



Registered Charity No 1153054

Registered Company No 08379615

**One Ark Limited**  
**Annual Report and Financial Statements**  
**Year End 31<sup>st</sup> March 2017**

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## Company Information

<b>Registered Charity Number</b>	1153054
<b>Company registration number</b>	08379615
<b>Registered office</b>	Lakeview Kings Business Park Prescot Merseyside L34 1PJ
<b>Trustees</b>	J A Mallalieu from 26.04.2016 D Neilson H Haley to 26.04.2016 C Powell A Mohammed C Hogan from 01.01.2017
<b>Secretary</b>	A Harris
<b>Auditor</b>	Grant Thornton UK LLP Statutory Auditor Chartered Accountants 4 Hardman Square Spinningfields Manchester M3 3EB
<b>Bankers</b>	Barclays Bank plc 48b and 50 Lord Street Merseyside L2 1TD
<b>Solicitors</b>	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES

## Report of the Trustees

### The Board of Trustees

The governing body of the charity is the board of trustees, the members of which are the charity's Trustees and the company's directors as defined by the Companies Act 2006.

The Trustees present their annual report together with the financial statements for the year ended 31<sup>st</sup> March 2017. The financial statements comply with the Charities Act 2011, the Companies Act 2006 and Accounting 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 January 2015.

### Principal objectives

The role of One Ark within the First Ark Group is as its charitable investment arm. The prevailing economic conditions and ongoing welfare reform continue to have an impact on the First Ark Group's traditional core operating area of Knowsley, with the social housing sector significantly affected. Higher than average unemployment levels combine with low average pay to create an increasingly challenging environment for our communities.

One Ark's key objectives are focused on increasing local social and economic activity, creating resilient communities and generating opportunities for people to make inspiring changes to their life chances.

Through partnerships and alliances we generate investment to target community needs around employment and skills, wellbeing, financial and digital inclusion and the environment.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aims and objectives and in planning future activities.

### Activities, achievements and performance

During the year, One Ark set about delivering a number of programmes that met the One Ark priorities agreed by the Board, and which were in line with its charitable objectives. The Board utilises social impact methodology to ensure that value is being maximised in the programmes that are delivered for communities.

One Ark has invested £569,000 in projects and a further £139,000 in supporting the delivery of these projects. The charity has engaged with 1,156 people across the North West region. This engagement and support has generated a total of £9.371m in social value. For every £1 spent One Ark has generated a social value of £13.24

### Employment, capacity & skills

Our investment has supported 145 people into sustainable employment generating a social value of £1.934m and creating fiscal cost savings to the public of £0.897m.

As well as providing 19 apprenticeships at the First Ark group we have also invested in projects that have supported a further 114 young people who are NEET (Not in Employment, Education and Training) into apprenticeships or traineeships.

## Report of the trustees (continued)

Our investment has provided 38 opportunities for unemployed people to volunteer regularly in their community. We supported 684 people into accredited and employability training with a further 169 progressing into higher or further education.

Overall, our investment in training and education generated a social value of £1.241m.

### Sustainability and Growth

Our investments have meant that projects have been able to deliver digital and financial support to 326 people in our communities. Our Wi-Fi and IT development in community and residential centres provides internet access and, together with our project investment, enables local people and businesses to update their digital skills, generating a social value of £0.890m.

Our investment has supported 30 new businesses with start-up costs, advice and guidance, employment growth and ongoing support. This investment has generated 41 new employment opportunities.

### Health and Wellbeing

The projects that One Ark has invested in have supported 136 people with their health and wellbeing with 70% reporting and improvement in their overall health. Undertaking these activities also improves confidence levels and provides relief from stress and anxiety, thus generating a social value of £2.153m and estimated savings to the NHS of £0.235m

### **Financial Review**

The charity received £172,838 (2016: £144,672) in grant funding and donations during the year.

One Ark also received £ 500,000 (2016: £773,000) from Knowsley Housing Trust to assist with delivering KHT's charitable objectives and £99,316 (2016:£45,868) of income from other sources.

