



Company Registration No. 1055041
Charity Registration Nos. 264166 & SC038493

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COMPANIES HOUSE

**Annual Report and
Financial Statements
for the year ended
31st July 2009**

L'ARCHE COMMUNITIES IN THE UK

Figures show the number of people with learning disabilities receiving a service from L'Arche as at 31 July 2009 which are not necessarily those at the time of publishing this report

Kent

Little Ewell, Barfreestone, Dover, Kent CT15 7JJ

Tel: 01304 830930 Fax: 01304 832393 Email: kent@larche.org.uk

People with learning disabilities - 21 + 4 day provision only

Community Houses - 4, House of Rest and Prayer - 1, Day Provision Centres - 2

Inverness

13 Drummond Crescent, Inverness, IV2 4QR

Tel: 01463 239615 Fax: 01463 711089 Email: inverness@larche.org.uk

People with learning disabilities - 20 + 27 day provision only

Community Houses - 5, House of Rest and Prayer - 1, Day Provision Centres - 1

Liverpool

The Ark, Lockerby Road, Liverpool L7 0HG

Tel: 0151 260 0422 Fax: 0151 263 2260 Email: liverpool@larche.org.uk

People with learning disabilities - 20 + 12 day provision only

Community Houses - 7, House of Rest and Prayer - 1, Day Provision Projects - 7

Lambeth

15 Norwood High Street, London SE27 9JU

Tel: 020 8670 6714 Fax: 020 8670 0818 Email: lambeth@larche.org.uk

People with learning disabilities - 25 + 3 day provision only

Community Houses - 8, House of Prayer - 1, Day Provision Centres - 4

Bognor Regis

51 Aldwick Road, Bognor Regis, West Sussex, PO21 2NJ

Tel: 01243 863426 Fax: 01243 840383 Email: bognor@larche.org.uk

People with learning disabilities - 16 + 7 day provision only

Community Houses - 4, Day Provision Centres - 3

Brecon

99 The Struet, Brecon, Powys LD3 7LS

Tel: 01874 624483 Fax: 01874 610046 Email: brecon@larche.org.uk

People with learning disabilities - 3

Community Houses - 1

Edinburgh

132 Constitution Street, Leith, Edinburgh EH6 6AJ

Tel: 0131 553 3478 Fax: 0131 554 3236 Email: edinburgh@larche.org.uk

People with learning disabilities - 8

Community Houses - 3, House of Rest and Prayer - 1

Preston

3 Moor Park Avenue, Preston PR1 6AS

Tel: 01772 251113 Fax: 01772 251116 Email: preston@larche.org.uk

People with learning disabilities - 6

Community Houses - 1

Ipswich

3 Warrington Road, Ipswich, IP1 3QU

Tel: 01473 216362 Fax: 01473 216409 Email: ipswich@larche.org.uk

People with learning disabilities - 6

Community Houses - 1



IDENTITY STATEMENT

We are people with and without learning disabilities,
sharing life in Communities belonging to an International
Federation.

Mutual relationships and trust in God are at the heart of our
journey together

We celebrate the unique value of every person and
recognise our need of one another

MISSION STATEMENT

We will nurture Communities of faith in which mutually
transforming relationships can flourish

We will promote the gifts of people with learning
disabilities and enable them to take a full part in L'Arche
and society

We will be open and outward looking, actively engaged
with those around us and responsive to changing needs and
circumstances.

Identity and Mission Statements adopted at the UK Assembly, London, 12th May 2007



As at the Annual General Meeting, 13th March 2010

NATIONAL BOARD

Kathleen O'Gorman (*Chair*)
Catherine Baines (*Vice-Chair*)
Peter Whalley (*Treasurer*)
Diane Reid
David Race

Ex-Officio Local Committee Chairs

Sarah Taylor (*Kent*)
Stephen Pennington (*Inverness*)
Simon Holleron (*Liverpool*)
Mark Hudson (*Lambeth*)
Roy Pickett (*Bognor Regis*)
Jeffrey Morris (*Brecon*)
Jim McEvoy (*Edinburgh*)
Judith Chaloner (*Preston*)
Alex Scott-Barrett (*Ipswich*)
Deirdre Blagbrough (*Glasgow*)
Ruth Thompson (*Manchester*)

UK MANAGEMENT

National Co-ordinating Team

John Sargent (*National Co-ordinator and Company Secretary*)
Heather Coogan (*Regional Co-ordinator - Scotland*)
Anthony Kramers (*Regional Co-ordinator - North England & Wales*)
Louise Carter (*Regional Co-ordinator - South England*)
Debbie Walker (*Finance Co-ordinator*),
Brian Kelly (*Service Provision Co-ordinator*)

Community Leaders

Eddie Gilmore (*Kent*)
Angie Adamson (*Inverness*)
Phil Montanjees (*Liverpool*)
Vivienne Frankish (*Lambeth*)
Christopher Bemrose (*Bognor Regis*)
Kate Gidley (*Brecon*)
John Redwood (*Edinburgh*)
Maggy Cooper (*Preston*)
Anne Marie Roszczyk (*Ipswich*)



Annual Report and Financial Statements
for the year ended 31st July 2009

A company limited by guarantee
Registered in England & Wales, No 1055041
Registered Charity Nos 264166 and SC038493
Registered Office
10 Briggate, Silsden, Keighley, West Yorkshire BD20 9JT
Tel 01535 656186 Fax 01535 656426
Email info@larche.org.uk
Website www.larche.org.uk

AUDITORS

Baker Tilly UK Audit LLP, 2 Whitehall Quay, Leeds, West Yorkshire LS1 4HG

BANKERS

National Westminster Bank plc, 63 North Street, Keighley, West Yorkshire BD21 3SB
Royal Bank of Scotland plc, PO Box 5663, 1st Floor, Affric House, Beechwood Park, Inverness IV2 3YR

LEGAL ADVISORS

Wrigleys Solicitors, 19 Cookridge Street, Leeds LS2 3A

L'ARCHE – 37th ANNUAL REPORT OF THE COMMITTEE

The National Board of L'Arche has pleasure in presenting its thirty seventh report and the financial statements for the year ended 31st July 2009

AIMS AND OBJECTIVES

L'Arche in the UK is a member of the International Federation of L'Arche Communities where people with and without learning disabilities share life together, living and working as an intentional community rather than as clients and staff. The Identity and Mission Statements and the Charter of the Federation set out the guiding principles behind L'Arche's approach to support and care emphasising the importance of mutual relationships and the value of the spiritual dimension in encouraging the holistic growth, development and citizenship of all Community members

- We are people with and without learning disabilities, sharing life in communities belonging to an International Federation
- Mutual relationships and trust in God are at the heart of our journey together
- We celebrate the unique value of every person and recognise our need of one another

L'Arche was incorporated in the UK as a company limited by guarantee on 18th May 1972. It was registered as a charity in England and Wales on 24th July 1972, and in Scotland on 26th July 2007

