



Seeing things differently

L'Arche Annual Report 2022-2023



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In L'Arche we see things differently.

We want to help you see differently too.

To see the brilliant things in L'Arche life after lockdown. Steam train outings. Hogmanay and Easter parties. New babies. Trips to friends and family.

To see what people with and without disabilities can achieve together. Gardens planted. Workshops full of woodwork, theatre and art. Homes full of singing, eating and dancing.

To see how annoying it is when people talk to us as if we are stupid. When doctors, nurses and carers don't know how to listen to us. When we don't have independence.

We want you to see we're actually quite clever, and want respect.

Most of all, we want you to see that even in the hardest times life's not all gloom and doom. When we come together, we can feel happy inside.

To see all this, please read on. Better still, come visit us in person!



Laura Matheson
National Speaking Council Chair



Rebecca Fonseca
NSC vice-Chair



John Casson
National Leader



Aedan MacGreevy
National Board Chair

Who we are

We want a radically inclusive world where people with and without learning disabilities thrive together in body, mind and spirit.



So together we create:

- Places and relationships for people with and without learning disabilities to live, love and grow together.
- Encounters for people with learning disabilities to be visible and valued – as changemakers, neighbours and citizens.
- Campaigns and partnerships for a radically inclusive world.



What we do

L'Arche supports around 300 adults with learning disabilities in England, Scotland and Wales, through a mix of residential and home support and activity programmes.

We create Communities where people with and without learning disabilities live and work alongside each other. Together and as individuals, we actively participate in our neighbourhoods, in faith and campaign groups, in places of work, learning and fun, and in our towns, cities and nations.

People with learning disabilities are the core members of our Communities. Each one has a personal support plan, developed by listening to their dreams and aspirations, choices and goals, and tailored to their individual needs and level of independence.



Where we are

L'Arche Communities are each made up of people with and without disabilities sharing life in a local neighbourhood within a specific town or city.

We are local -

with Communities in 11 towns and cities across Britain.

We are national -

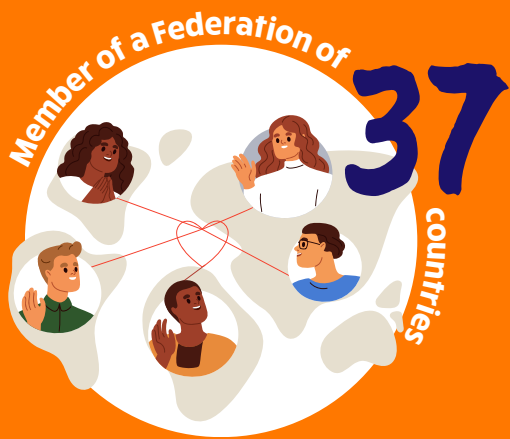
supporting each other in one national charity with a shared vision and culture.

We are international -

members of a federation with 160 L'Arche Communities in 37 countries on 6 continents.



our Numbers



* For more about our three Big Conversations see pages 9-10.

Something beautiful together

It's a crisp December afternoon. Lambeth is caked in ice and snow. Jason is waiting in Stanley Hall Theatre, along with the L'Arche London Drama Group.

"It's important to put plays on in theatres," he says, "because that's the normal place where people come to see stage shows or drama performances."

“ We are holding a message: that people with and without learning disability can create something beautiful together. ”

The Drama Group draws inspiration from ancient myths, legends and fairy tales. But in their productions, everything is made from scratch – the scripts, the props, the costumes, the scenery.

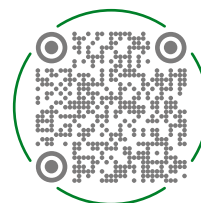


Their Creation Story, performed earlier in the year, featured 6 giant tapestries, homespun in the craft workshop, depicting the six days of creation. For their new production, Laurence, a man with Down's Syndrome, has spent months sawing, nailing and painting wood, along with a volunteer called Tony, to create the magical, and colourful set for the Musicians of Bremen.

Everyone's talents are employed, all ideas are considered. "Success for me is everyone finding a role and place in the play," says Laura, the Group's director.

A cat (Amy) is putting on her make-up. A rooster (Vinny) is practicing his crowing. Four thieves (William, Danny, Ben and Marina) are preparing their stripy swag bags. If it comes off, The Musicians of Bremen, performed to packed south London audience, will be the highlight of the year for the Drama Group.

But will it end happily ever after?



Watch our six-minute video to discover what happens:

www.larche.org.uk/beautiful-together



OUR YEAR

AUG
2022

Once again, our Communities gather in Hope Valley for a weekend of camping, singing karaoke, YoDancing and eating together! **HopeFest** is getting bigger and bigger each year.



| Globally, we connect with other Communities during the **L'Arche Light Festival** with videos, dramas, songs and moments of prayer.
| Nationally, we change our visual brand identity, introducing new colours, squiggles and fonts to focus on all the things we are – creative, expressive and joyful. We welcome Sarah Shallis as a new Community Leader in Bognor.

SEP
2022

OCT
2022

| The 18th of October is an important day for Richard as he becomes a published author and launches "**Don't Put Us Away**" at a prestigious event hosted at the House of Commons. | In Manchester, the Halle Orchestra brings music to L'Arche where our members explore different rhythms, creating music together and even participating in conducting sessions.



| While Ipswich folk carve pumpkins | L'Arche members in Highland work hard in the workshops, making candles, preparing pot plants and herbs to sell at a **Winter Pop-Up shop**.

NOV
2022

DEC
2022

| After months of sweat and tiring rehearsals, our talented London Drama Club bring The Bremen Town Musicians to the stage. | Whereas Billy and Jane from the Ipswich Community become theatre stars as they appear in Brave Art's production based on the **Kinky Boots**.



| L'Arche Highland receive the highest possible grade from the Care Inspectorate for demonstrating outstanding compassion, dignity and respect... Bravo!
| Chloe and Milly are appointed as new **Voice and Power** Co-Leads.

JAN
2023

FEB
2023

| Working with a scientist from the Edinburgh Royal Botanic Garden, L'Arche Manchester co-create an audio-visual sensory experience for people with learning disabilities called **Climate Sense**. | Sian is invited to a music and storytelling event as a guest speaker.



| We launch a series of short videos that feature L'Arche assistants from all over UK. They talk about growth, fulfilment and deep satisfaction. | Liverpool welcome Stacey as a new Community Leader. The Bognor Regis Community has a **Barn Dance** to celebrate their 45th birthday. Yeehaw!

MAR
2023

APR
2023

| Before Easter, we wash each other's feet, and keep soul diaries as part of the Big Conversation on Spirituality | Also, two lads from Bognor Regis, Edward and James, share the **first of their Makaton series**.



| Rebound Books receive a **Bronze award for Sustainability at Hay Festival**. | Manchester celebrates their 10th birthday and Eleanor completes the Great Manchester Run raising almost £1000, an incredible achievement.

MAY
2023

JUN
2023

| This year's theme for Walking Together is **#WalkingDifferently** – some of us walk blindfolded, three-legged, or dressed as clowns! | Together with the other 36 countries of L'Arche, we take part in the International Federation Assembly.



| July is the month for the bravest of us all! While L'Arche Preston celebrate their 25th birthday by **sailing in the open waters**, John Casson gets a pair of kangaroo shoes to raise money for L'Arche Communities around the world in a bouncing challenge.

JUL
2023

Three **BIG** Conversations



In 2024, we are celebrating 50 years of L'Arche in the UK. We want to mark our Jubilee by looking forward as well as back, establishing a vision for the future of L'Arche in a changed world.

In order to do this, we launched Three Big Conversations to reflect on three of the themes that matter most to us today.

1

The impact we make

We want everyone in L'Arche to be clear and confident about the difference we can make for a fairer world.

Over the past year we have drawn together the views of all our Communities and reflected on their responses through a series of national online workshops.

This has given us a clear picture of what is most important to our members and the activities and practices that have the most impact on their lives. We have also heard the need to challenge how people with a learning disability are treated in our society.

We are now using this information to:

- Inform the key choices we will make affecting the future
- Communicate a clear message about who we are and what we stand for
- Identify and measure our impact, through the development of focused survey and self-audit tools



ABOVE:
L'Arche
Kent in the
early days





Voice and Power

What really matters

We want to equip people with learning disabilities both in L'Arche, and in our society as a whole, to be heard and empowered.

Our two Co-Facilitators, Chloe (pictured above) and Milly have visited Communities and held online conversations to learn what really matters to our Community members.

