	-
	<u>170,000</u>	<u>-</u>

Amounts included above which fall due after five years:

Payable by instalments	5,833	-
	<u>5,833</u>	<u>-</u>

The Bank loan represents the government secured Bounce Back Loan repayable over six years. Interest is charged at 2.5%

The other loan is a loan from Homeless link for £120,000. Interest is charged at 8% and repayments commence in February 2022 until October 2024.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Loans and overdrafts - charity

	2020 £	2019 £
Bank loans	50,000	-
Payable within one year	4,167	-
Payable after one year	45,833	-
Amounts included above which fall due after five years:		
Payable by instalments	5,833	-

The bank loan represents the government secured Bounce Back loan repayable over six years. Interest is charged at 2.5%

18 Deferred income - group and charity

	2020 £	2019 £
Arising from Grants	36,945	125,877

Deferred income movement during the year is as follows:

	2020 £	2019 £
Unexpended balance at 1 January 2020	125,877	60,659
Amounts received in year	415,789	411,751
Amounts credited to statement of financial activities	(504,721)	(346,533)
Unexpended balance at 31 December 2020	36,945	125,877

19 Retirement benefit schemes

Defined contribution schemes

The charity operates two separate defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £13,260 (2019 - £15,153).

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Restricted funds - group and charity

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2019	Movement in funds			Balance at 1 January 2020	Movement in funds			Transfer to capital	Balance at 31 December 2020
	£	Incoming resources	Resources expended	£		Incoming resources	Resources expended	£		
Mary Cole House property	648,408	-	(24,908)	£	463,724	5,445	(22,015)	£	-	447,154
The Grand Trunk and Ark Angel property	371,614	-	(16,897)	-	354,717	1,740	(16,222)	-	-	340,235
Supported Housing renovations	-	-	-	-	-	91,176	(5,359)	(6,650)	-	79,167
Supporting People	-	317,425	(317,425)	-	-	334,457	(334,457)	-	-	-
Thrive	-	-	-	-	-	43,039	-	(43,039)	-	-
Social Lettings Agency	-	18,083	(18,083)	-	-	25,590	(17,249)	-	-	8,341
Befriending	-	-	-	-	-	20,500	(6,575)	-	-	13,925
NHS Wirral	-	16,888	(16,888)	-	-	16,888	(16,888)	-	-	-
Waterview Project	-	23,068	(23,068)	-	-	18,665	(9,585)	-	-	9,080
Other projects	930	74,762	(74,949)	-	743	35,605	(32,056)	(743)	-	3,549
	1,020,952	450,226	(492,218)	£	819,184	593,105	(460,406)	£	(50,432)	901,451

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Restricted funds - group and charity

(Continued)

Mary Cole House property

The hostel building full refurbishment was funded to a large extent through grant income. The amount shown in restricted funds is therefore the value of the property relating to the grant income.

The Grand Trunk and Ark Angel Properties

The Grand Trunk refurbishment was funded to a large extent through grant income. The amount shown in restricted funds is therefore the value of the property relating to the grant income.

Supported Housing renovations

Grant income received during 2020 for the refurbishment and conversion of the ground floor of the Grand Trunk carried out in Spring 2021.

Social Lettings Agency

Grants received for initial development and support of setting up the subsidiary CIC.

Befriending

Grant received for a new project delivery which was delayed due to Covid -19 restrictions.

Waterview Project

Grant received from Nationwide for the delivery of women's only project.

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

21 Analysis of net assets between funds - group

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	657,254	787,389	1,444,643	619,795	819,185	1,438,980
Net current assets	345,681	114,062	459,743	267,048	-	267,048
Long term liabilities	(165,833)	-	(165,833)	-	-	-
	<u>837,102</u>	<u>901,451</u>	<u>1,738,553</u>	<u>886,843</u>	<u>819,185</u>	<u>1,706,028</u>

Analysis of net assets between funds - charity

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	657,254	787,389	1,444,643	619,795	819,185	1,438,980
Net current assets	270,416	114,062	384,478	267,048	-	267,048
Long term liabilities	(45,833)	-	(45,833)	-	-	-
	<u>881,837</u>	<u>901,451</u>	<u>1,783,288</u>	<u>886,843</u>	<u>819,185</u>	<u>1,706,028</u>

22 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

23 Cash generated from operations

	2020 £	2019 £
Surplus/(deficit) for the year	32,525	(96,455)
Adjustments for:		
Investment income recognised in statement of financial activities	(804)	(1,394)
Depreciation and impairment of tangible fixed assets	93,943	83,887
Movements in working capital:		
Decrease/(increase) in debtors	58,176	(32,832)
(Decrease) in creditors	(19,053)	(18,209)
(Decrease)/increase in deferred income	(88,932)	65,218
Cash generated from operations	<u>75,855</u>	<u>215</u>

WIRRAL CHURCHES' ARK PROJECT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

24 Analysis of changes in net funds

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	418,487	147,053	565,540
Loans falling due within one year	-	(4,167)	(4,167)
Loans falling due after more than one year	-	(165,833)	(165,833)
	<u>418,487</u>	<u>(22,947)</u>	<u>395,540</u>