

Charity Registration No. 297935

Company Registration No. 2162724 (England and Wales)

THE ARK FAMILY RESOURCE CENTRE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE ARK FAMILY RESOURCE CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs D E Brearley Mrs V Smith Mr J R Goff Mr C Haseman
Charity number	297935
Company number	2162724
Registered office	The Ark Family Resource Centre 36 Main Road Harwich Essex CO12 3LU
Independent examiner	Rachel Skells BA FCA Whittle & Partners LLP The Old Exchange 64 West Stockwell Street Colchester Essex CO1 1HE

THE ARK FAMILY RESOURCE CENTRE

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THE ARK FAMILY RESOURCE CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their annual report and financial statements for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

Our primary organisational objective is to maintain our long standing reputation for excellence. We do this through quality staff training and support and by ensuring that we employ staff of exceptionally high calibre. We ensure that we keep our promises and provide support without judgment or prejudice.

The Trustees are committed to ensuring the continuing survival and activity of the Ark Centre. In order to maintain this, opportunities for funding are continually sought and pursued. These two objectives remain unchanged year on year. As our services have developed and grown we have a growing responsibility to maintain the level of quality activities that we provide.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Achievements and performance

Achievements over the year are many. The TASK groups for children with additional needs are very popular. The Outreach and Counselling services are running to capacity. Positive feedback is continually received from service users and referrers across all our services. This year the Centre has provided services to more than 1,350 people.

There are significant factors outside the control of the charity which would impact on our ability to achieve our objectives. The insecurity of funding makes budgeting and forward planning very difficult. We remain almost completely dependent upon grants in order to maintain our existing level of service. We are able to ask for voluntary donations for some of our services, but for most of our projects, asking the clients for fees would not be appropriate or possible.

Probably one of our finest achievements this year is the ongoing support and practical help that we have been able to give to such high numbers of families and individuals in need, despite our often very fragile financial situation. It remains a priority for us to deliver a service that is needs-led rather than one in which service users must comply with an impersonal agenda.

We have also successfully worked in partnership with other local voluntary organisations to deliver emergency services to specific families who were at risk. As with so much of our work, this involved working in new and flexible ways and defined "thinking outside the box" as a valuable learning tool taking us forward.

We have also been fortunate to have the ongoing support from Essex Community Foundation who have advised us on potential grants appropriate to us.

THE ARK FAMILY RESOURCE CENTRE

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

FOR THE YEAR ENDED 31 MARCH 2021

Overview of services

The Ark continues to maintain its high standards of excellence across all its services. Because of our reputation we continue both to build on our service provision and to welcome increasing numbers of service users. Our established network of referrers and partner organisations ensure that we can be found and used by those needing our provision

Sessional Pre school

The sessions are thriving, with numbers continuing to increase. New staff have been employed to support increased numbers of children. The atmosphere in the pre-school is relaxed and busy. We are now supporting additional children and their families who sometimes bring some very complex issues for us to work with. We are very grateful to the specialist teachers who come in to support us in our work with individual children with additional needs.

During lockdown, staff worked hard to provide online resources for the children.

Outreach service

Approximately 29 families weekly receive support. The work on our domestic violence project has widened out considerably to include advocacy, benefits and housing advice and support during court appearances. We plan to begin the Freedom Programme: a project for survivors of domestic violence as soon as a training course becomes available; these have been hugely oversubscribed since we received funding for this.

TASK (Talk About Special Kids)

With 31 families on roll, TASK is thriving. For many families the days-out are a lifeline. Families are also supported with their needs, such as school applications, appointments and difficulties.

Counselling service

The service has supported an average of 40 children, young people and adults over the year. We continue to turn away considerable numbers of referrals, some of them urgent, as funding for counselling remains difficult to achieve. Small grants have enabled us to continue the service, as has requesting voluntary donations from clients to support the work. We have also received grants from the NHS CCG, which we hope may become a regular event.

The Freedom Programme

A group for women who have experienced domestic abuse. Through Essex Community Foundation, we have received funding to train a staff member as an Independent Domestic Violence Advisor, which will be very helpful for this and our domestic violence support project, as well as helping us to obtain funding.

Thursday group

This group meets one afternoon a week and is well used by the parents of children with additional needs.

Ark Angels child-sitting service

Remains a useful and valued service for several of our families.