Three key priorities identified:

- Finding employment when there is little opportunity for paid jobs
- Loneliness, sex and relationships
- Coping with sadness and grief

Our spirituality

3

Deep and inclusive

- What does spirituality mean to me?
- How does my spirituality help me manage a complex life and be a better person?
- How can our spirituality be truly open to everyone, while being rooted in the insights and inspirations of the Christian gospel?

It is important to our Community members that we continue to ask these questions, to help us understand how knowing the whole person – including their spiritual life – helps us to grow and find joy.

We want to encounter each other in authenticity and depth, at the point of our spiritual differences, rather than settle for a shallow harmony.

There is a distinct L'Arche spirituality: accessible and mutual, playful and fun, rooted in the ordinary; being present; tending towards love.

And we can do more to ground our spiritual practices in mutual relationships.

Watch L'Arche core members and their assistants talk about what spirituality means to them.



A church for everyone, everywhere

In recent months, a big conversation has started in L'Arche about how everyone – Christians as well as people of other faiths or none – can really belong and express their spiritual life here.

But from the very beginning of L'Arche, we have built special relationships with the Christian churches, connections that continue to this day. So when the Lutheran Diocese of Gothenburg got in touch to invite us to speak to their church leaders group about community, we couldn't say no.

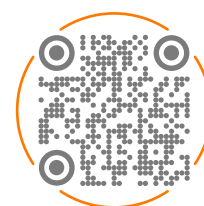
This was a chance to share with the church a message about including people who are different, to meet other groups

working to build relationships with people who have learning disabilities, and to travel the world after two years of Covid lockdowns.

And so, on 12th April 2023, five members of L'Arche Manchester hopped on the 07:10 flight to Gothenburg. From there, they gave a presentation and led a workshop on discipleship and made friends with another disability community. They returned with the distinct impression that a sophisticated Swedish "Fika" (sharing a cup of coffee with your friends) is not so very different from a good old Manchester brew.

Watch this short video to see who they met, and how their visit went down:

www.larche.org.uk/sweden-trip



Want to make your church more inclusive for everyone?

Building on decades of L'Arche experience, Hazel Bradley and Jim Cargin's **Creative Ideas for Worship with All Abilities** (Canterbury Press: 2019) is the book for you!
Purchase it online here:

bit.ly/creative_worship



A changing world for people with learning disabilities



FROM THE
ARCHIVES...



L'Arche Timeline 1964 - 2024

1945	Second World War ends. The mass murder of disabled people during the Holocaust is uncovered	The first L'Arche Community opens in Trosly-Breuil, France	1964
From 1950s	The movement to bring people with learning disabilities out of long-stay institutions gains momentum	A L'Arche Charter is signed, setting out a vision for all new Communities	1972
1959	Mental Health Act (England and Wales; 1960 Scotland) rejects institutionalisation in favour of 'community care'	On 24th January, John Boorman, Bill Armstrong, and David Turnham arrive at "Little Ewell" house from Easry Hospital. The first L'Arche UK Community begins.	1974
1980s - 1990s	Group homes become the norm for people with learning disabilities. Increasing professionalisation and regulation of social care	Within five years, five new L'Arche Communities have opened in Kent ('74), Inverness ('75), Liverpool ('76), London ('77) and Bognor Regis ('78)	1978
1990s - 2005s	New laws protecting the rights of people with disabilities including Community Care Act, Disability Discrimination Act, SENDA, Mental Capacity Act	There are now 8 L'Arche Communities in Britain, with new foundations in Brecon ('88), Edinburgh ('91), Preston ('98)	2000
2001	Valuing People - Government White Paper on learning disability promotes support services for independent living	An Identity and Mission Process to define L'Arche's mission in the new millennium begins with a meeting of the L'Arche International Federation in Swanwick, Derbyshire	2002 - 2005
2007	UK signs the UN Convention on the Rights of Persons with Disabilities	The L'Arche National Speaking Council is established.	2008
2008	Global financial crisis, leading to public spending cuts. Many people with learning disabilities living "independently" find themselves lonely and with insufficient support	L'Arche Nottingham begins their pattern of weekly fellowship meeting, and will be accepted as a L'Arche project in 2014	2011
2011	BBC Panorama programme reveals widespread abuse at Winterbourne View Hospital and ongoing institutionalisation of people with learning disabilities in the UK	The founding of L'Arche Ipswich ('06) and L'Arche Manchester ('13) takes the number of UK Communities to ten	2013
		L'Arche is granted Special Consultative Status on the United Nations Economic and Social Council	2015
		L'Arche UK adopts new Articles of Association and Regulations for Governance and Leadership.	2018
		Jean Vanier inquiry and Study Commission report	2020 - 2023
		The Federation Assembly adopts a new Charter	2023
		L'Arche UK 50th Anniversary	2024

What we are doing so L'Arche will flourish

In our Jubilee year, we are investing in the ambitions, people and systems that will enable L'Arche to survive and thrive in the UK for the long-term.

Ambition

We are clarifying the next steps in our 3 Big Conversations on Impact, Spirituality and Voice and Power, which began in 2022-23.

By the end of our Jubilee year, we will have developed a strategy for L'Arche UK, with new mandates and a 2030 plan, which identifies the key long-term choices we face. This strategy will then be embedded into our formation, recruitment and policies.

People

We are devising an action plan for our Voice and Power project, which includes training people with learning disabilities and refreshing our National Speaking Council and listening groups.

We will step up our recruitment by developing three new live-in models tailored for a UK audience. We are bringing more diversity into key leadership roles, and recruiting coordinators at local level to ensure volunteers participate fully in our community life.

We are producing a new Values, Behaviours and Skills Framework which will form the people we need to lead and build community in L'Arche.

Following on from our Big Conversation we are launching a survey to help us better evaluate our impact upon the lives of people with and without learning disabilities.

Systems

We are creating a quality framework with quality assurance systems focused on outcomes. We are modernising our service provision by piloting a digital rostering system and digitising our care records.

We will ensure long-term financial sustainability by ensuring we get better real-time data to support financial ownership and management, and creating budget plans which identify the choices Communities need to take in order to return a budget surplus. We will generate fundraising growth by developing our projects and partnerships and identifying new income streams.





Unwanted treasures

Once described by Bill Clinton as "The Woodstock of the mind", the Hay Literary Festival features the biggest names in the arts and literature, sciences and academia. And not only these.

Tucked away between the luxury clothing exhibitors and the gourmet food and drink stands, a Rebound Books workshop sets out its stall. Upcycled journals and notepads, cards, diaries and bookmarks are placed on display.

Throughout the year, Rebound Books is a quiet hub of industry. The workshop can be found in the eaves of The Muse, a grand old Edwardian building rooted in the heart of Brecon, more recently reclaimed as a cultural centre for the town. But for two weeks each summer, they pack up their stock and decamp a few miles down the road to Hay-on-Wye.

The workshop specialises in turning unloved books into beautiful treasures - the only project of its kind in the country.

They are experts at spotting potential which others too quickly miss. Nothing goes to waste; everything is redeemed.

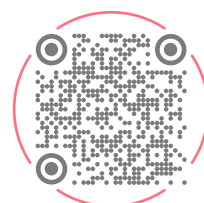
larche.org.uk/unwanted-treasures



A discarded paperback is transformed into a lovely notebook, a one-off. Lost leaves are gathered and revamped as wrapping or some kind of decoration. Men and women with learning disabilities, too often considered unemployable, are honoured as beloved colleagues, skilled crafters, cherished members of their team and their community.

At the 2023 Hay Festival, Rebound Books finally got the recognition they deserve, receiving the Bronze Award for Sustainability.

Check out:
reboundbooks.co.uk
to order today.



“...turning
unloved books
into beautiful
treasures...”





Your donations, legacies and fundraising challenges

We want a radically inclusive world where people with and without learning disabilities thrive together in body, mind and spirit.

We want to change the world:

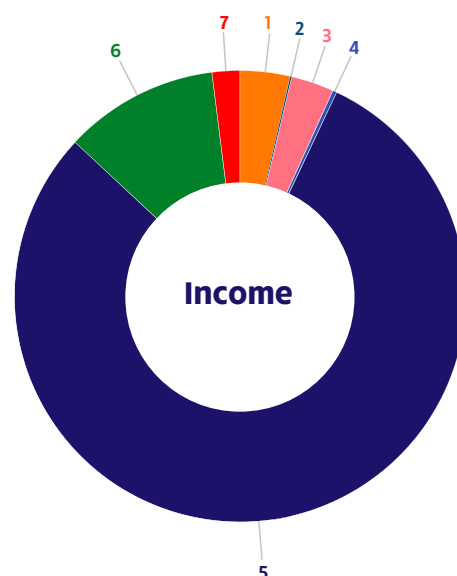
- When it is unfair and unkind to people with learning disabilities.
- When it does things to people with disabilities, not with them.
- When it disconnects us from others and from our full selves.

