

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

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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.