It is pleasing to report that our finances have been unaffected by the lockdowns since mid March 2020. The Nursery was closed from March 23rd, reopening under Government guidelines on the 7th September. Staff across all services during lockdown provided online education, entertainment and support to children and families, while counselling moved to telephone and online sessions. Grants have been successfully achieved throughout.

THE ARK FAMILY RESOURCE CENTRE

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

FOR THE YEAR ENDED 31 MARCH 2021

Financial review

Contracted funding is received currently from Essex County Council, through Action4Children and the Government through the Early Entitlement scheme for Nursery fees. Other funding is achieved through a rolling programme of grant applications and through fees. The Trustees long term aim is to secure further ongoing funding under service level agreements.

The Board is aware that the insecurity of ongoing funding places great pressure on the management. It also acknowledges the difficulty of addressing this.

Our aim always is to achieve further grants of two or more years' duration.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has not been maintained throughout the year due to funding difficulties explained above.

The liability for our pension scheme will only be incurred should all staff paying in leave the scheme: an event which we do not currently foresee happening. In previous years this has been disclosed as a note to the accounts but due to changes in accounting standards it now needs to be included in our balance sheet. In the current year unrestricted funds are in surplus by £31,350 and this covers the pension liability of £23,823 but in the prior year this unfortunately increased the deficit on our unrestricted funds by £28,227 to a total in deficit of £33,545.

It is essential that the Trustees secure ongoing funding in order to maintain not only the quality of our services but also to secure the existence of the Organisation. This has been highly successful over the 66 years that the Ark has been running and we must build upon this success.

As always the Trustees intend to support the management in their work to continue to offer a service of quality that has earned great respect both locally and in the wider community.

The Trustees greatly value and appreciate the very high standard of work and commitment given by all staff. We know how very fortunate we are as an organisation to have such a dedicated and skilled team. Thank you to all the staff, who give so generously of their time and energy to the Ark Centre.

THE ARK FAMILY RESOURCE CENTRE

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

FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

The Charity is constituted as a Company Limited by Guarantee and is therefore governed by a memorandum and articles of association.

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

Mrs D E Brearley

Mrs V Smith

Mr J R Goff

Mr C Haseman

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

The recruitment of trustees is carried out with support from our local Councils for Voluntary Services. Interested parties are invited to attend our monthly meetings of Trustees. Elections of new Trustees take place annually at our AGM. New Trustees complete an induction programme and all Trustees are offered appropriate training opportunities when these arise.

The Ark Centre is managed by its board of Trustees who employ the Centre Manager.

The Ark works locally in partnership with other appropriate statutory and voluntary organisations. Risk assessments are in place for the building and other specific areas such as taking groups of children on outings and individual risk assessments for some children.

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

Mr C Haseman

Trustee

Dated: 14 December 2021

THE ARK FAMILY RESOURCE CENTRE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE ARK FAMILY RESOURCE CENTRE

I report to the trustees on my examination of the financial statements of The Ark Family Resource Centre (the Charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the Charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's qualified statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of , which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Rachel Skells BA FCA

Whittle & Partners LLP
The Old Exchange
64 West Stockwell Street
Colchester
Essex
CO1 1HE

Dated: 14 December 2021

THE ARK FAMILY RESOURCE CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income and endowments from:</u>							
Donations and legacies	3	733	557	1,290	2,301	-	2,301
Incoming resources from charitable activities	4	193,736	115,026	308,762	195,644	94,346	289,990
Investments	5	15	-	15	24	-	24
Other income	6	2	-	2	1,307	-	1,307
Total income		194,486	115,583	310,069	199,276	94,346	293,622
<u>Expenditure on:</u>							
Charitable activities	7	129,536	133,224	262,760	181,458	84,820	266,278
Other	11	55	-	55	-	-	-
Total resources expended		129,591	133,224	262,815	181,458	84,820	266,278
Net income/(expenditure) for the year/ Net movement in funds		64,895	(17,641)	47,254	17,818	9,526	27,344
Fund balances at 1 April 2020		(33,545)	36,565	3,020	(51,363)	27,039	(24,324)
Fund balances at 31 March 2021		31,350	18,924	50,274	(33,545)	36,565	3,020

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

All income and expenditure derive from continuing activities.