Your support over the past year has helped us to progress our vision, support our people and improve our systems. Please continue to support us where you can to help L'Arche survive and thrive for a new generation.

A special thank you to The Vardy Foundation, The Wolfson Foundation and Porticus for their generous support.

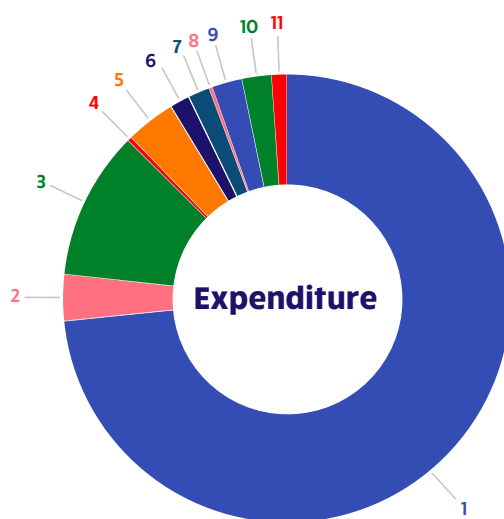
2022-2023 Income

1	General Donations	£622,467
2	Government Grants	£18,392
3	Donations for UK Projects	£532,148
4	Donations for L'Arche International	£248,218
5	Support Income	£13,865,836
6	Housing Income	£1,920,355
7	Other Income	£431,621
Total		17,639,037



2022-2023 Expenditure

1	Employment costs	£13,480,934
2	Living Costs	£613,451
3	Housing Costs	£1,966,361
4	Day Service Costs	£58,316
5	Admin and Travel	£671,771
6	Legal Costs	£278,445
7	Support Costs	£283,834
8	Other Costs	£14,351
9	Depreciation	£404,518
10	Fundraising and Communications	£390,364
11	Donations to L'Arche International and other charities	£203,428
Total		£18,365,773



How you can get **involved**



Help our Communities to thrive

In a social care crisis, our ambition is for L'Arche to be a beacon of what care provision can be – and what life with learning disabilities can be – as we imagine the next 5 and 50 years. That means excellence as a state-funded social care provider, but also clarity about our extra impact, funded by those who share our values.

Help us grow

L'Arche aims to be a place where life lived to the full with learning disabilities is possible. To do this we are committed to both brilliant care and joyful community life as people with and without disabilities share friendships, homes and spirituality.



Help us reach more people

To disrupt exclusion and crisis, and bring joy and build community, we need people like you to join us with a single gift, regular support, or maybe a little time. We want to draw out the gifts of people with learning disabilities in our Communities as well as sharing these within our society

Regular **donations**

A regular donation to L'Arche can help us to plan long-term and give our Communities the security to develop community life, improve the homes of our members, and ensure that L'Arche can continue to make known the gifts of people with learning disabilities.

Please sign up today and make a regular donation of whatever you can afford, whether that's the cost of a coffee per month, right up to a transformational sum.

www.larche.org.uk/donate

Legacy Giving

Leaving a gift – also known as a 'legacy' – in your will to L'Arche is one way you can help to support our mission to give people with learning disabilities a colourful life, with a real sense of belonging, rich in meaning and acceptance.

A free will or codicil service and opportunity to leave a long-term gift to support L'Arche's work is available.

“...it's not something we'd ever thought of before, but now we've had a baby, putting our affairs in order was crucial...” Tom and Sally.



TRUSTEES' REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023



(A company limited by guarantee)

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(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2023

TRUSTEES

Aedan MacGreevy
Nigel Mapp (appointed 13 September 2023)
Joanna McCall (appointed 13 September 2023)
Anne Winter (appointed 13 September 2023)
Martin Weale
Jane Brown
Peter Oakes
Roland Clark
Isobel Gray
Susan Williams
Laura Harper (resigned 13 September 2023)
Benedict Moorhead (resigned 14 September 2022)
Marie Roberts (resigned 28 June 2023)

REGISTERED OFFICE

10 Briggate
Silsden
Keighley
West Yorkshire
BD20 9JT

INDEPENDENT AUDITORS

BHP LLP
Centurion Way
Cleckheaton
West Yorkshire
BD19 3QB

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2023

The Trustees are pleased to present their Strategic and Trustee Report for the year ending 31st July 2023, including the preceding pages, which are also prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS102).

National Board	National Leadership Team	Community Leaders
Aedan MacGreevy - National Chair	John Casson - National Leader	Liis Revell - Kent
Sue Williams - National Vice Chair	Kathleen Boyle - Deputy National Leader - until 21 December 2023	Chris Gehrke - Highland
Roland Clark - National Treasurer	Alexina Mwense - Director of Finance and IT - from 13 September 2023	Stacey Owen - Liverpool
Peter Oakes - Safeguarding Lead	Laura Harper - Director of Care and Community - from 18 December 2023	Lucy Winter - London
Marie Roberts - HR and Whistleblowing Lead	James Cuming - Regional Leader South and Wales	Sarah Shallis - Bognor Regis
Jane Brown - Manchester	Des Kennedy - Regional Leader North and Scotland	Jill Farmer - Brecon
Isobel Gray - Edinburgh	Hannah Lythe - Director of Fundraising & Comms - December 2022	Kirsty MacCrimmon - Edinburgh
Laura Harper - London - until 11 September 2023	Sam Davies - Director of Fundraising & Comms - from 13th June 2023	David Knowles - Preston
Martin Weale - Brecon	Louise Carter - Mission Formation	David Hockley - Ipswich
Nigel Mapp	Sarah Harrison - Human Resources	Nem Tomlinson - Manchester
Joanna McCall	Debbie Walker - Head of Finance Operations - until 20 February 2024	Caireen Detain - Nottingham (project)
	Tony Humphreys - Head of Finance and IT Transformation until 31 October 2023	

OBJECTIVES AND ACTIVITIES

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

A. MAIN ACHIEVEMENTS OF THE CHARITABLE COMPANY

This was the first year back after the Covid pandemic, which saw us inhibited by the lockdown and the ensuing recruitment crisis seen across the care sector. In spite of this, we managed to deliver high quality and relational care across our Communities, as well as driving development across several areas outlined below:

IMPACT.

This year, L'Arche gained clarity on what our Communities would like us to achieve, by embarking on a L'Arche wide consultation about the difference L'Arche makes and wishes to make.

SPIRITUALITY.

L'Arche designed and launched, a 12 month "Big Conversation" to engage people with and without disabilities across L'Arche to re-engage with our shared spirituality and identify the new life we have now. It was steered by a listening group including members of our senior leadership team, and support from external theologians, spiritual and church leaders.

VOICE AND POWER.

L'Arche launched a Voice & Power project with the aim to create an environment where people with a learning disability can be heard, empowered, and able to fully participate.

IT INFRASTRUCTURE.

We completed the first of a 3-year programme to give us IT systems to simplify and ensure our core compliance and management processes, to enable more flexible insight and collaboration, and to liberate people from their desks and their paperwork to be more present to each other in community.

B. KEY PERFORMANCE INDICATORS

IMPACT.

Over the past year, we have worked with New Philanthropy Capital (NPC) to engage with our Communities and identify the difference that L'Arche is seeking to make and foster clarity and unity in defining the long-term change that L'Arche wants to see.

SPIRITUALITY.

We launched our Spirituality video, along with specially created inclusive tools as part of a listening phase of our Big Conversation on Spirituality, to help capture the actuality of spiritual life in L'Arche. These were co-designed with our Core members and Communities and shared with stakeholders across L'Arche.

VOICE AND POWER.

We recruited two people to co-facilitate this project, one with and one without learning disabilities, both in paid roles on the same salary who are supported by a project manager who in turn reports to our Deputy National Leader. The Co-Leads were tasked to identify key priorities to equipping people with learning disabilities both in L'Arche, and in our society, to be heard and empowered.

IT INFRASTRUCTURE.

Our IT transformation programme launched in 2022 to create an ecosystem of digitisation and collaboration. We have made progress against delivering improved systems and processes, including:

- Moving to a cloud-based IT platform, including staff training and on-boarding.
- Launching a pilot of digital care software to manage care service quality and staff management systems, digitising all care records via phone and tablet apps.
- Progressing a new integrated and more automated finance system and processes.

C. FACTORS RELEVANT TO ACHIEVE OBJECTIVES

IMPACT.