Expenditure of £708,526 (2016: £587,742) was incurred during the year in delivering a series of programme related investments and to support the effective running of the charity. Expenditure for the year includes an impairment charge of £75,000 (2016: £7,000) following an impairment review of the social investments held on the charity's balance sheet. An analysis of this expenditure is provided in note 6.

The deficit for the year amounted to £11,372 (2016: Surplus £375,798), of which £403,283 deficit relates to unrestricted funds and there was a surplus in the year of £391,911 in relation to restricted funds. The movements on restricted and unrestricted funds have been carried forward and added to the accumulated balances on the funds.

### **Investment Policy**

Most of the charity's funds are to be spent in the short term so there are few funds available for long term investment. Having considered the options available, management has decided to continue the policy of investing the small amount available into long term projects earmarked to make a return. An annual impairment review is undertaken each year to ensure the investments are fairly recorded on the balance sheet.

## Report of the trustees (continued)

The trustees, having regard to the liquidity requirements of the charity, have kept funds in an interest bearing deposit account in an attempt to maximise interest on cash balances wherever possible.

Invested funds generated interest income of £15,232 during the year (2016: £4,494).

### Reserves policy and going concern

#### Unrestricted reserves

One Ark aims to retain a minimum 5% of its annual turnover plus the cost of ongoing liabilities as free reserves at the end of each financial year, with 5% of turnover being held in cash at all times. The trustees believe that this level will provide sufficient funds to respond flexibly to applications for grants whilst ensuring all of the charity's running costs are covered.

Based on the financial results for the year ended 31<sup>st</sup> March 2017, the level of unrestricted funds not designated to projects ('free reserves') was £261k. 5% of the charity's turnover for the year is £39k and added to the ongoing liabilities as recorded on the balance sheet of £136k, generates a free reserves target of £175k.

Therefore, the trustees are satisfied that One Ark Limited achieved its objective of free reserves greater than 5% of annual turnover plus ongoing liabilities.

#### Treasury Policy

The trustees regularly review the charity's funding position and monitor cash flow to ensure sufficient funds are available to meet all charitable activities. One Ark Ltd has £0.937m in cash reserves at 31<sup>st</sup> March 2017 (2016: £0.938m) of which £0.797m is earmarked to be spent on specific projects in 2017/18.

#### Going Concern

One Ark has continued support from Knowsley Housing Trust for the coming year and the trustees remain satisfied that the charity's assets attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds.

#### Future developments

One Ark aims to increase its investments in 2017/18 by focussing on the following:

- Investing in and nurturing social enterprises to grow sustainably through Social Investment Funding;
- Collaborating with organisations and securing investments to deliver programmes that create life-changing opportunities for people in our communities

#### Directors and trustees

The membership of the Board of directors is shown on the company information page. All of the Trustees served throughout the year unless stated otherwise.

## Report of the trustees (continued)

### Structure, Governance and Management

#### Governing Document

The company is a registered charity, number 1153054 and a company limited by guarantee. The liability of the individual members in the event that the company is wound up is limited to a maximum of £1.

#### Appointment and training of trustees

The charity is administered by a Board of between 3 and 7 Trustees, who meet quarterly.

Trustees retire every 3 years and may be re-appointed. Appointment of trustees is determined by the membership. The Trustees contribute significantly to the charity's activities in addition to fulfilling their Trustee responsibilities.

Within the Board of Trustees there is a wide range of expertise and experience. The Trustees follow an induction programme to familiarise themselves with the charity and the role when they join the organisation and receive regular training.

#### Risk management

The Trustees continue to be aware of their responsibilities regarding risk management and meet regularly to profile risks, examining controls already in place and embedding new controls to mitigate significant risks.

Risk Management is a key element to making the charity successful in delivering its objectives whilst protecting the interests of our beneficiaries. Good risk management allows our beneficiaries to have increased confidence in the charity's corporate governance, and our ability to deliver the strategic objectives.