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

THE ARK FAMILY RESOURCE CENTRE

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		8,357		4,691
Current assets					
Debtors	13	903		1,930	
Cash at bank and in hand		70,904		27,235	
		<u>71,807</u>		<u>29,165</u>	
Creditors: amounts falling due within one year	14	<u>(6,067)</u>		<u>(2,609)</u>	
Net current assets			65,740		26,556
Total assets less current liabilities			<u>74,097</u>		<u>31,247</u>
Provisions for liabilities			(23,823)		(28,227)
Net assets			<u>50,274</u>		<u>3,020</u>
Income funds					
Restricted funds	17		18,924		36,565
Unrestricted funds			31,350		(33,545)
			<u>50,274</u>		<u>3,020</u>

THE ARK FAMILY RESOURCE CENTRE

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 14 December 2021

Mr C Haseman
Trustee

Company Registration No. 2162724

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

The Ark Family Resource Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is The Ark Family Resource Centre, 36 Main Road, Harwich, Essex, CO12 3LU.

1.1 Accounting convention

The accounts have been prepared in accordance with the Charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

1.2 Going concern

As with most voluntary sector organisations the going concern basis used for preparing these financial statements is dependant upon obtaining further funding to provide the necessary working capital for the general running of the charity.

The trustees are working hard to obtain the funding required to continue the wide range of services offered. On this basis, the trustees consider it appropriate to prepare the accounts on the going concern basis.

1.3 Charitable funds

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

Funds restricted by the donor are treated as restricted funds. All other funds are unrestricted. A description of each fund is given in note 17 to the financial statements.

1.4 Incoming resources

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

Cash donations are recognised on receipt. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected.

Grants from government and other agencies have been included as incoming resources from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use. These grants are accounted for on an accruals basis.

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from fundraising activities is recognised on receipt.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Costs classified as governance relate to the general running of the charity and include the operations of the Board of Trustees and addressing constitutional audit and other statutory matters.

Resources expended include attributable VAT, which cannot be recovered.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Fixtures, fittings & equipment	25% reducing balance
Computers	25% straight line

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.9 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets comprise cash at bank and in hand, together with other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes, deferred income and provisions.

1.10 Employee benefits

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

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

1.11 Retirement benefits

The Charity operates a defined contributions pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions are charged to the profit and loss account.

The Charity also participates in a multi-employer defined benefit scheme.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.12 Taxation

The company is a charity within the meaning of section 506(1) of the Taxes Act 1988. Accordingly the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

2 Critical accounting estimates and judgements

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

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

The judgements the trustees have made that have the most effect on the amounts recognised in the financial statements are the amounts in relation to the pension provision for the liability to carry forwards. This is mitigated by the pension provider producing a yearly report on the total estimated liability the charity needs to provide for under FRS102 and is recognised as such by the Trustees.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2021	2021	2021	2020
	£	£	£	£
Donations and gifts	733	557	1,290	2,301
	=====	=====	=====	=====

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Incoming resources from charitable activities

	Grants receivable £	Nursery fees £	Total 2021 £	Total 2020 £
Nursery fees	-	118,386	118,386	125,644
Grants receivable	190,376	-	190,376	164,346
	<u>190,376</u>	<u>118,386</u>	<u>308,762</u>	<u>289,990</u>
Analysis by fund				
Unrestricted funds	75,350	118,386	193,736	
Restricted funds	115,026	-	115,026	
	<u>190,376</u>	<u>118,386</u>	<u>308,762</u>	
For the year ended 31 March 2020				
Unrestricted funds	70,000	125,644		195,644
Restricted funds	94,346	-		94,346
	<u>164,346</u>	<u>125,644</u>		<u>289,990</u>

The bulk of the nursery fees are from Essex Council Council's Free Early Education Entitlement.

Included in grants receivable is £10,350 (2020: £nil) from Tending District Council in relation to funding for COVID-19.

5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	<u>15</u>	<u>24</u>

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Other income unrestricted funds	2	1,307

7 Charitable activities

	Resources expended on charitable activities	Other resources expended	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Staff costs	203,972	-	203,972	211,332
Depreciation and impairment	3,562	-	3,562	1,881
Nursery running costs	33,585	-	33,585	31,378
Counselling	14,984	-	14,984	8,181
Canteen	-	630	630	2,296
Training	1,470	-	1,470	430
Sensory room renovations	-	-	-	6,973
Bad debt	-	-	-	160
	257,573	630	258,203	262,631
Share of governance costs (see note 8)	4,557	-	4,557	3,647
	262,130	630	262,760	266,278
Analysis by fund				
Unrestricted funds	128,906	630	129,536	181,458
Restricted funds	133,224	-	133,224	84,820
	262,130	630	262,760	266,278
For the year ended 31 March 2020				
Unrestricted funds	179,162	2,296		181,458
Restricted funds	84,820	-		84,820
	263,982	2,296		266,278

Included in nursery running costs is £5,696 (2020: £6,331) in relation to operating lease costs.

