

THE ARK COMMUNITY

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2011

**Charity number 1128102
Company number 06799824**

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THE ARK COMMUNITY
(A company limited by guarantee)

Financial Statements for the year ended 31st January 2011

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LEGAL AND ADMINISTRATIVE INFORMATION

Charity Name: The Ark Community **Working name:** Acres of Love

Company Number: 06799824

Charity Number: 1128102

Registered Office 7 Bear Close
Bradford on Avon
Wiltshire
BA15 1PZ

Company Secretary: The Right Reverend A J Palmer

Independent Examiner: Mr Colin Scull FCCA
B20 Limited
Chartered Certified Accountants
Charwell House
Wilsom Road
Alton
Hampshire GU34 2PP

Bankers: Bank of Scotland PLC
Pentland House
8 Lochside Avenue
Edinburgh EH12 9DJ

Solicitors: Lawson Lewis & Co
37 Brassey Avenue
Hampden Park
Eastbourne
East Sussex BN22 9QD

THE ARK COMMUNITY

The Trustees present their report together with the Financial Statements for the year ended 31 January 2011.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued March 2005.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 23 January 2009 and registered as a charity on 17 February 2009. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

Trustees

The Directors of the company are also charity Trustees for the purposes of charity law and under the company's Articles are known as Trustees.

The following Trustees served during the financial year covered by these Accounts:

The Right Reverend A J Palmer
Mrs E M Palmer
Professor M Calisi
Mr A Di Giorgio
Mr S M Keiller
Ms. A Nuzzo
Mrs C M Rogers
DR. M J Rogers
The Most Reverend R L Wise

All Trustees retire from office at the annual general meeting

Trustee induction and training

The Charity Commission guides along with the Memorandum and Articles, and the latest financial statements are distributed to all new trustees

Governance and Management

The governance of the Charity is the responsibility of the Trustees. All policy and strategic decisions are taken collectively by the Trustees through meetings held at least quarterly and are responsible for the strategic direction of the charity

Risk Management

The risks are reviewed at least annually by the Trustees, and where appropriate, systems or procedures have been established to mitigate the risks the charity face

OBJECTIVES AND ACTIVITIES

The Charity's objects are to advance the Christian faith in accordance with the Statement of Beliefs appearing in the Schedule Statement of Faith, to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind, including through the provision of counselling and support, and to advance education in accordance with Christian principles by such means as the Trustees may consider appropriate including by means of establishing and operating any educational establishment or establishments in such parts of the United Kingdom or the World as the Trustees may from time to time think fit.

SUMMARY OF THE MAIN ACTIVITIES UNDERTAKEN FOR THE PUBLIC BENEFIT, INCLUDING ACHIEVEMENTS AND PERFORMANCE.

We review our aims, objectives and activities each year looking at what was achieved and the outcomes of our work. In carrying out these tasks, the trustees have had regard to the guidance issued by the Charity Commission on public benefit

Our ministry has been well received by the diverse congregations through the year and we believe that deep personal & spiritual transformation, the development of relationships within a dispersed community, honest reconciliation and the caring of orphans and others in need constitute a public benefit.

We established an international retreat centre in Italy to assist & encourage personal transformation, Interdenominational, and cross cultural exchange. Our aim is to facilitate the unity between Christian Denominations in the form of retreats for Church and Ministry leaders

Through our partnerships with others, we have helped build new homes, feed people where crops failed, purchase land for an orphanage to be built, supply care & medication to children infected with the HIV virus, and support the establishing of thousands of vegetable gardens to sustain communities in Africa. We have ministered healing and reconciliation to thousands, and have seen many come to faith in Jesus Christ.

FINANCIAL REVIEW

Against the backdrop of limited resources and insecurities over funding and with the aid of sound financial management the charity was able to contain its costs and operate within its means

The funds balance at the year-end totalled · £1,722

Principal funding sources

The principal funding sources are donations from the public

Investment policy

Almost all the charity's funds are spent in operating costs so there are at present no funds for long term investment. A new fund raising effort is planned for the next financial year and the investment policy will be reviewed according to the funds received.