A range of business risk assessments and performance indicators, looking at both financial and non-financial measures that act as a barometer to the overall health of the charity, are reviewed regularly by the Executive Team and the Trustees.

The Risk Management Strategy is led from the top of the organisation and is embedded in the normal working routines and activities of the organisation. All employees are made aware of the relevance of risk to the achievement of their personal and team objectives, and training is made available to support employees in risk management.

The risk appetite is set by the First Ark Group Board, and this is regularly reviewed and assessed to reflect the prevailing political, social and economic climate.

#### Trustees' responsibilities for the financial statements

The Trustees (who are also directors of One Ark Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

## Report of the trustees (continued)

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United

Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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, 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.

The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

### Charity Commission

The Board confirms that we have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The Board confirms that One Ark does not undertake any public fundraising, and does not work with any third party commercial participators or professional fundraisers.

## Report of the trustees (continued)

### Acknowledgement

The Trustees acknowledge the continuing and significant contribution made by the charity's supporters, volunteers and funding providers without whom the valuable work of the charity could not continue.

### Auditors

A tender process to appoint external auditors will be undertaken in the autumn of 2017.

The accounts have been prepared in accordance with the 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).

The financial statements were approved by the Board of trustees and authorised for issue on 1 September 2017.



.....  
**John Mallalieu**  
Trustee

## Independent auditor's report to the members of One Ark Limited

We have audited the financial statements of One Ark Limited for the year ended 31 March 2017 which comprise the statement of financial activities, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on pages 6 -7, 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 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.

### Opinion 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## Independent auditor's report to the members of One Ark Limited (continued)

### Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Report of the Trustees.

### Matters on which we are required to report by exception

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

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

Joanne Love

**Senior Statutory Auditor**

for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants

**Manchester**

Date: 19<sup>th</sup> September 2017

## Statement of financial activities (including the income and expenditure account)

	Note	Unrestricted funds £	Restricted funds £	Total Funds 2017 £	Total Funds 2016 £
<b>INCOME</b>					
Donations and legacies	4	45,427	127,411	172,838	144,672
Charitable Activities	5	84,084	500,000	584,084	814,374
Investment income		15,227	5	15,232	4,494
<b>Total income</b>		<u>144,738</u>	<u>627,416</u>	<u>772,154</u>	<u>963,540</u>
<b>EXPENDITURE</b>					
Charitable Activities	6	333,541	235,505	569,046	378,471
Services		114,598		114,598	191,935
Governance costs		24,882		24,882	17,336
<b>Total expenditure</b>		<u>473,021</u>	<u>235,505</u>	<u>708,526</u>	<u>587,742</u>
Net gains/(losses) on investments	9	(75,000)		(75,000)	-
<b>Net income/(expenditure)</b>		<u>(403,283)</u>	<u>391,911</u>	<u>(11,372)</u>	<u>375,798</u>
Transfers between funds		(18,550)	18,550	-	-
<b>Net movement in funds</b>		<u>(421,833)</u>	<u>410,461</u>	<u>(11,372)</u>	<u>375,798</u>
<b>RECONCILIATION OF FUNDS</b>					
Funds at 31 March 2016		932,078	137,768	1,069,846	694,048
Funds at 31 March 2017	12	<u>510,245</u>	<u>548,229</u>	<u>1,058,474</u>	<u>1,069,846</u>

All income and expenditure derive from activities of the charitable company that are continuing.

There was no other comprehensive income arising in the current or prior year.

The notes at pages 13 to 24 form part of these accounts.

## Balance Sheet

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	8	754	1,934
Social investments	9	143,100	148,100
		<u>143,854</u>	<u>150,034</u>
<b>Current assets</b>			
Debtors	10	112,885	54,368
Cash at bank		937,406	938,091
		<u>1,050,291</u>	<u>992,459</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	11	(135,671)	(72,647)
		<u>914,620</u>	<u>919,812</u>
<b>Net current assets</b>		914,620	919,812
<b>Total assets less current liabilities</b>		<u><b>1,058,474</b></u>	<u><b>1,069,846</b></u>
<b>Funds of the charity</b>			
Unrestricted funds	12	510,245	932,078
Restricted funds	12	548,229	137,768
		<u><b>1,058,474</b></u>	<u><b>1,069,846</b></u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes at pages 13 to 24 form part of these accounts.