We will embed the learnings from the difference that L'Arche makes into how we talk about L'Arche internally and externally. We will launch a new impact survey, Quality Framework, and a Values, Behaviours and Skills Framework to help identify areas that can be improved within our Communities. We will develop a new housing vision to meet the needs of our Communities over the coming years, and a 2030 strategy and mandate to help L'Arche deliver the change that our Communities want to see in L'Arche and in wider society.

SPIRITUALITY.

We will create a new vision and explanation of spirituality in L'Arche, as a basis for real depth alongside real inclusion, rooted in our reality of relationships across deep differences.

VOICE AND POWER.

We will devise an action plan for our Voice and Power project, to include training people with learning disabilities and refreshing our National Speaking Council and listening groups.

IT TRANSFORMATION.

We will continue to modernise our service provision by piloting a digital rostering system and digitising our care records. We will rebuild reserves through tighter financial management and better real-time data to support financial ownership and management.

D. INVESTMENT POLICY AND PERFORMANCE

In accordance with the investment powers contained in the Articles of Association, monies not immediately required for the day-to-day operation of the Company may be held in investments, securities or property. During the financial year concerned, the Company has sought to minimise risk by holding its reserves in instant access cash deposits.

A. GOING CONCERN

The Trustees have reviewed the financial performance and the general reserves position for 2023. L'Arche continues to operate in a financially challenging environment, competing for funding from Local Authorities who are under long-term financial pressure, and recruiting in a tight social care labour market seeing double-digit increases in pay levels and energy costs. Apart from Local Authority funding, L'Arche also funds some of its operations through fundraising income. The fundraising environment remains challenging after the COVID pandemic and cost of living pressures. Overall, the financial environment is expected to remain challenging as the cost of living and energy bills remain high. To counter these challenges L'Arche UK is streamlining its costs, reviewing its contractual and fundraised income to ensure the generation of income is maximised. The trustees have prepared a 12-month cashflow forecast from the date of signing of these financial statements and despite this broadly challenging financial environment, are confident that the charity has adequate reserves to continue its operations for the going concern period. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

B. RESERVES POLICY

In common with similar organisations supporting people with learning disabilities, and in line with Charity Commissioners' advice that reserves are needed for reasons of sound financial management and operational planning, L'Arche holds a General Fund in addition to its Development and Fixed Asset Funds (see Note 18 of the Financial Statements).

At 31st July 2023, L'Arche held total reserves of £ 12,954,533 (2022: £13,712,845). Free reserves totalled £2,135,554 (2022: £2,884,811) and were held in the General Fund.

The Unrestricted Development Fund represents donations and grants received without a specific restriction. The Trustees designate unrestricted donations and grants received by a community to projects within that community. They may also, if they deem it appropriate, designate the profit on the sale of assets to a community development fund to ensure that the spirit of the original gift is reflected in future investment.

The General Fund is held primarily to protect against interruptions to our main income flow and to sustain working cash balances to cover fluctuations in operating costs. The current level of unrestricted General Funds of £2,190,042 (2022: £2,936,545) represents 6.1 weeks (2022: 10.2 weeks) of community operating expenditure.

This reduction in general fund reflects a decision by the Trustees to invest in digital transformation and in protecting recruitment in an exceptional period of wage inflation. The statutory nature of most of our services gives some protection against fluctuations in income, but medium-term the Trustees' objective is to hold reserves over 10 weeks of operation.

C. FINANCIAL REVIEW

In 2022/23 we have spent down £145k from Restricted funds and £334k from our Development Funds set aside in previous years. We have made good progress across various IT and digital care projects. To achieve this, we have recruited a Head of IT, who has led the IT and digital care Transformation. Projects included implementing a new Finance System – Business Central, which will allow for better reporting, improved visibility of financial information for budget holders, therefore, better quality decision making.

Part of the plan to digitise our care, is to transfer our Core Member records to a platform called Nourish, which offers numerous advantages for care services as it ensures accurate recording of care by transforming paper-based plans into detailed, easily accessible digital records, improving care quality and facilitating quick identification of trends and gaps. This work is ongoing and is expected to be rolled out in the next financial year.

D. FINANCIAL RESULTS

The Statement of Financial Activities shows an overall deficit of £758,312 (2022: Surplus £363,224). In previous years our annual accounts have also analysed the outturn in terms of an "operating surplus/deficit". Analysing on the same basis produces an operating deficit of £303,952 (2022: Surplus £33,207).

The Trustees consider that the Charity has one operating activity: the care and support of people with learning disabilities.

E. DONATIONS AND GRANTS

Income from fundraising was slightly higher than in the previous financial year at £1,421,225 (2022: £1,154,691). Unrestricted donations increased to £622,467 (2022: £339,883) due primarily to the amount received from legacies. UK restricted donations decreased to £798,758 (2022: £814,808) as we didn't have a capital appeal in this financial year.

We continued to strengthen the Fundraising and Communications team therefore our expenditure for the year was £390,364 (2022: £404,140).

Government grant funding for additional costs resulting from Covid was further reduced during the year although the devolved governments continued to fund awards to carers in Scotland and Wales. Some local authorities also awarded funding towards the costs of our assistants self-isolating, having tested positive for Covid. As a result, Covid grant funding fell from £32,031 in 2022 to £18,392.

Review: Overall this remains a good result in very challenging times, and we continue to be grateful for the support offered by both long term and new supporters.

F. INCOME FROM CHARITABLE ACTIVITIES

Our income from Charitable Activities continues to rise, in excess of £16 million. Overall, it rose by £1,172,821 to £16,176,965 (2022: £15,004,144).

As vacancies were filled our support income increased to £13,865,836 (2022: £13,011,244) with housing income also showing a strong performance at £1,920,355 (2022: £1,625,202). We continued to review support packages in response to changing needs and historical underfunding

Review: Securing annual fee increases from some local authorities remains challenging, but others awarded helpful uplifts. In Scotland, Government policy is that we are funded at a level that allows us to pay our assistants Real Living Wage as defined by the Living Wage Foundation and annual uplifts reflect this. In England, awards were mixed, with an average of 6.5% across.

G. DIRECT CHARITABLE EXPENDITURE

Expenditure on our services increased by £2,506,013 to £17,771,981 (2022: £15,265,968) The main factor behind this increase was staffing costs which rose from £12,051,899 in 2022 to £13,758,791 in 2023.

Review: Recruitment and retention remains challenging across the social care sector, and L'Arche continues to face vacancies, turnover, and elevated spend on agency staff. In the year in question our recruitment was assisted by the new Health Care Worker visa route, easing our overall recruitment crisis. We also drew on reserves to increase pay above the level of fee increases, in the light of high inflation. Recruiting voluntary workers as live-in Community Members remains a significant long-term challenge, worsened by post-Brexit visa requirements, long delays in visa decision-making, and a high rate of visa refusals. As a result, our traditional live in community model is seriously challenged. We are seeking alternative models designed to appeal more to people based in the UK, as a volunteering community experience.

H. CHARITABLE DONATIONS

A donation of £3,000 (2022: £3,000) was made during the year to the L'Arche Benevolent Trust, a registered charity with the objectives of assisting employees and ex-employees of L'Arche who may require financial support as a result of personal hardship. Donations to L'Arche International totalled £197,436 (2022: £120,097) and donations to other charitable organisations £2,992 in total (2022: £100).

I. BALANCE SHEET

Balance sheet net assets reduced from £13,712,845 to £12,954,533. Cash balances at £2,474,850 (2022: £4,497,532) reflecting a reduction in cash of £2,022,682, this is mainly due to spending of our Restricted and Development Funds on purchases which included; the Ark in Ipswich and IT Transformation and delays in our credit control process. The debtor as at July 2023 was £3,051,189 (2022: £2,619,928).

J. RISK REGISTER

As L'Arche marks its 50th anniversary in the UK, we continue to evolve in response to both external demands and internal listening processes focused on how to implement our mission with more impact in a new era. We have recruited 3 new Directors to add capacity and additional expertise to the National Team's support to Fundraising and Communications, Finance and IT, and Care and Community.

We are mid-way through the most significant update of our IT infrastructure, which will transform all areas of our operation and which will see a move from paper-based record keeping to digital care records. The work to implement and manage this change is significant and we have therefore added a new risk to the register to recognise this.

This year we have seen continuity in community leadership, with only one change in community leader, which was planned and for which an internal candidate was successfully appointed. This has helped to provide stability and reduced some risks. We also judge the risk of further scandal arising from Jean Vanier revelations to be reducing.