Reserves policy

The Trustees have examined the charity's requirements for reserves in light of the main risks to the organisation. The strategy is to continue to build reserves

Restricted Funds

The charity has not received any monies with restrictions.

PLANS FOR FUTURE PERIODS

To continue to minister the word and the spirit of God to numerous people in various parts of the world within many different denominations. To maintain our support of the various orphan projects. To establish and develop an international inter-denominational Christian community.

RESPONSIBILITIES OF THE TRUSTEES

Company law requires the Trustees as Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the date of the Balance Sheet and of its incoming resources and application of resources, including income & expenditure, for the financial year.

In preparing these Financial Statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and

- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees as Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees

The members as Directors for the purpose of company law and Trustees for the purpose of charity law who served during the year and up to the date of this report are set out on page 4. All trustees give their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to the accounts.

AUDIT EXEMPTION

The Trustees as Directors have decided not to appoint auditors for this year. Under the provisions of the Act, the Trustees have appointed an Independent Examiner, whose report is shown on page 11 of the Financial Statements.

The Trustees as Directors have prepared this report in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the trustees on 13 June 2011

And signed on their behalf by:


A. J. Palmer
Trustee / Secretary

Date 08/06/2011

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES ON THE UNAUDITED FINANCIAL STATEMENTS OF THE ARK COMMUNITY

We report on the Financial Statements of the Charity for the year ended 31 January 2011, which are set out on pages 12 to 23

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the Financial Statements. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and we are qualified to undertake the examination by being a qualified member of The Association of Chartered Certified Accountants

Having satisfied ourselves that the charity is not subject to audit under company law and is eligible for independent examination, it is our responsibility to.

- examine the accounts under section 43 of the 1993 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

Our examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below

INDEPENDENT EXAMINER'S STATEMENT

In connection with our examination, no matter has come to our attention

1. which gives us reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006; and
 - which are consistent with the methods and principles of the Statement of Recommended Practice. Accounting and Reporting by Charities

have not been met, or

2. to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Colin Scull FCCA
B20 Limited
Chartered Certified Accountants
Charwell House
Wilsom Road
Alton
Hampshire
GU34 2PP

Date: 14 June 2011

STATEMENT OF FINANCIAL ACTIVITIES for THE ARK COMMUNITY**(company no: 06799824)****for the year ended 31 January 2011****(Incorporating an Income and Expenditure Account)**

		Unrestricted Funds	Restricted Funds	Total Funds	2010
INCOMING RESOURCES	Note	£	£	£	£
Incoming resources from generated funds					
Voluntary income	(4)	21,398	0	21,398	21,593
Bank Interest		2	0	2	15
TOTAL INCOMING RESOURCES		21,400	0	21,400	21,608
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	(5)	5,760	0	5,760	2,480
Charitable activities					
Charitable activities	(5)	17,753	0	17,753	14,699
Governance costs	(5)	300	0	300	294
TOTAL RESOURCES EXPENDED		23,813	0	23,813	17,473
Net income/expenditure for the year		(2,413)	0	(2,413)	4,135
Fund balances brought forward		4,135	0	4,135	0
Fund balances carried forward		1,722	0	1,722	4,135

The statement of financial activities includes all gains and losses in the year
All incoming resources and resources expended derive from continuing activities

There may be minor discrepancies in totals as pence are not being shown.