Its governing documents, the Memorandum and Articles of Association, define its principal objects which can be summarised as providing support and training for people with learning disabilities by opening and running Community networks, homes and work opportunities, thereby fostering personal development and citizenship

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

All members with learning disabilities receiving a service are supported through person-centred support plans which are regularly reviewed to achieve their desired goals, develop their potential and take positive risks, while respecting the different rhythm of each person. Some are supported to live a more independent lifestyle, those who are ageing are assisted with more intensive support, showing how even loss or diminishment can still be a source of new life for the whole group

Within this overarching objective of supporting adults with learning disabilities through support, housing and work opportunities, **L'Arche's objectives** (its mission) are

- To nurture Communities of faith in which mutually transforming relationships can flourish
- To promote the gifts of people with learning disabilities and enable them to take a full part in L'Arche and society
- To be open and outward looking, actively engaged with those around us and responsive to changing needs and circumstances

Our medium term priorities for achieving these objectives are:

- **Participation** Ensuring that people with learning disabilities have the opportunity to participate as fully as possible in decision making structures within L'Arche and in their wider community,
- **Community living** Supporting all members to live healthy, creative and sustainable lives in faith based Communities,
- **Growth** Supporting Communities to develop new models and to respond to the changing needs and choices of Community members. Supporting new groups to found L'Arche Communities,
- **Announcing** Promoting the gifts of people with learning disabilities and announcing the vision of L'Arche to key audiences,
- **Structures** Ensuring that our UK structures support the mission

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Objectives For The Coming Year

- Supporting the national speaking group to enable members with learning disabilities to participate effectively in decision making
- Supporting communities in developing new models of community living and service provision
- Supporting the Glasgow and Manchester projects in setting up their founding communities
- Continuing the implementation of the structures review, appointing a Service Provision Co-ordinator and developing the work of the new subcommittees of the trustee board

PUBLIC BENEFIT

L'Arche has referred to the Charity Commission's guidance on public benefit when reviewing our aims, objectives and activities and the Charity's Trustees, have complied with the duty in s 4 of the Charities Act 2006 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act. L'Arche works closely with Local Authority Social Service departments to identify individuals with a learning disability who would like to choose to join L'Arche and who could benefit from L'Arche's service within the limits of Local Authority funding available. L'Arche welcomes adults with a learning disability irrespective of their faith, race, gender, age or sexual orientation. As outlined below, L'Arche's activities have provided a benefit to the 178 individuals with learning disabilities who receive a service as well as to their families and friends. L'Arche also responds to the desire of some people with learning disabilities whose support is commissioned from elsewhere to take part in specific aspects of community life, on an individually-agreed basis. A growing number of people (56) is involved in this way.

In addition to this specific benefit to individuals and their family and friends, L'Arche's objectives and activities offer a general benefit to the wider society by encouraging and supporting the valued citizenship of each person.

Activities in Scotland

The Scottish region of L'Arche comprises the Communities of Inverness and Edinburgh along with the project in Glasgow. Between them they support 55 people with learning disabilities, employ 58 people and involve 45 volunteers.

The Edinburgh Community has re-established its Speaking Group to facilitate people with learning disabilities to contribute to the decision making process within the Community. Both Edinburgh and Inverness have contributed to the National Speaking Group by sending delegates.

A long standing member of the Edinburgh Community has been supported to achieve his dream of having his own flat whilst remaining a part of the Community. Another member now lives in a nursing home and the Community maintains his friendships and participation through regular visits. Flexible supports for daytime activities are offered to members as their needs change.

The Inverness Community has appointed a new leadership team and continues to offer work opportunities to 27 people who live locally in addition to those who live in the Community. Two people are supported in their own flats.

The project in Glasgow, in partnership with Wellington Church, is exploring the establishment of a cafe which will offer training and employment to people with disabilities and serve as a friendship hub. They have appointed a part-time development worker and have made application to Glasgow City Council for inclusion on their list of service providers.

Activities in North England and Wales

The North England and Wales region of L'Arche comprises the Communities of Liverpool, Preston and Brecon along with the project in Manchester. Between them they support 41 people with learning disabilities, employ 113 people and involve 46 volunteers.

The Liverpool Community, working in partnership with a housing association, established a new group of 4 flats to enable members of the Community to live a more independent style of life while benefiting from the established Community network of friendships. This project formally opened after the year end. A major challenge during the year was the re-tendering process for all supported living services across the city of Liverpool. After the year end, the Liverpool Community heard that they had successfully secured a contract to provide a supported living service to

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Community members The Liverpool Community also set up a Community Interest Company, The Ark at L'Arche, in order to develop a social enterprise which will take forward their work and training opportunities

The Preston Community continued to explore options to expand and the Brecon Community prepared to welcome a new person All three Communities participated in the National Speaking Group and the Liverpool Community supported the group by providing the facilitator The Preston Community supported all the Communities across the UK in securing City & Guilds accreditation for Learning Disability Qualification induction training Both Preston and Liverpool achieved the Investors in People Award with excellent reports The Manchester project employed a part time development worker and secured office space They continued to work closely with both local authorities and local housing associations

A successful Regional Gathering was held in Manchester which brought together L'Arche members from Brecon, Preston, Liverpool and Manchester and strengthened links with a number of other groups in Wales and Yorkshire

Activities in South England

The South England region of L'Arche comprises the Communities of Kent, Lambeth, Bognor Regis and Ipswich Between them they support 82 people with learning disabilities, employ 167 people and involve 67 volunteers

The Kent Community has continued a programme of building ground floor accessible facilities for members whose needs are changing Kent supported another member to move into their own supported flat, bringing the total number to three The Lambeth Community continued to support three people living independently The Community has lived through a number of deaths in the last few years and this has presented a challenge in welcoming new members

Bognor opened their new community meeting room, the Sycamore, during the year and established a retirement project The Community began to explore how to respond to a number of requests from people who would like to join the Community and receive a supported living service The Ipswich Community welcomed a sixth member to complete the first household

All four Communities participated in the National Speaking Group The Chair of the National Speaking Group is a member of the Lambeth Community and attended the International Federation of L'Arche meeting in India in October 2008, sharing his experience and inspiring delegates from around the world The regular Lambeth Community organised dance venue, "Boogie Nights", continued to attract large numbers of people with learning disabilities not otherwise associated with L'Arche

National Team Activities

The third and final Regional Co-ordinator, for the South England Region, was appointed towards the end of the calendar year A temporary policy development officer was appointed to support the Communities in the review and development of care and support policies Changes were agreed to better focus the work of the National Board of trustees on the mission of L'Arche through the establishment of four sub-committees covering the areas of service provision, human resources, communications and finance A strategy for the development of fundraising and a new website was worked on and contact was continued with groups in Nottingham, North Wales, Yorkshire and Durham who would like to see L'Arche Communities established there There are increasing signs of interest across informal and professional networks in a vision of service provision which embeds it within the creation of a community of mutual relationships that is fully part of its local neighbourhoods