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Support costs

	Support costs £	Governance costs £	2021 £	2020 £	Basis of allocation
Accountancy	-	1,670	1,670	1,590	Governance
Legal and professional	-	2,184	2,184	1,563	Governance
Bank charges	-	69	69	59	Governance
Unwinding of pension scheme discount	-	634	634	434	Governance
	-	4,557	4,557	3,646	
Analysed between Charitable activities	-	4,557	4,557	3,647	

Accountancy includes cost of the independent examiner of £1,670 (2020:£1,590).

Legal & professional fees includes fees payable to Whittles for payroll services of £1,860 (2020: £nil).

9 Trustees

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

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	26	29
Employment costs	2021 £	2020 £
Wages and salaries	199,781	204,849
Social security costs	2,457	4,609
Other pension costs	1,734	1,874
	203,972	211,332

No employees received total employee benefits of more than £60,000.

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

10 Employees

(Continued)

There were no employees whose annual remuneration was more than £60,000.

11 Other

	Unrestricted funds	Total
	2021	2020 £
Net loss on disposal of tangible fixed assets	55	-
	<u>55</u>	<u>-</u>

12 Tangible fixed assets

	Fixtures, fittings & equipment £	Computers £	Total £
Cost			
At 1 April 2020	6,816	5,294	12,110
Additions	7,283	-	7,283
Disposals	(285)	-	(285)
	<u>13,814</u>	<u>5,294</u>	<u>19,108</u>
At 31 March 2021	13,814	5,294	19,108
Depreciation and impairment			
At 1 April 2020	5,152	2,267	7,419
Depreciation charged in the year	2,237	1,325	3,562
Eliminated in respect of disposals	(230)	-	(230)
	<u>7,159</u>	<u>3,592</u>	<u>10,751</u>
At 31 March 2021	7,159	3,592	10,751
Carrying amount			
At 31 March 2021	<u>6,655</u>	<u>1,702</u>	<u>8,357</u>
At 31 March 2020	<u>1,664</u>	<u>3,027</u>	<u>4,691</u>

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	394	1,502
Prepayments and accrued income	509	428
	<u>903</u>	<u>1,930</u>
	<u><u>903</u></u>	<u><u>1,930</u></u>

14 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	3,196	1,019
Other creditors	781	-
Accruals and deferred income	2,090	1,590
	<u>6,067</u>	<u>2,609</u>
	<u><u>6,067</u></u>	<u><u>2,609</u></u>

15 Provisions for liabilities

	Notes	2021	2020
		£	£
Retirement benefit obligations	16	23,823	28,227
		<u>23,823</u>	<u>28,227</u>
		<u><u>23,823</u></u>	<u><u>28,227</u></u>

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Retirement benefit schemes

Defined contribution schemes

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

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025:	£11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)
---------------------------------------	--

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Retirement benefit schemes	(Continued)	
Defined benefit schemes		
Amounts recognised in the profit and loss account:		
	2021	2020
	£	£
Other costs and income	634	434
	<u> </u>	<u> </u>
The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:		
	2021	2020
	£	£
Present value of defined benefit obligations	23,823	28,227
	<u> </u>	<u> </u>
Deficit in scheme	23,823	28,227
	<u> </u>	<u> </u>
Movements in the present value of defined benefit obligations:		
		2021
		£
Liabilities at 1 April 2020		28,227
Plan introductions, changes, curtailments and settlements		815
Interest cost		634
Deficit payments made		(5,853)
		<u> </u>
At 31 March 2021		23,823
		<u> </u>