The financial statements were approved by the Board of trustees and authorised for issue on 1 September 2017.



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**John Mallalieu - Trustee**

Registered Company Number 08379615

## Notes to the Financial Statements

### 1 Company information

One Ark Limited is a charitable company limited by guarantee and is incorporated in the UK. Its registered office is Lakeview, Kings Business Park, Prescot, Merseyside, L34 1PJ.

The company's principal activity is to act as the charitable investment arm of the First Ark Group and the company's functional currency is sterling.

### 2 Principle accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### a. Basis of preparation

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

One Ark Limited meets the definition a public benefit entity as defined by FRS 102.

#### b. Preparation of the accounts on a going concern basis

The Trust reported a deficit of £11,372 for the year which when added to brought forward funds at 31<sup>st</sup> March 2016, results in closing reserves of £1.058m.

One Ark Limited has £0.937m in cash reserves at 31<sup>st</sup> March 2017 of which £0.797m is earmarked to be spent on specific projects in 2017/18. The trustees, together with the Executive team, have reviewed the sufficiency of the reserves and are of the view that they have secured the immediate future of the charity for the next 12 to 18 months and that on this basis the charity is a going concern.

#### c. Management judgements and estimation uncertainty

There are no material uncertainties about the charity's ability to continue as a going concern. The most significant area of uncertainty relates to the carrying value of investments held by the charity, and the anticipated level of investment return.

#### d. Cash flow

The trustees have taken advantage of the exemption in Financial Reporting Standard 102 from the requirement to prepare a cash flow statement on the grounds that its immediate parent undertaking includes the charitable company in its own published consolidated financial statements.

## Notes to the Financial Statements (continued)

**e. Income from Charitable Activities**

Incoming resources from charitable activity represents amounts receivable for carrying out projects and services. Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be reliably measured.

**f. Donations**

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

**g. Legacies**

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

**h. Grants**

Revenue grants are credited to the Income and Expenditure account when they are receivable provided conditions for receipt have been complied with.

**i. Fund accounting**

Restricted funds are to be used for specified purposes laid down by the donor or grant making body. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity. Designated funds are unrestricted funds which have been designated for specific purposes by the trustees.

**j. Expenditure**

All expenditure is accounted for on an accruals basis. Irrecoverable VAT is charged as a cost to the statement of financial activities.

Expenditure on charitable activities includes all associated external costs in delivering the charitable programme related projects.

## Notes to the Financial Statements (continued)

Support costs have been allocated between service costs and governance costs. Services are those functions that assist with the work of the charity but do not directly undertake charitable activities. Service costs include back office costs, finance, personnel and payroll costs which support delivery of projects. These costs are allocated to activities directly where applicable and internal staff costs are allocated to projects on a time cost basis.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include the statutory audit and legal fees.

**k. Tangible fixed assets and depreciation**

Depreciation is calculated using the straight line method and aims to write off the cost or valuation less estimated residual value of all tangible fixed assets over their expected useful economic lives. The rates and methods applicable are:

Fixtures and Fittings	25%	straight line
Computer Equipment	33%	straight line

**l. Operating lease agreements**

Leases where substantially all of the risks and rewards of ownership are not transferred to the charity are treated as operating leases. Rentals under operating leases are charged against profits on a straight line basis over the year of the lease.

**m. Social Investments**

Investments are included at cost less impairment on the balance sheet date. Investment income is reflected in the Statement of Financial Activities when receivable. Impairment is assessed by way of an annual review of the recoverability of the investments held on the balance sheet and provisions are made where required.