A number of national groups continued to enable additional support of local post holders and the deepening and sharing of good practice across all L'Arche Communities The National Speaking Group met three times and brought together a member with a disability from each community to develop a shared voice within the structures of L'Arche The Group was attended by the National Co-ordinator and sent reports to the National Board The Regional Council brought the Community Leaders together four times in the year, while the Good Practice Forum and the Pastoral Ecumenical Committee met twice to focus on the service provision and pastoral aspects of L'Arche's mission

Significant extra support was offered to the Communities of Liverpool and Lambeth and the projects in Manchester and Glasgow as they each went through tendering and Local Authority application processes during the year

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KEY PERFORMANCE INDICATORS

The following key performance indicators are included in the measures L'Arche uses to gauge its success in achieving its stated objectives,

- **Number of people with learning disabilities receiving a service from L'Arche** 2009 178 (2008 176)
- **Monitoring outcomes with the people L'Arche supports:** Great emphasis is put on the level of satisfaction expressed by individuals concerning their lives and the outcomes of their support from L'Arche. Regular reviews take place with each person, and feedback is taken from others involved in their lives as family and friends. Communities build a culture in which informal comment, critique, compliment or complaint is encouraged. Barriers to this are identified and addressed, eg to strengthen accessibility, the understanding of how to give a comment, change something, or use a formal complaint process.
- **Inspection reports** L'Arche is a registered provider of support and care services and works closely with the regulatory authorities in Scotland, England and Wales to ensure its services meet the required national standards. For the 24 regulated services, reports during the year continued to show evidence of the standards being met and in most cases exceeded. These reports are in the public domain and can be found on the respective regulators' websites. We recognise the challenge of limited resources and of ensuring the quality of the holistic supports provided continue to be of the highest quality and we therefore continue to work with local Communities to support them in achieving the highest possible standards.
- **Ratio of people with learning disabilities to full-time equivalent employees** This gives an indication of the level of support provided by assistants and other employees. 2009 1 to 1.8 (2008 1 to 1.8)
- **Training costs as a proportion of staff costs** – this monitors the investment in our employees' induction, professional training and personal development to ensure they continue to be adequately equipped for the high standards of support and personal care required of them. 2009 4.77% (2008 4.72%)
- **Average cost of support per member with learning disabilities** – this is calculated as the full cost, including overheads, of providing members' support and care at home and day provision costs. Costs will be higher for members with more profound or multiple disabilities. 2009 £46,776 (2008 £45,393)
- **Number of donors** – this gives a measure of the level of financial support and the success of our outreach activities in attracting new funds from individuals, organisations and trusts. The reduction in donor numbers reflects the larger number of sponsored events held during 2008. 2009 1,734 (2008 2,385)

OVERSEAS DEVELOPMENT FUND

The **Overseas Development Fund (ODF)** was set up in the UK in 1991 by L'Arche International with the cooperation of L'Arche UK. Through fundraising initiatives, it aims to support some of the 17 Communities in developing countries, where little or no government funding is available.

The income and expenditure relating to ODF activities is included in L'Arche UK accounts. Funds remaining to be distributed are kept separately from those generated by L'Arche UK's main activities.

The priority for the ODF during the year was to support the L'Arche Communities in Uganda and Zimbabwe in their efforts to fund their ongoing revenue costs. ODF was successful in managing to meet in full the request for help put to it by the Africa Zone, transferring £45,000 to L'Arche Uganda and £48,000 to L'Arche Zimbabwe. Sincere thanks are due to donors who continued to support the revenue costs of these two Communities despite the economic downturn. Donations through ODF also ensured that the new second house in L'Arche Uganda could be extended, adapted and improved. The largest single gift came from an anonymous private donor who gave £10,000 to complete the purchase of a new school bus for L'Arche Zimbabwe.

ODF was asked by the Directors of the St. Martins CSA in Nyahururu, Kenya, to help raise the funds needed to complete the start-up phase of the new L'Arche project in Kenya, and work was begun for this purpose.

Money was also raised for the Communities in Poland and India. Work began on major new developments in Wroclaw and Kolkata, in each case with initial funding provided by private individual givers through ODF.

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GOVERNANCE

L'Arche in the UK is governed by a National (UK) Board, the members of which are Directors of the Company with trustee responsibilities. The full board meets three times a year.

Recruitment of new National Board members results from a regular review of the necessary mix of skills and experience required for governance. Vacancies are advertised in national and local publications as well as through professional agencies and other networks. Potential candidates are appointed after a process of interviews, references and other checks.

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

Those who served during the year to 31st July 2009 were

Kathleen O'Gorman (*Chair*)

Catherine Baines (*Vice-Chair*)

Peter Whalley (*Treasurer*)

David Race

Diane Reid

*Sarah Taylor (*Kent*)

*Stephen Pennington (*Inverness*)

*Simon Holleron (*Liverpool*)

*Mark Hudson (*Lambeth – appointed Feb 2009*)

*Margaret Ecclestone (*Lambeth – resigned Sept 2008*)

*Roy Pickett (*Bognor Regis*)

*Jeffrey Morris (*Brecon*)

*Jim McEvoy (*Edinburgh -- appointed Feb 2009*)

*Robin Watt (*Edinburgh – resigned December 2008*)

*Judith Chaloner (*Preston*)

*Alex Scott-Barrett (*Ipswich*)

*Deirdre Blagbrough (*Glasgow*)

*Ruth Thompson (*Manchester*)

* *Ex-officio Directors & Local Committee Chairs*

The National Board appoints four Subcommittees to exercise governance responsibilities in the areas of Service & Community, Human Resources, Finance & Audit and Communication & Fundraising. Each Subcommittee comprises two trustees (one of whom Chairs the Subcommittee) along with a number of employed members. Each Subcommittee meets at least three times yearly and reports to the full Board.

The National Board delegates specified powers to Local Committees which meet on average eight times a year to exercise governance in relation to their respective Communities.

Members of the UK Co-ordinating Team attend all National Board and Subcommittee meetings, and occasional Local Committee meetings.

The Local Constitution of L'Arche defines the powers delegated to a Local Committee through its Chair who is an *ex-officio* member of the National Board, and through whom trustee responsibilities are monitored and discharged. Each Local Committee Treasurer, guided by the National Treasurer, oversees all financial and accounting matters relating to the respective Community. All trustee members of the National Board, Subcommittees and Local Committees serve in a voluntary capacity.

MANAGEMENT

The National Co-ordinator is appointed by the National Board and reports to the Trustees through the National Chair, and to the Federation of L'Arche through an employed international leader, presently the Zone Co-ordinator for Northern Europe. As head of the executive UK management structure, the National Co-ordinator is responsible for supervising the three Regional Co-ordinators, serving Scotland, North England and Wales, and South England respectively, and the small team of National Officers.

All members of the UK Co-ordinating Team are permanent employees. Day-to-day management of each Community is delegated by their respective Local Committee to the Community Leader who is supported by Community Co-ordinators, typically responsible for Houses, Work, Assistants, Finance and Administration, and each House and Work Project. In team meetings in the houses and the work services, and in the Community Council, all Community members have an equal voice. Authority is exercised where required, but there is considerable emphasis on consensus.