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Restricted funds

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

	Movement in funds			Movement in funds			
	Balance at 1 April 2019	Incoming resources	Resources expended	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 31 March 2021
	£	£	£	£	£	£	£
Action for Children (Essex shortbreaks, clubs & activities)	-	7,500	(7,500)	-	30,000	(30,000)	-
ECC Capital	2,822	-	(942)	1,880	-	(1,192)	688
ECC Community Foundation	1,490	-	(373)	1,117	-	(279)	838
Harwich Town Council	-	1,500	-	1,500	-	(375)	1,125
Leeds Building Society	1,000	-	(250)	750	-	-	750
Action For Children (Children with additional needs)	-	27,964	(27,964)	-	-	-	-
Scrwefix	1,313	-	(1,102)	211	-	(211)	-
Cloth Workers Foundation	-	4,500	(4,500)	-	-	-	-
Essex Community Foundation (Domestic abuse & DBS checks)	-	23,322	(8,276)	15,046	-	(15,046)	-
Action for Children (Sensory Room renovation)	2,310	-	(2,310)	-	-	-	-
Big Lottery Fund	9,150	-	(9,150)	-	-	-	-
Colchester Catalyst Charity	-	7,000	(4,667)	2,333	9,000	(8,333)	3,000
Eastern Association of Local Councils	1,000	-	(1,000)	-	5,660	(1,415)	4,245
Eastern Counites Educational Trust	960	-	-	960	-	-	960
Essex Community Foundation (counselling)	2,500	-	(2,500)	-	-	-	-
Tampon Tax Community Fund	4,194	-	(4,194)	-	-	-	-
Essex Pass - Ark Angels	-	4,174	(4,174)	-	1,617	(1,617)	-
NHS	300	17,900	(5,433)	12,768	56,833	(62,575)	7,026
Subtotal	27,039	93,860	84,335	36,565	103,110	121,043	18,632

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17	Restricted funds							(Continued)
	Brought forward	27,039	93,860	84,335	36,565	103,110	121,043	18,632
	Other	-	485	(485)	-	1,473	(1,473)	-
	BBC Children In Need	-	-	-	-	4,000	(4,000)	-
	Essex Youth Trust	-	-	-	-	3,500	(3,208)	292
	Harwich Connexions	-	-	-	-	500	(500)	-
	Tudwick Foundation	-	-	-	-	3,000	(3,000)	-
		<u>27,039</u>	<u>94,345</u>	<u>(84,820)</u>	<u>36,565</u>	<u>115,583</u>	<u>(133,224)</u>	<u>18,924</u>

Action for Children (TASK)

This funding has been provided to fund salaries of staff for TASK respite care/days out for children with additional needs.

ECC Capital

This funding has been provided to assist with the cost of IT equipment and training.

ECC Community Fund

This funding has been provided to assist with the cost of renovations and repairs.

Harwich Town Council

This funding has been provided to assist with the cost of radiators and pipework.

Leeds Building Society

This Funding has been provided to assist with the cost of two touch screen computers.

Action for Children

This funding has been provided to assist with children with additional needs.

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Restricted funds

(Continued)

The Screwfix Foundation

This funding has been provided to assist with the cost of renovations and repairs.

Cloth Workers Foundation

This funding has been provided to assist with renovating the sensory room.

Essex Community Foundation

This funding has been provided to assist with counselling services specifically in relation to domestic abuse and for DBS checks for all staff.

Action for Children (sensory room renovations)

This funding has been provided to assist with renovating the sensory room.

Big Lottery Fund

This funding has been provided to fund salaries of staff for TASK respite care/ days out for children with additional needs.

Colchester Catalyst Charity

This funding has been provided to be used in relation to the cost of respite care funding.

Eastern Association of Local Councils

This funding has been provided for an outreach worker.

Eastern Counties Educational Trust

This funding has been provided for IT Training.

Essex Community Foundation (Counselling)

This funding has been provided to assist with counselling services.

Tampon Tax Community Fund

This funding has been provided to assist with the 'Domestic Violence' project.

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Restricted funds

(Continued)

Essex PASS

This funding has been provided to assist with the funding of 1:1 child support in the community.

NHS

This funding has been provided to assist with counselling services.

BBC Children In Need

This funding was provided for additional needs during the COVID-19 pandemic.

Essex Youth Trust

This funding was provided to assist with counselling services.

Harwich Connexions

This funding was provided to assist with new flooring in the nursery.

Tudwick Foundation

This funding was provided for additional needs during the COVID-19 pandemic.

THE ARK FAMILY RESOURCE CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Fund balances at 31 March 2021 are represented by:				
Tangible assets	710	7,647	8,357	4,691
Current assets/ (liabilities)	54,463	11,277	65,740	26,556
Provisions and pensions	(23,823)	-	(23,823)	(28,227)
	<u>31,350</u>	<u>18,924</u>	<u>50,274</u>	<u>3,020</u>

19 Operating lease commitments

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

	2021	2020
	£	£
Within one year	5,696	6,312
Between two and five years	21,544	22,523
In over five years	1,300	6,433
	<u>28,540</u>	<u>35,268</u>

20 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	<u>38,491</u>	<u>36,964</u>