BALANCE SHEET for THE ARK COMMUNITY (Company No: 3003565) at 31 January 2011

	Notes	2011 £	2010 £
Fixed assets			
Tangible assets	(6)	1,602	1,802
		<u>1,602</u>	<u>1,802</u>
Current assets			
Debtors	(7)	287	431
Bank accounts		133	2196
		<u>420</u>	<u>2,627</u>
Current liabilities			
Creditors, - falling due within one year	(8)	300	294
Net Current Assets - Current Liabilities		120	2,333
Total Assets – Current Liabilities		1,722	4,135
Total Assets – Total Liabilities		<u>1,722</u>	<u>4,135</u>
Representing:-			
Unrestricted funds			
General		1,722	4,135
Restricted funds		0	0
		1,722	4,135

BALANCE SHEET for THE ARK COMMUNITY (Company No: 3003565) at 31 January 2011
Continued


For the year ending 31 January 2011 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 January 2011 in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

These Financial Statements were approved by the Trustees on 13 June 2011 and signed on their behalf by:


A J Palmer Trustee / Chairman
Date: 09/07/2011

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 January 2011**1. ACCOUNTING POLICIES**

The principal accounting policies adopted are summarised below and have been applied consistently throughout the year and in the preceding year

- **Basis of accounting**

The Financial Statements have been prepared under the historical cost convention and are in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE) and the Statement of Recommended Practice 'Accounting by Charities' ('the SORP') Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company

- **Funds accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity

Restricted funds are subjected to restricted on their expenditure imposed by the donor or through the terms of an appeal

- **Incoming resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

- Voluntary income is received by way of core grants, donations and gifts and is included in full in the statement of financial activities when receivable.
- Donated services and facilities are included in the value to the charity where this can be quantified. The services provided by volunteers have not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Subscriptions and uniform receipts are recorded on a receivable basis

- **Resources expended**

Resources expended for costs of generating funds, charitable activities and governance costs has been charged on an accruals basis

- **Depreciation**

Depreciation is provided to write off the cost of all fixed assets over their estimated useful lives at the following rates

Office equipment-	10% straight line
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NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 January 2011 continued**2. TAXATION**

In the opinion of the directors, since the company is a registered charity there is no Corporation Tax liability

3. NET MOVEMENT IN FUNDS AFTER CHARGING:

			2011	2010
			£	£
Reporting accountant			300	294

4. INCOMING RESOURCES

Voluntary income	Unrestricted Funds	Restricted Funds	2011	2010
			£	£
Donations	19,172	0	19,172	17,508
Gift aid	2,226	0	2,226	4,085
	21,398	0	21,398	21,593

5. RESOURCES EXPENDED

Costs of generating voluntary income	Unrestricted Funds	Restricted Funds	2011	2010
Secretarial services	5,760	0	5,760	2,480
	5,760	0	5,760	2,480
Charitable Activities				
Donations to Orphans RSA	7,254	0	7,254	7,787
Office costs	2,085	0	2,085	541
Travel costs	6,642	0	6,642	3,607
Motor costs	832	0	832	1,155
Communication costs	271	0	271	804
Post	94	0	94	52
Computer costs	148	0	148	215
Vestments & books	227	0	227	338
Depreciation	200	0	200	200
	17,753	0	17,753	14,699
Governance costs				
Accountancy fees	300	0	300	294
	300	0	300	294

6. FIXED ASSETS

	2011
	£
	Office
	Equipment
Cost:	2,002
	=====
Depreciation:	
Charge for the year	200
	=====
Net Book Value	1,602
	=====

7. Debtors

	2011	2010
Gift aid	287	431
	=====	=====

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Accruals	300	294
	=====	=====

9. TRUSTEES' EXPENSES

A total of £10,299 (2010. £6,712)was reimbursed to A J Palmer (Trustee) during the year These payments were for travelling, communication & office costs incurred in his ministry No Trustee received or is due to receive any remuneration for the year directly or indirectly from the Charity's funds

10. TRUSTEES & RELATED PARTIES

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year

11. ANALYSIS OF ASSETS AND LIABILITIES AT 31 January 2011

	General Funds	Designated Funds	Restricted Funds	Total
Fixed Assets				
Tangible Assets	1,602	0	0	1,602
Current Assets				
Debtors	287	0	0	287
Cash at Bank	133	0	0	133
Total Current Assets	420	0	0	420
Liabilities				
Accruals	300	0	0	300
Total Liabilities	300	0	0	300
Total	1,722	0	0	1,722

12. MEMBERS GUARANTEES

The company's liability is limited by members' guarantees of £10.