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Members with learning disabilities are encouraged and enabled to play an active part in their weekly house and workshop meetings and to influence decisions affecting their Community and personal lives

Members of the L'Arche UK Co-ordinating Team are accountable to the National Board through the National Co-ordinator. Regional Co-ordinators are responsible for supporting the Communities, supervising Community Leaders and ensuring the Communities discern their local mission priorities, while living faithfully to L'Arche's Identity and Mission and being compliant with statutory requirements. Each Regional Co-ordinator also takes a national lead in one of three areas - human resources (supporting recruitment, employment, training and human development in the Communities), community and faith life, and communications and fundraising. The Service Provision Co-ordinator provides support to the Communities in the development of service provision and policy. The National Finance Co-ordinator and administrative team, based at the registered office, are accountable to the National Board through the National Co-ordinator for financial, administrative and legal matters, and provide policy advice and support across the organisation to the National Board, Subcommittees, Local Committees and the Communities.

MEMBERSHIP OF PROFESSIONAL AND CHURCH ORGANISATIONS

L'Arche is a founder member of the Association for Real Change, a member of the British Institute of Learning Disabilities, a member of Community Care Providers Scotland and a member of the National Council for Voluntary Organisations. It is also an associate member of Churches Together in England.

EMPLOYMENT OF DISABLED PERSONS

Life sharing with disabled people may involve Assistants in providing both predictable and unpredictable physical and emotional support for disabled people. L'Arche welcomes and supports Assistants and other staff who are themselves disabled, and seeks to adjust rhythms and demands for those who become disabled. A number of Assistants and staff have declared themselves disabled. 2009/8 (2008/3), as have 3 volunteers.

RISK MANAGEMENT

L'Arche has examined the principal areas of its operations and undertaken a comprehensive assessment of the major areas of risk facing the organisation, including those relating to governance, management, operations, health & safety, finances, and external compliance. In the opinion of National Board members, who carry trustee responsibility, the resources and monitoring systems set in place allow the risks identified to be managed to an acceptable level in its day-to-day operations.

Within the overall risk assessment, the following risks have been assessed as being those most likely to affect L'Arche's long term performance:

- **Underfunding of services.**

Growing pressure on local authority budgets inevitably leads to below inflationary annual increases. Also changing needs of people with learning disabilities due to illness and ageing are resulting in additional costs being incurred.

Actions taken to mitigate risk include

- On-going negotiations with local authorities to maintain revenue income
- Early identification of changing individual needs and close liaison with local agencies leading to prompt recognition of increased funding requirements
- Development of costing model to enable Communities to negotiate with confidence with local authorities

- **Changing support models and funding models**

The *Valuing People Now* strategy in England, *Statement on Policy & Practice for Adults with a Learning Disability* in Wales and *Same as You* in Scotland change the traditional support model and the proposed introduction of individualised budgets.

Actions taken to mitigate risk include

- Diversify models of support based on wishes and needs of people with learning disabilities
- Development of new costing models to support diversification

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- **Tendering of existing services.**

Tendering of existing services presents the communities with both the risk of losing their contracts but also the opportunity to offer L'Arche's unique model of service to a wider number of individuals

Actions taken to mitigate risk

- Monitoring and reviewing of cost base to ensure quality of service can be maintained
- Development of costing model to ensure viability of tender bid
- Use of national resources to support communities in tender process

RESERVES POLICY

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

The General Fund is held primarily to protect against interruptions to our main income flow and to sustain working cash balances to cover fluctuations in operating costs. The current level of unrestricted General Funds of £979,972 (2008 £728,655) represents 8 weeks (2008 6 weeks) of Community operating expenditure. In view of the vulnerability of the residents in L'Arche's care, and our long term commitment to them, it is felt a minimum of 13 weeks reserves would be more prudent, and the achievement of this level of reserves is, therefore, our medium-term objective.

L'Arche normally has to fundraise for projects before major capital expenditure is incurred. Where property is involved, market conditions occasionally warrant timely purchases from general reserves which inevitably results in the need for retrospective fundraising to replenish this fund.

INVESTMENT POLICY

In accordance with the investment powers contained in the Memorandum of Association, monies not immediately required for the day-to-day operation of the Company may be held in investments, securities or property. During the financial year concerned, the Company has sought to minimise risk by investing in a combination of short and longer term high yield cash deposits.

FUTURE CAPITAL COMMITMENTS

Capital project commitments outstanding at the year-end totalled £15,843 (2008 £13,600). With the uncertainties due to the Liverpool re-tendering process, the Trustees took the decision to defer large scale capital expenditure. Following the successful outcome of the process, consideration is being given to projects with a total value in the region of £350,000.

THE FINANCIAL RESULTS

The format of these Financial Statements complies with the Statement of Recommended Practice for Charities 2005 (SORP) "Accounting and Reporting by Charities" currently in force. The Statement of Financial Activities shows an operating surplus of £213,255 (2008 surplus £141,827). After taking into account donations and specific grants this becomes net incoming resources of £451,803 (2008 £374,770) which should not necessarily be taken to represent funds available for general expenditure in subsequent periods.

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

COMPANY, CHARITY & TAX STATUS

The Company is limited by guarantee, with no shareholdings. The liability of the 32 members (2008 32) is limited to £1 each. The Company is registered as a charity in England and Wales and in Scotland with the Office of Scottish Charity Regulators.

The Company is not liable to income tax, corporation tax or capital gains tax. It is not registered for VAT, since taxable supplies have not yet reached a level requiring registration.

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CHARITABLE DONATIONS

A donation of £17,160 (2008 £14,250) was made during the year to the L'Arche Benevolent Trust, a registered charity with the objectives of assisting employees and ex-employees of L'Arche who may require financial support as a result of personal hardship. From donations received for general purposes, the Committee has resolved that the Company grant £6,000 (2008 £6,000) to the development of L'Arche Communities overseas.