**n. Taxation**

Given that the primary purpose of the charitable company is charitable and the charitable company is not trading for profit, the charitable company is exempt from taxation.

**o. Pensions**

The charity participates in a defined contribution pension scheme. Obligations for contributions are recognised as an expense in the Statement of Financial Activities as due. Any difference between the amounts charged to the Statement of Financial Activities and contributions paid to the pension scheme are included in debtors or creditors on the Balance Sheet.

**p. Debtors**

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

## Notes to the Financial Statements (continued)

**q. Cash at bank**

Cash at bank 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.

**r. Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**s. Financial instruments**

The trust 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.

**3 Net income/ (expenditure) for the year**

	2017	2016
This is stated after charging:	£	£
Operating leases – buildings	32,400	32,400
Depreciation	1,180	1,199
Auditor’s remuneration: Audit fees	8,224	8,224

**4 Income from donations and legacies**

	2017	2016
	£	£
Grants	172,838	74,672
Gift Aid	-	70,000
	<u>172,838</u>	<u>144,672</u>

The income from donations and legacies was £172,838 (2016: £144,672) of which £127,411 (2016: £144,356) was restricted and £45,427 unrestricted (2016: £316).

The restricted funds are to be used for the set-up and ongoing costs of the First Ark Social Investment Fund, (£107,028) and the Dream High Enterprise project (£20,383).

## Notes to the Financial Statements (continued)

### 5 Income from charitable activities

	2017 Unrestricted	2017 Restricted	2017 Total	2016 Unrestricted	2016 Restricted	2016 Total
	£	£	£	£	£	£
Worklessness					16,712	16,712
Enterprise & Skills Hub				50,000		50,000
Apprentices				100,000		100,000
Vulnerable Young people				42,000		42,000
Infrastructure investment				50,000		50,000
Back On Track				16,247		16,247
Liverpool Cathedral project				10,990		10,990
One Zone				200,000		200,000
Employability				17,747		17,747
Impact & success				11,321		11,321
Social Levy	47,013		47,013	41,374		41,374
KHT Community Fund		500,000	500,000	195,810		195,810
Other	37,071		37,071	62,173		62,173
<b>Total</b>	<b>84,084</b>	<b>500,000</b>	<b>584,084</b>	<b>797,662</b>	<b>16,712</b>	<b>814,374</b>

## Notes to the Financial Statements (continued)

### 6 Analysis of expenditure

	2017 Unrestricted	2017 Restricted	2017 Total	2016 Unrestricted	2016 Restricted	2016 Total
	£	£	£	£	£	£
Charitable activity expenses	333,541	235,505	569,046	259,478	125,993	385,471
Wages & Salaries	907		907	30,195		30,195
Queens Dock establishment costs	49,015		49,015	135,638		135,638
Governance	9,438		9,438			
Recruitment	8,146		8,146			
Printing, postage & stationery				235		235
Marketing & advertising				851		851
Insurance	5,546		5,546	1,961		1,961
Accountancy Fees	15,444		15,444	10,686		10,686
Professional fees	34,147		34,147	10,569		10,569
Legal Fees	(957)		(957)	4,799		4,799
Subscriptions				3,092		3,092
Training	1,583		1,583			
Sundry Expenses	13,709		13,709	2,797		2,797
Bank Charges				195		195
Depreciation	1,180		1,180	1,199		1,199
Bad Debt Write off	1,322		1,322	54		54
<b>Total</b>	<b>473,021</b>	<b>235,505</b>	<b>708,526</b>	<b>461,749</b>	<b>125,993</b>	<b>587,742</b>

The audit and legal fees represent costs incurred by the charity in complying with its statutory obligations.

## Notes to the Financial Statements (continued)

### 7 Trustees, employees and key management personnel

Staff costs during the year were as follows:	2017	2016
	£	£
Wages and salaries	146,054	141,608
Social security costs	14,514	11,698
Other pension costs	-	851
	<u>160,568</u>	<u>154,157</u>

Staff costs are included within charitable activity expenses and wages and salaries costs within note 6.