However, in common with the whole social care sector, L'Arche financial situation has tightened in the last year, with inflation running at a high level, and not all fee increases keeping pace. This has an impact on the salaries which we are able to offer, and this has an impact on our ability to recruit and retain both live-in and live-out assistants of the right quality. Particular challenges around recruiting live-ins to support our model of community impacts on our community ethos and financial model. This year, in order to support our live-in recruitment, we are piloting new live-in roles to attract UK applicants and to reduce the reliance on people on Tier 5 visas.

The most serious risks we now face are in the table below, scored 1-5 for both impact and likelihood, to give a risk score. We also describe what we are doing to mitigate the risks, and score these for High, Medium or Low effectiveness.

Risk Area 1: Financial Sustainability	Mitigation	(M)
Tier 5 applications are rejected resulting in insufficient numbers of live-ins to support our model of community (Impact 4 x Likelihood 5 = Risk score 20)	Lobbying of UKVI to reduce the number of visa rejections we are receiving. New recruitment post maintained. Pilots under way for new style of live-in role to attract UK applicants and reduce reliance on T5 visas.	
Finance transformation programme fails to deliver comprehensive financial data for first part of year (Impact 3 x Likelihood 5 = Risk score 15)	Mitigation	(H)
	Monitoring of KHIs in place – agency spend, total staffing budget, No. of live-ins, voids.	
Risk Area 2: Mission and Identity	Mitigation	(M)
Community, spirituality and outreach dwindle- due to lack of vision, volunteers, funds, investment in formation and leadership, and appointment of senior leaders without L'Arche history. (Impact 5 x Likelihood 3 = Risk score 15)	Big Conversation on Spirituality. Supervision of Community Leaders and liaison with local Chairs by Regional Leader. Chairs report annually to National Board. Improved website and higher profile on social media achieved. Formation is in place- but completion rates are too low, so attention needed here. Formation to include senior leaders and Board.	
Risk Area 3: Care and Housing	Mitigation	(M)
Housing is unfit to meet long-term aspirations of core members and expectations of commissioners. (Impact 3 x Likelihood 4 = Risk Score 12)	New Housing Quality and Development Manager appointed. Will lead on implementing Housing. Strategy agreed with Board. This is a medium to long term risk.	
Risk Area 4: Recruitment / Retention	Mitigation	(M)
Failure to recruit and retain the live-out assistants and leaders we need to provide services safely and fill voids.	Job evaluation scheme has ensured mid-level leadership salaries are fairer, but recruitment to the whole sector remains a challenge. Tier 2 has provided a new route, which decreases impact of not recruiting UK assistants.	
Risk Area 5: Reputation	Mitigation	(M)
Scandal of abuse	Training for leaders, improved policies and procedures for reporting and investigating allegations.	
Risk Area 6: Leadership	Mitigation	(H)
Leaders in communities overloaded/ distracted/ burnt out/ leaving/ not able to be replaced.	Supervision by Regional Leaders. Prompt support offered by specialists in national team when required. Peer support in place. New digital systems will provide clearer oversight, but task of installation and adoption is significant.	

STRUCTURE, GOVERNANCE AND MANAGEMENT

A. ORGANISATIONAL STRUCTURE

L'Arche is a company limited by guarantee and a charity registered in England and Wales and in Scotland. The organisation was incorporated on 18th May 1972 and is currently governed by Articles adopted on 24th February 2018. Its principal objects which can be summarised as providing support and training for people with learning disabilities by opening and running Community networks, homes and work opportunities, thereby fostering personal development and citizenship.

There are currently ten L'Arche Communities in the UK, with one project under development. Set up in response to the initiative of a local group, a typical Community comprises a number of houses, supported living settings and, where appropriate and commissioned, day activities, spread out within an urban setting and run as a unified service. In this way, Community members are more easily able to integrate with the wider neighbourhood and thereby develop and maintain important links with individuals and groups beyond L'Arche

B. MANAGEMENT

The National Leader/CEO is appointed by the National Board and reports to the Trustees through the National Chair. As leader of the executive management structure, the National Leader/CEO is responsible for supervising a team of Directors of Care and Communities, HR, Finance and IT, Mission Formation, Fundraising and Communications and Regional Leaders.

All members of this Leadership Team are permanent employees. The National Leader/CEO is also a member of the L'Arche International Leadership Team and reports to the International Federation of L'Arche through the International Leader.

The two Regional Leaders (covering Scotland and the North of England, and Wales and the South of England) are responsible for supporting the Communities, supervising Community Leaders and ensuring the Communities discern their local mission priorities and objectives, while living faithfully L'Arche's Identity & Mission and being compliant with commissioning and statutory requirements.

Other members of the National Leadership Team are respectively responsible for care and communities; for human resources; for formation and leadership development; for fundraising and communication; and for finance and the national finance team which is based at the registered office, accountable for financial matters to the National Board through the Finance Director and National Leader/CEO.

Day-to-day responsibility for each Community is delegated to the Community Leader/Director who is supported by a coordinating team, typically responsible for care and support services, housing, HR, day activities, and administration. Members with learning disabilities are encouraged and enabled to play an active part in decisions regarding their own support, their house or support service, and their Community.

L'Arche members with learning disabilities contribute to UK-wide governance and management decisions through a representative National Speaking Council, which meets twice a year, and once a year with the Board.

C. TRUSTEES

L'Arche is governed by a National Board, the members of which are Directors of the Company with trustee responsibilities. The full board has 11 members and normally meets five times a year in addition to the AGM.

Board members serve a maximum of 12 years. Recruitment of new National Board members results from a regular review of the necessary mix of skills and experience required for governance. Five members are drawn from the group of chairs of local L'Arche committees, and five are independent of the communities, with vacancies advertised in national and local publications as well as through professional agencies and other networks. Potential candidates are appointed after a process of interviews, references and other checks.

New members' induction and training is achieved through a combination of written material, meetings and training days, in addition to local Community visits, to ensure they are not only aware of their responsibilities as trustees but understand the ethos and practice of L'Arche in supporting people with learning disabilities.

D. EQUAL OPPORTUNITIES

We have introduced an Applicant Tracking System which monitors our equal opportunities data and which anonymises applicant data enabling a robust short listing process. We have introduced an annual Equality Diversity and Inclusion survey which has seen high levels of staff engagement. We have been pleased to welcome new support workers on Health Care Workers visas. This has greatly increased our workforce diversity across the country and the Senior Care Worker visa route has also given us the possibility to retain some talented individuals in more senior roles.

We analyse the results of our annual employees' survey in terms of protected characteristics including disability to see where our practices can be improved to ensure our commitment to diversity, equality and inclusion is translated into action.

E. DISABLED EMPLOYEES POLICY

Our mission includes "we celebrate the unique value of every person and recognise our need of one another". Key elements of this include our commitment to giving full and fair consideration of applicants for employment of disabled people, having regard to their aptitudes and abilities. We support the continuing employment and training of people who become disabled, including offering flexible working wherever possible. Reasonable adjustments are offered to training opportunities to ensure accessibility to disabled employees.

F. ENGAGEMENT WITH EMPLOYEES

During the year we maintained and developed channels for engaging with employees. The Belong newsletter is a key way in which we continue to communicate news, updates and information to everyone across L'Arche. The results of the Diversity survey were shared widely across all areas of L'Arche along with an update on our progress with EDI. As a result of the feedback received we decided to create a peer-to-peer support group for live-ins.

Most consultation with employees takes place locally including regular gatherings of all Community members, listening groups, Community Councils and assistant assemblies. Groups of employees and service users work together to develop local plans and recruit senior leaders. Employees from all locations and roles participate in listening groups and steering groups for key national initiatives.

The National and Regional Leaders regularly visit communities and hear direct from employees at all levels. As a not for profit charity, there is no scope for sharing profits with employees, but news on performance including care inspection reports is shared widely internally and via social media. The Directors remain acutely aware of the challenges our employees face in working in social care where remuneration is low, and all decisions are taken by balancing the effects on our financial viability, our workforce, and the people with disabilities we support.

G. REMUNERATION POLICY

As part of our commitment to recruiting and retaining those who are committed to working for L'Arche because of our values, we conducted a comprehensive review of our remuneration policy. We used both sector based and other relevant benchmarks to ensure that our salaries were set at fair and competitive levels. In consultation with the local Communities we introduced a new system of salary bands that reflect the different levels of responsibility and offer the possibility of pay progression. We clarified our Employer Value Proposition, setting out clearly the tangible and intangible benefits of working for L'Arche and ensured that all of our current Terms and Conditions of employment were accurately reflected in the remuneration policy.