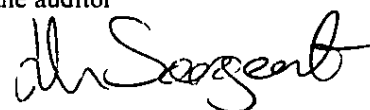
AUDITORS

Having indicated its willingness to continue in office, a resolution to re-appoint Baker Tilly UK Audit LLP as the Company's auditors will be proposed at the annual general meeting.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

By Order of the Committee



John Sargent
National Co-ordinator & Company Secretary
19th February 2010

TRUSTEE RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees 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 they give a true and fair view of the charitable company and its incoming resources and application of resources, including income and expenditure for that period. In preparing those financial statements, the Trustees should follow best practice and

- a select suitable accounting policies and then apply them consistently,
- b make judgments and estimates that are reasonable and prudent,
- c state whether applicable UK Accounting Standards and the Charities SORP have been followed, subject to any material departures disclosed and explained in the financial statements,
- d 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

L'ARCHE – FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF L'ARCHE

We have audited the financial statements of L'Arche for the year ended 31st July 2009 on pages 12 to 30

These financial statements have been prepared in accordance with the accounting policies set out therein

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the members and the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the charity's financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with those Acts.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and are prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

We also report to you if, in our opinion, the charity has not kept adequate and proper accounting records, if the charity's financial statements are not in agreement with these accounting records, if we have not received all the information and explanations we require for our audit or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

L'ARCHE – FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

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

Opinion

In our opinion

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 July 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, and
- the information given in the Trustees' Annual Report is consistent with the financial statements

Baker Tilly UK Audit LLP

Shaun Mullins (Senior Statutory Auditor) *ACA*
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
2 Whitehall Quay
Leeds
LS1 4HG

24 March 2010

BAKER TILLY UK AUDIT LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2009

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST JULY 2009

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2009 £	Total 2008 £
INCOME AND EXPENDITURE						
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income						
Donations to L'Arche UK	1	276,623	244,411	-	521,034	483,177
Donations for L'Arche Overseas		-	190,387	-	190,387	88,645
Investment income	2	39,055	18,112	-	57,167	95,191
Incoming resources from charitable activities	3	6,601,402	-	-	6,601,402	6,188,577
Total incoming resources		6,917,080	452,910	-	7,369,990	6,855,590
RESOURCES EXPENDED						
<i>Costs of generating funds</i>						
Fundraising and publicity	4	49,937	34,993	-	84,930	110,439
<i>Charitable activities</i>						
Direct charitable expenditure	5	6,268,684	48,154	2,338	6,319,176	5,937,534
Donations made		18,242	245,389	-	263,631	124,131
Governance costs		119,584	-	-	119,584	107,402
Other resources expended	6	129,538	1,328	-	130,866	201,314
Total resources expended	7	6,585,985	329,864	2,338	6,918,187	6,480,820
Net incoming/(outgoing) resources before transfers	8	331,095	123,046	(2,338)	451,803	374,770
<i>Analysed as</i>						
Operating surplus/(deficit)	9	215,768	(175)	(2,338)	213,255	141,827
Net non operating income after fundraising costs		115,327	123,221	-	238,548	232,943
Net incoming/(outgoing) resources before transfers		331,095	123,046	(2,338)	451,803	374,770
Transfer between funds	18	105,595	(105,595)	-	-	-
Net incoming resources for the year		436,690	17,451	(2,338)	451,803	374,770
Other recognised gains & losses						
Unrealised loss on investments		(1,343)	-	(19,425)	(20,768)	(103,881)
Net movement in funds		435,347	17,451	(21,763)	431,035	270,889
Balances brought forward at 1st August 2008	18	5,113,137	770,489	122,487	6,006,113	5,735,224
Balances carried forward at 31st July 2009	18	5,548,484	787,940	100,724	6,437,148	6,006,113

The surplus for the year arises from the company's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Statement of Financial Activities (SOFA)

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

BALANCE SHEET AT 31st JULY 2009

	Notes	2009 £	2008 £
FIXED ASSETS			
Tangible assets	10	4,007,673	4,150,949
Investments	11	104,071	124,839
		4,111,744	4,275,788
CURRENT ASSETS			
Stocks	12	18,613	14,766
Debtors	13	591,815	447,178
Cash at bank and in hand	14	2,613,618	2,217,278
		3,224,046	2,679,222
CREDITORS			
Amounts falling due within one year	15	454,987	467,044
NET CURRENT ASSETS		2,769,059	2,212,178
TOTAL ASSETS LESS CURRENT LIABILITIES		6,880,803	6,487,966
CREDITORS			
Amounts falling due after more than one year	16	443,655	481,853
NET ASSETS		6,437,148	6,006,113
REPRESENTED BY			
<i>Unrestricted</i>			
General Fund	18a	979,972	728,655
Development Fund	18a	1,010,713	723,943
Fixed Asset Fund	18a	3,557,799	3,660,539
<i>Restricted</i>			
Development Funds	18b	787,940	770,489
<i>Endowment</i>			
General Fund	18c	94,500	113,925
Fixed Asset Fund	18c	6,224	8,562
TOTAL FUNDS		6,437,148	6,006,113

The financial statements on pages 12 to 30 were approved by the Finance sub-committee on 19th February 2010 and were signed on its behalf by

K O'Gorman
P J Whalley
Directors

Kathleen O'Gorman
P.J. Whalley

Company number 1055041

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st JULY 2009

CASH FLOW	Notes	2009 £	2008 £
Net cash inflow from operating and other activities	19 a	511,307	415,089
Investments and servicing of finance	19 b	39,428	60,822
Net capital expenditure	19 c	(122,352)	(206,069)
		<hr/>	<hr/>
		428,383	269,842
Financing outflow	19 e	(32,043)	(44,139)
		<hr/>	<hr/>
Increase in cash		396,340	225,703
		<hr/>	<hr/>

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2009

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JULY 2009

PRINCIPAL ACCOUNTING POLICIES

Basis of Accounting

These financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (2005)

Grants and Donations

Grants and donations for which the purpose is restricted within the meaning of Charity Accounting Regulations are shown as income under the heading of Donations in the Statement of Financial Activities. Restricted Donations are transferred to the Development Fund where they are held until expenditure in accordance with the grant is incurred. At this point any shortfall is transferred to the General Fund. At the discretion of L'Arche, general donations may be designated to development projects and treated in the same manner as restricted donations (see Note 18). Other grants and donations received are treated as income in the period in which they are receivable.

Incoming Resources from Charitable Activities and Operating Surplus

Incoming Resources from Charitable Activities represents the aggregate of Residents' Income Support, Local and Central Government grants and receipts and other non-government receipts provided for the maintenance of the Communities and their residents. The operating surplus comprises operating income less Direct Charitable Expenditure and Administration costs. See note 9 for the detailed figures.

ACTIVITIES

Expenditure Allocation

Expenditure is analysed between Direct Charitable Expenditure, (which represents actual direct costs incurred by the Communities), Fundraising and Publicity, Administration and Governance. Some elements of Community costs have been paid by Central Administration but have been recharged to Direct Charitable Expenditure where appropriate.

Governance costs are those costs incurred in respect of the general running of L'Arche as opposed to those costs arising directly and indirectly from the provision of care and support for people with learning disabilities. Included within governance are items such as internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

Overseas Development Fund

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

Retirement Benefits

The Company offers qualifying employees membership of a stakeholder pension scheme, administered by Friends Provident. The Company's contributions are included in Resources Expended in the Statement of Financial Activities in the year in which the contributions are made.

Stocks and Work in Progress

Stocks are shown at the lower of cost and net realisable value. Finished goods represent publications and items made in the Communities for resale.

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2009

PRINCIPAL ACCOUNTING POLICIES (cont.)

Leased Assets and Obligations

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor. Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding. All other leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation. Where tangible fixed assets are donated, the cost is the value to the Company at the date of acquisition. Items costing under £500 are written off in the year of purchase.