There was remuneration paid to trustees during the year of £7,637 (2016: £4,057).

	2017	2016
	£	£
J Mallalieu	4,660	-
D Neilson	1,082	2,731
C Powell	810	442
A Mohammad	882	442
C Hogan	203	-
H Hayley	-	442
	<u>7,637</u>	<u>4,057</u>

Board members are paid for their primary role, and so receive no remuneration for additional board roles within the First Ark Group

Expenses of £1,173 (2016: £185) were reimbursed to trustees during the year for travel expenses.

No employees received emoluments over £60k in the financial year (2016: nil).

The key management personnel of One Ark Limited comprised the Group Director of Enterprise and Investment. The role was not occupied during 2017. Therefore, employee benefits for key management personnel amounted to £: nil (2016: £19,457).

The average number of full time equivalent employees who served during the year was as follows:

Staff Numbers:	2017	2016
Average number of employee based on headcount	5	6
Estimated number of full time equivalent employees (including part time and casual staff)	5	6

## Notes to the Financial Statements (continued)

### 8. Tangible Fixed Assets

	Computer Equipment £	Fixtures & Fittings £	Total £
<b>Cost</b>			
At 1 April 2016	2,292	1,751	4,043
Additions	0	0	0
At 31 March 2017	<u>2,292</u>	<u>1,751</u>	<u>4,043</u>
<b>Depreciation</b>			
At 1 April 2016	1,549	560	2,109
Charge in year	743	437	1,180
At 31 March 2017	<u>2,292</u>	<u>997</u>	<u>3,289</u>
<b>Net book value</b>			
31 March 2016	<u>743</u>	<u>1,191</u>	<u>1,934</u>
<b>31 March 2017</b>	<u>0</u>	<u>754</u>	<u>754</u>

### 9 Social Investments

	Programme Related Investments £	Mixed purpose Investments £	Total £
<b>Cost</b>			
At 1 April 2016	35,000	120,100	155,100
Investments made	0	105,000	105,000
Repayments received		(35,000)	(35,000)
At 31 March 2017	<u>35,000</u>	<u>190,100</u>	<u>225,100</u>
<b>Impairment provision</b>			
At 1 April 2016	7,000	-	7,000
Movement in the year	-	75,000	75,000
At 31 March 2017	<u>7,000</u>	<u>75,000</u>	<u>82,000</u>
<b>Net book value</b>			
31 March 2016	<u>28,000</u>	<u>120,100</u>	<u>148,100</u>
<b>31 March 2017</b>	<u>28,000</u>	<u>115,100</u>	<u>143,100</u>

## Notes to the Financial Statements (continued)

### 10 Debtors

	2017	2016
	£	£
Trade debtors	22,257	49,841
VAT	506	75
Prepayments & Accrued Income	28,237	4,252
Other debtors	-	200
Amounts owed by group undertakings	61,885	-
	<b>112,885</b>	<b>54,368</b>

All debtors are due within one year

### 11 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	235	16,682
Accruals and sundry creditors	25,547	32,566
Social security and other taxes	6,599	3,079
Amounts owed to group undertakings	103,290	20,320
	<b>135,671</b>	<b>72,647</b>

### 12 Funds

	Unrestricted	Unrestricted designated	Restricted	Total
	£	£	£	£
Balance at 1 April 2016	147,078	785,000	137,768	1,069,846
Incoming resources	144,738		627,416	772,154
Resources expended	(304,943)	(243,078)	(235,505)	(783,526)
Transfers between funds	274,347	(292,897)	18,550	-
Balance at 31 March 2017	<b>261,220</b>	<b>249,025</b>	<b>548,229</b>	<b>1,058,474</b>

Unrestricted funds represent 'free reserves' after allowing for all designated funds.