H. FUNDRAISING

At L'Arche, our small team of in-house staff run fundraising campaigns and activities in line with the Chartered Institute of Fundraising's Code of Fundraising Practice. We communicate fundraising messages by post and email, responding to our donors and supporters wishes.

As a Charity regulated by the Fundraising Regulator, we work to achieve the highest standards in how we communicate and fundraise with our donors and supporters. Our approach to developing long-term, and mutual relationships with our supporters underpins our approach to our fundraising and communications activities.

We use the services of a few carefully selected external companies to support us with occasional specialist skills to help us deliver specific activities, including external appeal mailings and development of new fundraising initiatives. We manage and monitor all fundraising work undertaken by others by providing clear guidelines and work briefs, spot checking, and including fundraising staff on appeal mailing lists.

Over the past year, we have not received any fundraising complaints. Fundraising complaints can be made through our fundraising@larche.org.uk email channel.

We protect vulnerable people by contacting known donors and supporters, curating the stories we tell carefully to avoid breaches of data protection for participants, by embracing ethical content creation, and reducing shock and distress for those we communicate with. We provide our staff with a variety of safeguarding and other relevant training, including Oliver McGowan training.

I. COMPANY, CHARITY & TAX STATUS

The Company is limited by guarantee, with no shareholdings. The liability of the 51 members (2022: 46) is limited to £1 each. The Company is registered as a charity in England and Wales and in Scotland with the Office of Scottish Charity Regulator.

The Company is not liable to income tax, corporation tax or capital gains tax. It is not registered for VAT, since taxable supplies are below the level requiring registration.

J. PUBLIC BENEFIT DISCLOSURE

L'Arche has referred to the Charity Commission's guidance on public benefit when reviewing our aims, objectives and activities and can confirm that the Charity's Trustees have complied with the duty in s.4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act.

K. FUTURE CAPITAL COMMITMENTS

Capital project commitments outstanding at the year-end totalled nil (2022: £nil).

INVESTMENT POLICY

In accordance with the investment powers contained in the Articles of Association, monies not immediately required for the day-to-day operation of the Company may be held in investments, securities or property. During the financial year concerned, the Company has sought to minimise risk by holding its reserves in instant access cash deposits.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

DISCLOSURE OF INFORMATION TO AUDITORS

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

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

AUDITORS

A resolution to re-appoint BHP LLP as the Company's auditors will be proposed at the annual general meeting.

Approved by order of the members of the board of Trustees and signed on their behalf by:

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

Aedan MacGreevy (Chair of Trustees)

Date: 9th April 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF L'ARCHE

We have audited the financial statements of L'Arche (the 'charitable company') for the year ended 31 July 2023, which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 July 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF L'ARCHE (CONTINUED)

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 the audit:

- the information given in the trustees' report, which includes the strategic report and 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 strategic report and the directors' report included within the trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and 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 and the Charities Accounts (Scotland) Regulations 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF L'ARCHE (CONTINUED)

Responsibilities of trustees

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

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

Auditor 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:

We focused on laws and regulations, relevant to the company, which would give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statements disclosure to the underlying supporting documentation, enquiries with management, review of operations of controls within the year, in particular income, expenditure, payroll, review of provisions and review of expenses. There are inherent limitations in the audit procedures described and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at:
www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF L'ARCHE (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 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.

Lesley Kendrew (Senior statutory auditor)



for and on behalf of

BHP LLP

Centurion Way
Cleckheaton
West Yorkshire
BD19 3QB

Date: 9th April 2024

L'ARCHE FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2023

	Note	Endowment funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:						
Donations and grants	2	-	798,758	622,467	1,421,225	1,154,691
Charitable activities	3	-	-	16,176,965	16,176,965	15,004,144
Profit on disposal of fixed assets	4	-	-	-	-	15,062
Investments	5	-	-	40,847	40,847	5,040
Total income and endowments			798,758	16,840,279	17,639,037	16,178,937
Expenditure on:						
Raising funds	6	-	-	390,364	390,364	404,140
Charitable activities	7	-	747,938	17,024,043	17,771,981	15,265,968
Other expenditure	8	-	197,436	5,992	203,428	123,197
Total expenditure			945,374	17,420,399	18,365,773	15,793,305
Net (expenditure)/income before net losses on investments		-	(146,616)	(580,120)	(726,736)	385,632
Net losses on investments		(34,330)	-	2,754	(31,576)	(22,408)
Net movement in funds		(34,330)	(146,616)	(577,366)	(758,312)	363,224
Reconciliation of funds:						
Total funds brought forward		96,075	1,147,656	12,469,114	13,712,845	13,349,621
Net movement in funds		(34,330)	(146,616)	(577,366)	(758,312)	363,224
Total funds carried forward		61,745	1,001,040	11,891,748	12,954,533	13,712,845

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 41 to 61 form part of these financial statements.

L'ARCHE BALANCE SHEET AT 31ST JULY 2022

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	8,934,452	8,430,818
Investments	14	116,233	147,809
		9,050,685	8,578,627
Current assets			
Debtors	15	3,051,189	2,619,928
Cash at bank and in hand		2,474,850	4,497,532
		5,526,039	7,117,460
Creditors: amounts falling due within one year	16	(1,400,323)	(1,738,806)
Net current assets		4,125,716	5,378,654
Total assets less current liabilities		13,176,401	13,957,281
Creditors: amounts falling due after more than one year	17	(221,868)	(244,436)
Total net assets		12,954,533	13,712,845
Charity funds			
Endowment funds	18	61,745	96,075
Restricted funds	18	1,001,040	1,147,656
Unrestricted funds	18	11,891,748	12,469,114
Total funds		12,954,533	13,712,845

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

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



Aedan MacGreevy
(Chair of Trustees)

Date: 9th April 2024



Roland Clark
(Trustee)

Date: 9th April 2024

The notes on pages 41 to 61 form part of these financial statements.

L'ARCHE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST JULY 2023

	Total funds 2023 £	Total funds 2022 £
Cash flows from operating activities		
Net cash used in operating activities	(1,123,799)	227,415
Cash flows from investing activities		
Proceeds from the sale of tangible fixed assets	-	775,122
Purchase of tangible fixed assets	(909,408)	(427,767)
Investment income receipts	40,847	5,040
Finance costs paid	(14,351)	(3,208)
Net cash (used in)/provided by investing activities	(882,912)	349,187
Cash flows from financing activities		
Repayments of borrowing	(15,971)	(17,837)
Net cash used in financing activities	(15,971)	(17,837)
Change in cash and cash equivalents in the year	(2,022,682)	558,765
Cash and cash equivalents at the beginning of the year	4,497,532	3,938,767
Cash and cash equivalents at the end of the year	2,474,850	4,497,532

The notes on pages 41 to 61 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2022

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

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

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charitable company 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 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charitable Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charitable Company, can be reliably measured.

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

Incoming resources from charitable activities represents the aggregate of residents' income support, local and central government grants and receipts and other non-government receipts provided for the maintenance of the communities and their residents.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Donations for L'Arche International and Overseas Communities - where donations have been raised for the specific purpose of distribution to L'Arche Overseas Communities, to minimise administration costs there can be a delay in the transfer of these funds to the projects for which they have been given. The size of the sums involved warrant separate disclosure from other funds donated to L'Arche UK.

1.4 Expenditure

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

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

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

All expenditure is inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charitable Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

The estimated useful lives are as follows:

Freehold buildings	- 40 years
Long-term leasehold property	- period of lease
Short-term leasehold property	- period of lease
Motor vehicles	- 4 years
Tools and equipment	- 4 years

Freehold land is excluded from depreciation on the basis of value at date of acquisition.

1.9 Investments

All investments are stated at market value. The market value of listed investments is derived from prices quoted on the PLUS market (formerly OFEX). Unrealised changes made to the balance sheet market values are reflected in the Statement of Financial Activities.

Investments held as fixed assets are shown at cost less provision for impairment.

1.10 Debtors

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

1.11 Cash at bank and in hand

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

1.12 Liabilities and provisions

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

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

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

1.13 Financial instruments

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

1.14 Operating leases

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

1.15 Pensions

The Charitable Company auto enrolls qualifying employees as members of a group personal pension scheme, administered by Royal London. The Company's contributions are included in Resources Expended in the Statement of Financial Activities in the year in which the contributions are made.

1.16 Fund accounting

The General Fund consists of amounts received which have yet to be committed or designated to a specific use by the Company. The Development Fund comprises grants and donations received for or appropriated to development projects. It contains amounts either restricted by the donor or designated by the Company for specific purposes. The Fixed Asset Fund, Unrestricted and Endowed, represents the net book value of property and other tangible fixed assets less long-term borrowings on property.

2. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Donations			
Received for L'Arche UK	532,148	622,467	1,154,615
Received for L'Arche International	248,218	-	248,218
Government grants			
CJRS Grant Income	18,392	-	18,392
	<hr/> 798,758	<hr/> 622,467	<hr/> 1,421,225

Income from donations and legacies (continued)	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations			
Designated to the Development Fund	-	339,883	339,883
Received for UK Development	459,248	-	459,248
Received for L'Arche International	323,529	-	323,529
Government grants			
CJRS Grant Income	32,031	-	32,031
	<hr/> 814,808	<hr/> 339,883	<hr/> 1,154,691

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Total funds 2023 £
Income from Care and Support Provision	13,865,836	13,865,836
Income from Housing Services	1,920,355	1,920,355
Other funding	325,709	325,709
Sundry receipts	37,777	37,777
Sale of products	27,288	27,288
	<hr/> 16,176,965 <hr/>	<hr/> 16,176,965 <hr/>

Income from charitable activities (continued)	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Income from Care and Support Provision	-	13,011,244	13,011,244
Income from Housing Services	-	1,625,202	1,625,202
Other funding	-	230,899	230,899
Sundry receipts	-	113,260	113,260
Sale of products	1,039	22,500	23,539
	<hr/> 1,039 <hr/>	<hr/> 15,003,105 <hr/>	<hr/> 15,004,144 <hr/>

4. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events		Total funds 2023 £
Profit on disposal of fixed assets		-
		<hr/>
	Unrestricted funds 2022 £	Total funds 2022 £
Profit on disposal of fixed assets	15,062	15,062
	<hr/>	<hr/>

5. INVESTMENT INCOME

		Unrestricted funds 2023 £	Total funds 2023 £
Income from investments		36,905	36,905
Bank interest		3,942	3,942
		<u>40,847</u>	<u>40,847</u>

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Income from investments	156	1,489	1,645
Bank interest	-	3,395	3,395
	<u>156</u>	<u>4,884</u>	<u>5,040</u>

6. EXPENDITURE ON RAISING FUNDS

Fundraising trading expenses		Unrestricted funds 2023 £	Total funds 2023 £
Fundraising		26,203	26,203
Publicity		85,048	85,048
Wages and salaries		277,857	277,857
Fundraising depreciation		1,256	1,256
		<u>390,364</u>	<u>390,364</u>

Fundraising trading expenses continued	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Fundraising	28,523	2,673	31,196
Publicity	-	79,794	79,794
Wages and salaries	-	288,801	288,801
Fundraising depreciation	-	4,349	4,349
	<u>28,523</u>	<u>375,617</u>	<u>404,140</u>

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Employment and training	240,481	13,240,453	13,480,934
Household costs and community activities	395,760	217,691	613,451
Occupancy costs	-	1,365,304	1,365,304
Repairs, maintenance and renewals	49,210	551,847	601,057
Depreciation	-	404,518	404,518
Workshop costs	-	58,316	58,316
Office costs	-	531,338	531,338
Motor and travel	-	140,433	140,433
Legal and professional / governance costs	-	278,445	278,445
Loan interest	-	14,351	14,351
Direct support and development	62,487	221,347	283,834
	747,938	17,024,043	17,771,981

Summary by fund type (continued)	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Employment and training	98,049	10,927,444	11,025,493
Household costs and community activities	3,234	564,453	567,687
Occupancy costs	-	1,383,889	1,383,889
Repairs, maintenance and renewals	11,611	474,395	486,006
Depreciation	-	394,295	394,295
Workshop costs	600	49,918	50,518
Office costs	4,669	230,396	235,065
Motor and travel	306	65,038	65,344
Legal and professional / governance costs	-	156,962	156,962
Loan interest	-	3,208	3,208
Direct support and development	196,507	695,573	892,080
Loss on disposal of fixed assets	-	5,421	5,421
	314,976	14,950,992	15,265,968

8. OTHER EXPENDITURE

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Donations to L'Arche International	197,436	-	197,436
Donations to L'Arche Benevolent Trust	-	3,000	3,000
Other donations	-	2,992	2,992
	<u>197,436</u>	<u>5,992</u>	<u>203,428</u>

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations to L'Arche International	120,097	-	120,097
Donations to L'Arche Benevolent Trust	-	3,000	3,000
Other donations	-	100	100
	<u>120,097</u>	<u>3,100</u>	<u>123,197</u>

L'Arche Benevolent Trust is an independent registered charity with the objective of assisting employees and ex- employees of L'Arche who may require financial support as a result of personal hardship.

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Employment and training	13,480,934	-	13,480,934
Household costs and community activities	613,451	-	613,451
Occupancy costs	1,365,304	-	1,365,304
Repairs, maintenance and renewals	601,057	-	601,057
Depreciation	404,518	-	404,518
Workshop costs	58,316	-	58,316
Office costs	-	531,338	531,338
Motor and travel	-	140,433	140,433
Legal and professional / governance costs	-	278,445	278,445
Loan interest	-	14,351	14,351
Direct support and development	-	283,834	283,834
	<u>16,523,580</u>	<u>1,248,401</u>	<u>17,771,981</u>

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Employment and training	11,025,493	-	11,025,493
Household costs and community activities	567,687	-	567,687
Occupancy costs	1,383,889	-	1,383,889
Repairs, maintenance and renewals	486,006	-	486,006
Depreciation	394,295	-	394,295
Workshop costs	50,518	-	50,518
Office costs	-	235,065	235,065
Motor and travel	-	65,344	65,344
Legal and professional / governance costs	-	156,962	156,962
Loan interest	-	3,208	3,208
Direct support and development	-	892,080	892,080
Loss on disposal of fixed assets	-	5,421	5,421
	13,907,888	1,358,080	15,265,968

10. AUDITORS' REMUNERATION

	2023 £	2022 £
Fees payable to the Charitable Company's auditor for the audit of the Charitable Company's annual accounts	19,150	16,610
Fees payable to the Charitable Company's auditor in respect of: All non-audit services not included above	6,025	-

11. STAFF COSTS

	2023 £	2022 £
Wages and salaries	12,451,689	10,975,111
Social security costs	1,000,741	810,253
Contribution to defined contribution pension schemes	306,361	266,535
	13,758,791	12,051,899

At the year end, premiums were outstanding to the pension scheme provider of £3,724 (2022: £nil).

The key management personnel of the Charity comprises the Trustees and the National Leadership Team - the National Leader, Deputy National Leader, Regional Leaders, Head of Human Resources, Head of Finance, Fundraising Director and Mission Formation Director.

The total remuneration of the National Leadership Team was £468,218 (2022: £469,445).

The average number of persons employed by the Charitable Company during the year was as follows:	2023 No.	2022 No.
Communities	422	398
Administration and Finance	25	20
Fundraising and Publicity	11	6
	458	424

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

	2023 No.	2022 No.
In the band £70,001 - £80,000	1	1

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 July 2023, expenses totalling £1,137 were reimbursed or paid directly to six Trustees (2022 - £nil).

13. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Long-term leasehold buildings £	Short-term leasehold buildings £	Motor vehicles £	Tools and equipment £	Total £
Cost or valuation						
At 1 August 2022	10,384,720	750,778	887,858	195,529	1,407,760	13,626,645
Additions	870,578	-	15,366	-	23,464	909,408
Disposals	-	-	-	-	(22,054)	(22,054)
At 31 July 2023	11,255,298	750,778	903,224	195,529	1,409,170	14,513,999
Depreciation						
At 1 August 2022	3,113,926	393,913	323,052	126,371	1,238,565	5,195,827
Charge for the year	252,815	16,924	39,949	28,807	67,279	405,774
On disposals	-	-	-	-	(22,054)	(22,054)
At 31 July 2023	3,366,741	410,837	363,001	155,178	1,283,790	5,579,547
Net book value						
At 31 July 2023	7,888,557	339,941	540,223	40,351	125,380	8,934,452
At 31 July 2022	7,270,794	356,865	564,806	69,158	169,195	8,430,818

Leasehold buildings are sub-divided into those held under short-term leases (50 years and under) and those held under long-term leases (over 50 years)

14. FIXED ASSET INVESTMENTS

Cost or valuation	Listed investments £	Quoted investments £	Total £
At 1 August 2022	96,075	51,734	147,809
Revaluations	(34,330)	2,754	(31,576)
At 31 July 2023	61,745	54,488	116,233
Net Book Value			
At 31 July 2023	61,745	54,488	116,233
At 31 July 2022	96,075	51,734	147,809

All investments are in the United Kingdom.