Depreciation

Depreciation is provided on tangible fixed assets in equal annual instalments sufficient to write off the cost of the assets over their expected useful lives. A full year's depreciation is charged on acquisition, no charge is made in the year of disposal. The basis is

<i>Category</i>	<i>Years</i>
Freehold land and buildings	40 years
Long and short leasehold buildings	period of the lease
Tools and equipment	4 years
Motor vehicles	4 years

Depreciation is provided on freehold land as well as buildings because no analysis of original cost is readily available. The Committee do not believe that the resultant charge is sufficiently material to justify the expense of obtaining an appropriate analysis. The cost of fixtures and fittings is accounted for as expenditure in the year in which it is incurred.

Funds

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

Investments

Investments are stated at market value. The market value of unlisted investments is derived from prices quoted on the PLUS Market (formerly OFEX).

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

1. DONATIONS

	Unrestricted £	Restricted £	2009 Total £	2008 Total £
Donations and Grants received for general purposes				
a retained in the General Fund	71,914	-	71,914	67,378
b designated to the Development Fund	204,709	-	204,709	54,257
Donations and Grants received specifically for Development	-	244,411	244,411	361,542
	276,623	244,411	521,034	483,177

2. INTEREST RENT AND DIVIDENDS

	Unrestricted £	Restricted £	2009 Total £	2008 Total £
Income from investments	1,883	186	2,069	1,936
Bank interest	37,172	17,926	55,098	93,255
	39,055	18,112	57,167	95,191

Income from investments includes £1,767 (2008 £1,739) deriving from an investment of endowment funds

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2009 Total £	2008 Total £
Government benefits	235,806	297,889
NHS grants	745,083	782,895
Local Authority revenue grants	5,291,329	4,892,336
Other funding	167,326	98,576
Sundry receipts	124,187	72,869
Workshop sales	36,541	43,012
Profit on fixed assets	1,130	1,000
	6,601,402	6,188,577

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

4. FUNDRAISING & PUBLICITY

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2009 £	Total 2008 £
Publicity	13,966	-	-	13,966	49,721
Fundraising	35,971	34,993	-	70,964	60,718
	49,937	34,993	-	84,930	110,439

5. DIRECT CHARITABLE EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2009 £	Total 2008 £
<i>Community operating costs</i>					
Employment and training	3,813,857	22,321	-	3,836,178	3,661,402
Household costs & community activities	601,386	3,856	-	605,242	606,953
Occupancy costs	696,609	6,775	-	703,384	544,215
Repairs, maintenance & renewals	231,012	11,252	-	242,264	194,747
Depreciation	257,311	-	2,338	259,649	250,077
Workshop costs	117,747	-	-	117,747	117,131
<i>Support costs</i>					
Office costs	106,924	3,518	-	110,442	112,657
Motor & travel	126,102	432	-	126,534	142,637
Legal & professional	76,369	-	-	76,369	85,190
Loan interest	17,739	-	-	17,739	34,369
Direct support and development	223,628	-	-	223,628	169,627
Loss on disposal of fixed assets	-	-	-	-	18,529
	6,268,684	48,154	2,338	6,319,176	5,937,534

6. OTHER RESOURCES EXPENDED

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2009 £	Total 2008 £
Legal & professional	-	-	-	-	1,000
Central Administration	122,430	1,328	-	123,758	191,978
Depreciation	7,108	-	-	7,108	7,872
Loss on disposal of fixed assets	-	-	-	-	464
	129,538	1,328	-	130,866	201,314

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

7. TOTAL RESOURCES EXPENDED

	Staff Costs £	Depreciation £	Other Costs £	Total 2009 £	Total 2008 £
Donations to L'Arche Overseas	-	-	242,336	242,336	105,443
Donations to L'Arche					
Benevolent Trust	-	-	17,160	17,160	14,250
Other donations	-	-	4,135	4,135	4,438
Total donations	-	-	263,631	263,631	124,131
Direct charitable expenditure	3,969,032	259,650	2,090,494	6,319,176	5,937,534
Fundraising and publicity	46,913	-	38,017	84,930	110,439
Governance costs	61,333	-	58,251	119,584	107,402
Other resources expended	64,359	7,108	59,399	130,866	201,314
	4,141,637	266,758	2,509,792	6,918,187	6,480,820

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

	2009 £	2008 £
Staff costs		
Salaries	3,511,481	3,357,775
National Insurance	223,279	216,365
Pension and life assurance costs	219,067	217,763
Training	187,810	186,824
	4,141,637	3,978,727

The number of staff receiving employer's contributions into the pension scheme was 161 (2008 121) At year end there was a creditor of £31,452 (2008 £18,299) representing outstanding premiums due to the pension scheme

	2009 £	2008 £
Other costs		
Donations	263,631	124,131
Household costs & community activities	605,242	606,953
Workshop costs	117,747	117,131
Occupancy costs, repairs & renewals	963,129	773,241
Office costs	139,758	134,104
Motor & travel	182,079	210,973
Community support and development	56,378	43,491
Legal & professional	126,072	134,671
Loan interest	17,739	34,369
Fundraising and publicity	38,017	65,079
	2,509,792	2,244,143

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

7. TOTAL RESOURCES EXPENDED (cont.)

The Statement of Recommended Practice "Accounting and Reporting by Charities" requires disclosure of the number of employees whose remuneration was in excess of £60,000. There were no employees falling into this category during the year.

During the year, 12 (2008: 9) directors, who act as trustees of the charity, were reimbursed a total of £4,008 (2008: £3,723) in respect of travel expenses. The trustees receive no remuneration.

Excluding the Committee members, who under the terms of the Articles of Association cannot be employed by the Company, the average weekly number of employees, analysed by function was:

	2009 £	2008 £
Communities	299	286
Administration	6	6
Fundraising and publicity	1	1
	306	293

8. NET INCOMING RESOURCES BEFORE TRANSFERS

The net incoming resources before transfers in the Statement of Financial Activities are stated after charging/(crediting) the following amounts:

	2009 £	2008 £
Directors' remuneration	-	-
Auditors' remuneration	17,117	16,861
Depreciation charge for the year on tangible fixed assets		
on tangible fixed assets acquired under HP agreement	-	1,344
on other tangible fixed assets	266,758	256,606
Cost of operating leases (see note 17)	45,844	45,844
(Profit)/loss on disposal of tangible fixed assets (net)	(1,130)	17,993

9. OPERATING SURPLUS

The operating surplus as stated in the SOFA is calculated as follows:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2009 £	Total 2008 £
Operating income	6,601,402	-	-	6,601,402	6,188,577
Investment income applied to operating expenditure	39,055	-	-	39,055	59,564
Donations for operating expenditure	110,277	47,979	-	158,256	154,186
	6,750,734	47,979	-	6,798,713	6,402,327
Less:					
Direct charitable expenditure	6,268,684	48,154	2,338	6,319,176	5,937,534
Contributions to Benevolent Trust	17,160	-	-	17,160	14,250
Governance costs	119,584	-	-	119,584	201,314
Other resources expended	129,538	-	-	129,538	107,402
	6,534,966	48,154	2,338	6,585,458	6,260,500
	215,768	(175)	(2,338)	213,255	141,827