The Board have approved a programme of planned activity for 2017/18 and funds of £249,025 have been designated to these projects based on an assessment of the activities costs. The programmes need to go through One Ark's process of due diligence assessment and any programme that fails to meet our assessments will be brought back to the Board for the assessment outcome to be communicated. The monies designated will return into unrestricted resources to be expended.

Restricted funds of £548,229 can be analysed as follows:

## Notes to the Financial Statements (continued)

### 12 Funds (continued)

	SIFI Costs £	KHT Community Funding £	Film Project £	Horticultural Gardening Project £	Dream High Enterprise Fund £	Nurture & Grow Project £	2017 £	2016 £
Balance at 1 April 2016	70,000	-	3,412	7,000	-	57,356	137,768	102,693
Income receivable during the year	107,033	500,000			20,383		627,416	161,068
Expenditure in the year	(135,805)	-	(7,967)		(34,377)	(57,356)	(235,505)	(125,993)
Transfer between funds			4,555		13,995		18,550	-
<b>Balance at 31 March 2017</b>	<b>41,228</b>	<b>500,000</b>	<b>1</b>	<b>-</b>			<b>548,229</b>	<b>137,768</b>

## Notes to the Financial Statements (continued)

### 13 Analysis of net assets between funds

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Fixed assets	143,854		143,854	150,034
Current assets	502,062	548,229	1,050,291	992,459
Current liabilities	(135,671)		(135,671)	(72,647)
	<u>510,245</u>	<u>548,229</u>	<u>1,058,474</u>	<u>1,069,846</u>

### 14 Related Party Transactions

Trustee remuneration and expenses reimbursed during the year are disclosed in note 6 of the financial statements. No person with a family or business connection with a trustee received remuneration in the year or the prior period, directly or indirectly, from either the charity or an institution or company controlled by the charity.

#### Knowsley Housing Trust

Knowsley Housing Trust is a fellow subsidiary of First Ark Limited.

One Ark's income includes £ 500,000 for the provision of charitable services on behalf of Knowsley Housing Trust (2016: £773,000).

One Ark provided Knowsley Housing Trust with facilities management services of £ NIL (2016: £13,857) during the year.

#### Vivark Limited

Vivark Limited is a fellow subsidiary of First Ark Limited

One Ark's income includes a donation of £ 45,247 from Vivark Ltd (2016: £13,857).

#### First Ark Limited

First Ark Limited is the ultimate parent undertaking of the charitable company.

One Ark provided First Ark Limited with facilities management services of £41,571 (2016: £13,857) during the year.

One Ark's expenses include £115,766 for the provision of corporate services by First Ark Ltd (2016: £85,932).

No gift aided income was received from First Ark Limited during the year (2016: £70,000).

## Notes to the Financial Statements (continued)

### Intercompany debtors and creditors

As at 31 March 2016, there were intercompany balances owed by One Ark Limited of £ 103,291 to First Ark Limited (2016: £436,881 debtor), and amounts owing from Vivark Limited of £43,329 (2016: £4,845 creditor) and Knowsley Housing Trust of £18,557 (2016: £1,538 creditor).

### 15 Taxation

The company has been granted charitable status and is exempt from corporation tax on its charitable activities.

### 16 Capital commitments

There were no capital commitments at 31 March 2017 (2016: nil).

### 17 Leasing commitments

Operating lease commitments, future minimum lease payments are as follows:

	2017	2016
	£'000	£'000
Land & buildings		
In one year or less	30	32
Between one and five years		30
In five years or more		-
	<u>30</u>	<u>62</u>

### 18 Contingent liabilities

There were no contingent liabilities at 31 March 2017 (2016: nil).

### 19 Ultimate parent undertaking and controlling party

The trustees consider that the parent undertaking and controlling party of the charitable company is First Ark Limited, a company limited by guarantee and registered in England and Wales. The company registration number is 079295935. The parent organisation oversees the strategy and direction of the group and provides corporate services that demonstrate value for money for the whole group.

The consolidated accounts are available from Lakeview Kings Business Park, Prescot, L34 1PJ.

### 20 Legal Status

One Ark is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.