The listed investments were given to L'Arche as an endowment and comprise 1,050 shares in Adnams Brewery, an Aquis Stock Exchange company, with a market value of £58.80 per share at 31st July 2023 (2022: £91.50).

15. DEBTORS

Due within one year	2023 £	2022 £
Residents fees due	2,226,247	1,899,336
Other debtors	328,015	452,041
Prepayments and accrued income	496,927	268,551
	3,051,189	2,619,928

16. CREDITORS

	2023 £	2022 £
Triodos loan	16,483	16,483
Other taxation and social security	288,324	223,872
Other creditors	498,642	642,268
Accruals and deferred income	596,874	856,183
	1,400,323	1,738,806

	2023 £	2022 £
Residents grants received in advance at 1 August 2022	286,348	63,848
Resources deferred during the year	193,588	286,348
Amounts released from previous periods	(286,348)	(63,848)
	193,588	286,348

Residents grants received in advance refers to funding received from statutory bodies and we would anticipate it would be no greater than 1 month in respect of individual residents.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £	2022 £
Triodos loan	144,643	160,614
Other creditors	77,225	83,822
	221,868	244,436
The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:	2023 £	2022 £
Payable or repayable by instalments	78,711	101,358
	78,711	101,358

The Triodos loan at Ipswich is secured on 3 Warrington Road, Ipswich, with an interest rate fixed at 1.25% over base and is for a period of 25 years.

18. STATEMENT OF FUNDS

Statement of funds - current year	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2023 £
Unrestricted funds						
General Fund	2,936,545	16,840,279	(16,680,128)	(909,408)	2,754	2,190,042
Development Fund	1,262,365	-	(333,985)	-	-	928,380
Fixed Asset Fund	8,270,204	-	(406,286)	909,408	-	8,773,326
	12,469,114	16,840,279	(17,420,399)	-	2,754	11,891,748
Endowment funds						
Endowment Fund	96,075	-	-	-	(34,330)	61,745
Restricted funds						
Transforming Lives - Expanding the Contribution of People with Learning Disabilities in Society	6,341	11,000	(8,471)	-	-	8,870
New Communities	66,476	-	-	-	-	66,476
Capital & Refurbishment Appeals	132,759	275,000	(395,760)	-	-	11,999
Investing in Leadership, Young People & Infrastructure for Growth	247,741	204,964	(235,584)	-	-	217,121
Investment in Programmes & Projects Of L'Arche International	283,529	248,218	(197,436)	-	-	334,311
Local Community Projects	408,957	41,184	(108,123)	-	-	342,018
Other	1,853	18,392	-	-	-	20,245
	1,147,656	798,758	(945,374)	-	-	1,001,040
Total of funds	13,712,845	17,639,037	(18,365,773)	-	(31,576)	12,954,533

18. STATEMENT OF FUNDS (CONTINUED)

Purpose of restricted funds

Transforming Lives - Expanding the Contribution of People with Learning Disabilities in Society

To Develop resources to help people with learning disabilities deepen their spiritual lives

New Communities

Nottingham and Scotland

Capital & Refurbishment Appeals

Ipswich - Purchase of The Ark, supported living house

London - The Dove

Manchester - Day Service Development

Manchester - The Rose, supported living house

Investing in Leadership, Young People & Infrastructure for Growth

Leadership Development Programme

Assistant Induction Programme

Big Conversation - Voice and Power

Big Conversation - Impact

Big Conversation - Spirituality

Investment in Charity Infrastructure

Jubilee Celebrations

Volunteers Coordination

Investment in Programmes & Projects of L'Arche International

India

Africa

Poland

Haiti

Bethlehem

Ukraine

International

Local Community Projects

Various projects in the Communities

18. STATEMENT OF FUNDS - PRIOR YEAR

Statement of funds - current year	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2022 £
Unrestricted funds					
General Fund	2,471,194	15,362,934	(15,347,917)	450,334	2,936,545
Development Fund	704,520	-	-	557,845	1,262,365
Fixed Asset Fund	8,999,246	-	-	(729,042)	8,270,204
	12,174,960	15,362,934	(15,347,917)	279,137	12,469,114
Endowment funds					
Endowment Fund	100,275	-	(4,200)	-	96,075
Restricted funds					
Transforming Lives - Expanding the Contribution of People with Learning Disabilities in Society	17,650	-	(11,309)	-	6,341
New Communities	67,340	2,705	(3,569)	-	66,476
Capital & Refurbishment Appeals	279,038	17,758	(38,073)	(125,964)	132,759
Investing in Leadership, Young People & Infrastructure for Growth	159,700	322,807	(208,403)	(26,363)	247,741
Investment in Programmes & Projects Of L'Arche International	95,644	323,685	(135,800)	-	283,529
Local Community Projects	453,161	117,017	(34,411)	(126,810)	408,957
Other	1,853	32,031	(32,031)	-	1,853
	1,074,386	816,003	(463,596)	(279,137)	1,147,656
Total of funds	13,349,621	16,178,937	(15,815,713)	-	13,712,845

19. SUMMARY OF FUNDS

Summary of funds - current year	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 July 2023 £
Unrestricted funds						
General Fund	12,469,114	16,840,279	(17,420,399)	-	2,754	11,891,748
Endowment funds	96,075	-	-	-	(34,330)	61,745
Restricted funds	1,147,656	798,758	(945,374)	-	-	1,001,040
	13,712,845	17,639,037	(18,365,773)	-	(31,576)	12,954,533

Summary of funds - prior year	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2022 £
Unrestricted funds					
General Fund	12,174,960	15,362,934	(15,347,917)	279,137	12,469,114
Endowment funds	100,275	-	(4,200)	-	96,075
Restricted funds	1,074,386	816,003	(463,596)	(279,137)	1,147,656
	13,349,621	16,178,937	(15,815,713)	-	13,712,845

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Analysis of net assets between funds - current year	Endowment funds 2023 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	8,934,452	8,934,452
Fixed asset investments	61,745	-	54,488	116,233
Current assets	-	1,001,040	4,524,999	5,526,039
Creditors due within one year	-	-	(1,400,323)	(1,400,323)
Creditors due in more than one year	-	-	(221,868)	(221,868)
	61,745	1,001,040	11,891,748	12,954,533

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

Analysis of net assets between funds - prior year	Endowment funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	8,430,818	8,430,818
Fixed asset investments	96,075	-	51,734	147,809
Current assets	-	1,147,656	5,969,804	7,117,460
Creditors due within one year	-	-	(1,738,806)	(1,738,806)
Creditors due in more than one year	-	-	(244,436)	(244,436)
	96,075	1,147,656	12,469,114	13,712,845

21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(758,312)	363,224
Adjustments for:		
Depreciation charges	405,774	409,165
Unrealised loss on investments	31,576	22,408
Investment income receipts	(40,847)	(5,040)
Loss/(profit) on the sale of fixed assets	-	(9,641)
Increase in debtors	(431,261)	(736,474)
Increase/(decrease) in creditors	(345,080)	180,565
Finance costs paid	14,351	3,208
Net cash provided by/(used in) operating activities	(1,123,799)	227,415

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash in hand	2,474,850	4,497,532
Total cash and cash equivalents	2,474,850	4,497,532

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 August 2022 £	Cash flows £	At 31 July 2023 £
Cash at bank and in hand	4,497,532	(2,022,682)	2,474,850
Debt due within 1 year	(16,483)	-	(16,483)
Debt due after 1 year	(160,614)	15,971	(144,643)
	4,320,435	(2,006,711)	2,313,724

24. CAPITAL COMMITMENTS

Contracted for but not provided in these financial statements	2023 £	2022 £
Acquisition of tangible fixed assets	-	880,000

At 31st July 2023, no contractual commitments had been entered into in respect of the above project.

At 31st July 2023, the total pledges received in respect of the above projects totalled £nil (2022 - £235,000)

25. OPERATING LEASE COMMITMENTS

At 31 July 2023 the Charitable Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:	2023 £	2022 £
Not later than 1 year	32,986	10,561
Later than 1 year and not later than 5 years	199,415	42,244
Later than 5 years	806,000	177,777
	1,038,401	230,582

The majority of the company's leases of land and buildings are subject to rent review periods ranging between 3 and 5 years. All leases currently held by L'Arche are operating leases.

26. RELATED PARTY TRANSACTIONS

There were no related party transactions in either the current or previous financial period.

Be part of our STORY

You can join us in the life-changing L'Arche journey in many ways:

- Donate
- Volunteer
- Fundraise
- Campaign

Find out more at:



www.larche.org.uk



www.x.com/LArcheUK



www.facebook.com/UK.LARCHE

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L'Arche

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