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

10. TANGIBLE FIXED ASSETS

COST	Freehold land and buildings £	Long leasehold buildings £	Short leasehold buildings £	Tools and equipment £	Motor vehicles £	Total £
1st August 2008	4,388,004	474,411	515,451	833,216	352,780	6,563,862
Additions	(5,755)	679	33,623	83,235	11,700	123,482
Disposals	-	-	-	-	(23,635)	(23,635)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31st July 2009	4,382,249	475,090	549,074	916,451	340,845	6,663,709
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION						
1st August 2008	963,820	173,317	321,205	677,530	277,041	2,412,913
Charge for year	107,633	11,878	17,995	82,372	46,880	266,758
Disposals	-	-	-	-	(23,635)	(23,635)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31st July 2009	1,071,453	185,195	339,200	759,902	300,286	2,656,036
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE						
31st July 2009	3,310,796	289,895	209,874	156,549	40,559	4,007,673
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
31st July 2008	3,424,184	301,094	194,246	155,686	75,739	4,150,949
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

11. INVESTMENTS

	Quoted £	Unlisted £	Total £
Market value 1st August 2008	10,914	113,925	124,839
Unrealised investment losses	(1,343)	(19,425)	(20,768)
Market value 31st July 2009	9,571	94,500	104,071
Historical cost 31st July 2009	-	3,230	3,230

All investments are in the United Kingdom

The unlisted investments were given to L'Arche as an endowment, and comprise 1,050 shares in Adnams Brewery, a PLUS Market company, with a market value of £90 00 per share at 31st July 2009 (2008 £108 50)

12. STOCKS

	2009 £	2008 £
Community workshop goods and materials		
Raw materials	3,566	3,753
Work in progress	1,978	1,978
Finished goods/items for resale	13,069	9,035
	18,613	14,766

13. DEBTORS

	2009 £	2008 £
Other debtors	79,874	107,892
Prepayments and accrued income	511,941	339,286
	591,815	447,178

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

14. CASH AT BANK AND IN HAND

	2009 £	2008 £
Working cash balances	17,013	11,813
Bank deposits	2,596,605	2,205,465
	<hr/>	<hr/>
	2,613,618	2,217,278
	<hr/>	<hr/>

The cash requirement of any major project, either capital or revenue, is estimated at least six months prior to its commencement and the fundraising process starts as soon as the project has been approved. Since funds raised for a project may not be spent for several months, this can result in temporarily high cash balances.

Capital projects planned at 31st July 2009 amounted to a total of £17,247 (2008 £13,600)

	1st August 2008 £	Expended £	Allocated (Released) £	31st July 2009 £
Liverpool - new flats	13,600	(13,600)	-	-
Kent - Faith House wetroom	-	-	15,843	15,843
	<hr/>	<hr/>	<hr/>	<hr/>
	13,600	(13,600)	15,843	15,843
	<hr/>	<hr/>	<hr/>	<hr/>

Contracts amounting to £15,843 (2008 £nil) had been placed at that date for these projects

15. CREDITORS - Amounts falling due within one year

	2009 £	2008 £
Taxation and social security costs	35,793	27,540
Residents' grants received in advance	151,875	153,257
Other creditors	123,040	115,488
Natwest PLC loan	15,885	12,502
Triodos loan	14,350	7,720
Vehicle HP agreement	-	3,858
Accruals and deferred income	114,044	146,679
	<hr/>	<hr/>
	454,987	467,044
	<hr/>	<hr/>

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

16. CREDITORS - Amounts falling due after more than one year

	2009	2008
	£	£
NatWest PLC loan		
Falling due 1-2 years	15,000	15,000
Falling due 2-5 years	45,000	45,000
Falling due over 5 years	10,944	30,212
Triodos loan		
Falling due 1-2 years	7,493	7,493
Falling due 2-5 years	25,496	25,496
Falling due over 5 years	339,722	358,652
	<hr/>	<hr/>
	443,655	481,853
	<hr/>	<hr/>

The Natwest loan is for a period of 10 years, with an interest rate fixed at 1 25% over base, secured on the Ark at Liverpool The Triodos loan is for a period of 25 years, with an interest rate fixed at 1 25% over base, secured on 3 Warrington Road, Ipswich

17. COMMITMENTS AND CONTINGENCIES

a) Operating Lease Commitments	2009	2008
At 31 July 2009 the company was committed to making the following payments during the next year under non-cancellable operating leases as follows -	Land & buildings	Land & buildings
	£	£
Expiring between 2 and 5 years	-	-
Expiring in 5 years or more	45,844	45,844
	<hr/>	<hr/>
	45,844	45,844
	<hr/>	<hr/>

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

b) Contingent Liabilities

A contingent liability exists for £37,048 in respect of a cancelled charge held over a property which is repayable should it be sold

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

18. FUNDS

	General Fund £	Development Fund £	Fixed Asset Fund £	Total Funds £
a) Unrestricted Funds				
1st August 2008	728,655	723,943	3,660,539	5,113,137
Fund movements for the year.				
Net incoming resources for the year	331,095	-	-	331,095
Donations and Grants received for general purposes	(227,361)	227,361	-	-
Purchase of tangible fixed assets	(61,002)	(62,480)	123,482	-
Repayment of loans and mortgages on property	(38,198)	-	38,198	-
Adjustment for depreciation	264,420	-	(264,420)	-
Derestriction on purchase of tangible fixed assets	-	39,184	-	39,184
Derestriction - other	66,411	-	-	66,411
Allocations to Development Fund for future projects	(165,934)	165,934	-	-
Development Funds expended	83,229	(83,229)	-	-
Unrealised loss on investments	(1,343)	-	-	(1,343)
Total fund movements	251,317	286,770	(102,740)	435,347
31st July 2009	979,972	1,010,713	3,557,799	5,548,484
	General Fund £	Development Fund £	Fixed Asset Fund £	Total Funds £
b) Restricted Funds				
1st August 2008	-	770,489	-	770,489
Fund movements for the year.				
Net incoming resources for the year	-	123,046	-	123,046
Derestriction on purchase of tangible fixed assets	-	(39,184)	-	(39,184)
Derestriction - other	-	(66,411)	-	(66,411)
Total fund movements	-	17,451	-	17,451
31st July 2009	-	787,940	-	787,940

The Restricted Funds form part of Bank Deposits

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

18. FUNDS (cont.)

	General Fund £	Development Fund £	Fixed Asset Fund £	Total Funds £
c) Endowment Funds				
1st August 2008	113,925	-	8,562	122,487
Fund movements for the year.				
Net outgoing resources for the year	(2,338)	-	-	(2,338)
Adjustment for depreciation	2,338	-	(2,338)	-
Unrealised loss on investments	(19,425)	-	-	(19,425)
Total fund movements	(19,425)	-	(2,338)	(21,763)
31st July 2009	94,500	-	6,224	100,724
d) Summary				
1st August 2008	842,580	1,494,432	3,669,101	6,006,113
Fund movements for the year:				
Net incoming resources for the year	328,757	123,046	-	451,803
Purchase of tangible fixed assets	(61,002)	(62,480)	123,482	-
Repayment of loans and mortgages on property	(38,198)	-	38,198	-
Adjustment for depreciation	266,758	-	(266,758)	-
Transfer between funds	(243,655)	243,655	-	-
Unrealised loss on investments	(20,768)	-	-	(20,768)
Total fund movements	231,892	304,221	(105,078)	431,035
31st July 2009	1,074,472	1,798,653	3,564,023	6,437,148

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

18. FUNDS (cont.)

<i>Restricted Funds</i>		1st August	Movement in Resources		31st July
		2008	Incoming	Outgoing	2009
		£	£	£	£
UK Funds:					
Kent	25th Appeal	8 310	-	-	8 310
	Special Appeal	4,929	-	(1,300)	3,629
	Houses	-	928	(928)	-
	Accessible vehicle	-	2,065	(2,065)	-
Inverness	Braerannoch site renewal	71,122	-	(71,122)	-
	James Fraser Memorial	40	-	-	40
	Repairs	-	3 031	(3,031)	-
	Salary grant	-	11 754	(11,754)	-
Liverpool	Ark equipment	4,074	929	(4,014)	989
	Refurbishment of Tabor, house of prayer	6,284	1,134	-	7,418
	L'Arche Overseas	511	1,296	(1,625)	182
Lambeth	Boogie Nights - community disco	2,065	-	(793)	1,272
	Maintenance reserve	-	4 500	(4,500)	-
	The Vine community house - development project	-	93 231	-	93 231
Bognor	Car Fund	47	-	-	47
	Victoria Weaver Memorial	13,593	-	(2,297)	11,296
	Seeds of Hope Development	4,819	-	-	4,819
	Miscellaneous small projects	1,313	3,697	(1,727)	3,283
	Community room	14,066	11,619	(25,685)	-
	Workshop	356	221	-	577
	Assistants' leisure activities	259	-	-	259
Brecon	Kitchen refurbishment	1,590	-	-	1,590
	Miscellaneous small projects	3,892	1,438	(1,098)	4,232
	Community activities	2,054	-	-	2,054
Edinburgh	Third house - development project	1,155	42,747	-	43,902
	Training	2 016	4 000	(6,016)	-
	Office rent	-	6 600	(6,600)	-
	David Gemmell Memorial Fund	-	7,837	-	7 837
Preston	Development project	147,195	15,226	-	162,421
	Repairs and maintenance	2,270	-	-	2,270
Ipswich	Community development	43,408	8,569	-	51,977
	Garden project	926	-	-	926
Glasgow Project		44,594	9,670	(4,973)	49,291
Manchester Project		81,802	10,391	(2,576)	89,617
General	BBC Appeal	18,841	-	-	18,841
	Ben Nevis/New communities	3,176	14,376	-	17,552
	Big Bike ride - o'seas communities	6,170	2,511	-	8,681
	IT Project	15 755	-	(5,373)	10 382
	Nottingham	-	1 255	-	1 255
Overseas Development Funds					
Poland	Poznan	113,567	7,014	(115,080)	5,501
	Sledzvice	16,366	2,472	-	18,838
	Wroclaw	5,433	200	-	5,633
	General	811	607	(408)	1,010
Africa	Uganda	1,647	43,954	(45,601)	-
	Zimbabwe - general	7,626	50,852	(40,823)	17,655
	Zimbabwe - Big Bike Ride	6 170	2,511	(8,401)	280
	Kenya	-	1 190	(19)	1 171
	General	60 006	15 608	(6,045)	69 569
Slovenia		-	6,436	(6,332)	104
India		9 264	28 879	(23,816)	14 327
General		41 754	34 116	(31,456)	44 414
International		1,213	45	-	1,258
		770,489	452,909	(435,458)	787,940

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

18. FUNDS (cont.)

<i>Endowment Funds</i>	1st August 2008 £	Gains and transfers £	31st July 2009 £
Adnams shares	113,925	(19,425)	94,500
Freehold property at Inverness (Braerannoch)	8,562	(2,338)	6,224
	122,487	(21,763)	100,724

The Adnams shares were given as endowment to L'Arche, the dividends from which can be used for general purposes

Braerannoch is an Inverness Community property donated as endowment to L'Arche for the purpose of providing a home for people with learning disabilities

Analysis of net assets between funds

	General Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible fixed assets	4,001,449	-	6,224	4,007,673
Investments	9,571	-	94,500	104,071
Current assets	2,436,106	787,940	-	3,224,046
Current liabilities	(454,987)	-	-	(454,987)
Long term liabilities	(443,655)	-	-	(443,655)
Net assets as at 31 July 2009	5,548,484	787,940	100,724	6,437,148

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

19. NOTES TO CASH FLOW STATEMENT

	2009 £	2008 £
a. RECONCILIATION of net incoming resources to net cash inflow from operating and other activities		
Net incoming resources	451,803	374,770
Investment income receipts	(57,167)	(95,191)
Finance costs paid	17,739	34,369
Depreciation charges	266,758	257,950
Loss on sale of tangible fixed assets	(1,130)	17,993
Increase in stocks	(3,847)	(545)
Increase in debtors	(144,637)	(110,468)
Decrease in creditors	(18,212)	(63,789)
Net cash inflow from operating and other activities	511,307	415,089
b. INVESTMENTS AND SERVICING OF FINANCE		
Investment income receipts	57,167	95,191
Finance costs paid	(17,739)	(34,369)
	39,428	60,822
c. NET CAPITAL EXPENDITURE		
Payments to acquire tangible fixed assets	(123,482)	(212,630)
Receipts from sales of tangible fixed assets	1,130	6,561
	(122,352)	(206,069)
d. RECONCILIATION of net cash flow to movement in net debt		
Increase of cash in the period	396,340	225,703
Loan repayments	32,043	44,139
Movement in net funds in the year	428,383	269,842
Net Funds as at 1st August 2008	1,711,345	1,441,503
Net Funds as at 31st July 2009	2,139,728	1,711,345

L'ARCHE - FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 2009

19. NOTES TO CASH FLOW STATEMENT (cont.)

e. ANALYSIS OF CHANGES IN NET CASH AND FINANCING

	1st August 2008 £	Cash flows £	31st July 2009 £
Cash			
Cash at Bank and in hand	2,217,278	396,340	2,613,618
Financing			
NatWest loan	(102,714)	15,885	(86,829)
Triodos loan	(399,361)	12,300	(387,061)
Vehicle HP agreement	(3,858)	3,858	-
Total Financing	(505,933)	32,043	(473,890)
Total Net Funds and Financing	1,711,345	428,383	2,139,728

Kathleen O'Gorman, Chair L'Arche UK March 10 2010