



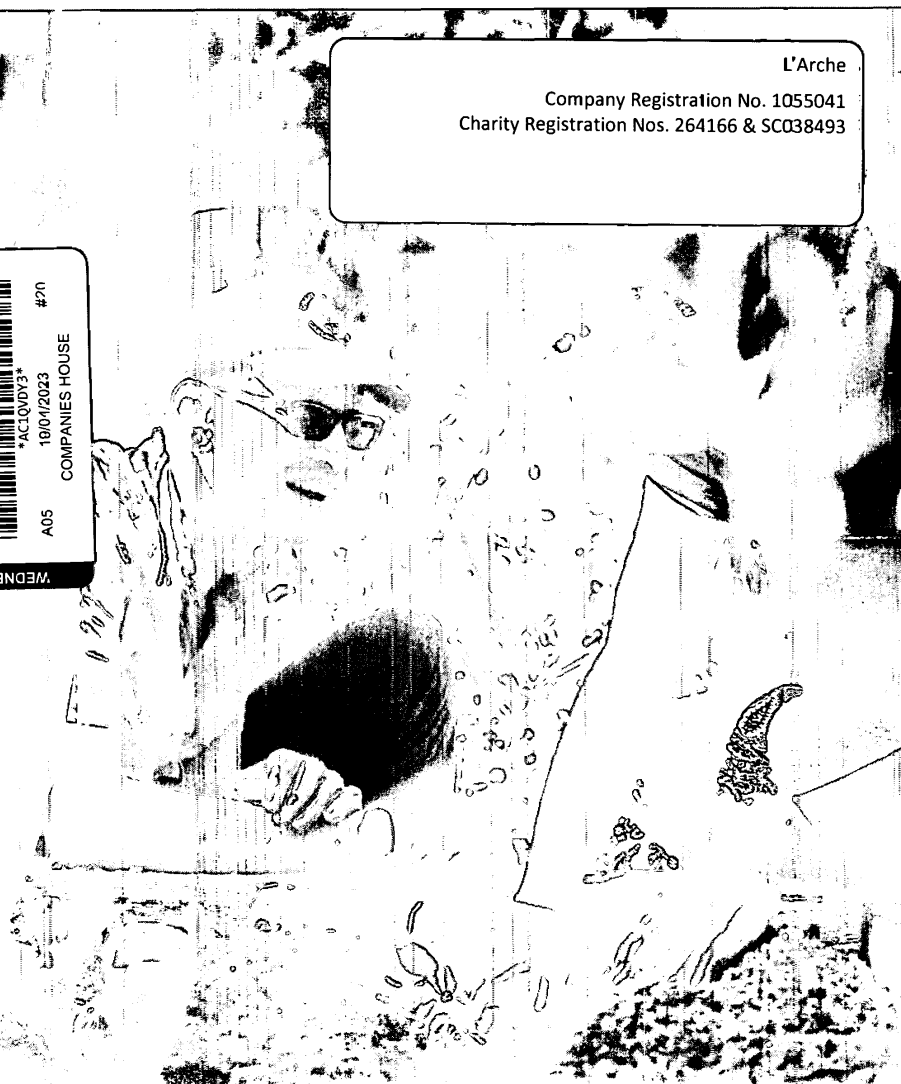
L'ARCHE  
In the UK

# Back to life

Annual Report and  
Financial Statements  
2021 - 2022



L'Arche  
Company Registration No. 1055041  
Charity Registration Nos. 264166 & SC038493



## This last year, we came back to life *together*

### The Covid lockdown was really hard.

It felt all the stuff we loved was taken away.

Our communities drifted apart. We didn't like it.

We had to stay in, and say to our friends, "You can't come in".

We couldn't see our families.

Some of us did jigsaws.

Some wrote books.

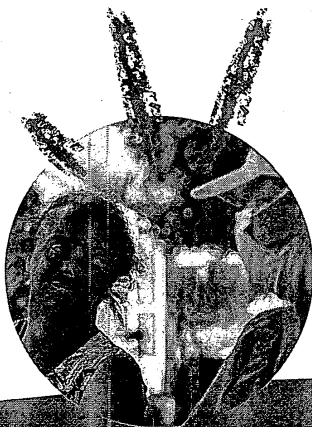
Some lay on the bed listening to the radio.

Some of us felt down.

### Everyone we saw wore a mask.

We feel it's unfair we still have to stick to rules that people without disabilities don't.

It's confusing and feels unfair.



### But coming back to life is so good!

When we took masks off, everyone said, "weee!"

We had a party and lots of cakes and all that jazz. When you go to a L'Arche party there's a lot of cakes.

We're back to our workshops.

Going for walks.

Doing the garden.

Having our meals together again.

Going on holiday.

It's so good not being on Zoom constantly.

### Now there's so much more we want to do.

For one thing, not so many words, and more pictures.

Here is our report, about what happened and what we want to do

### - to come back to life together.



**John Casson**  
National Leader



**Aidan MacGreevy**  
Board Chair



**Paul Jones**  
Speaking Council  
Chair

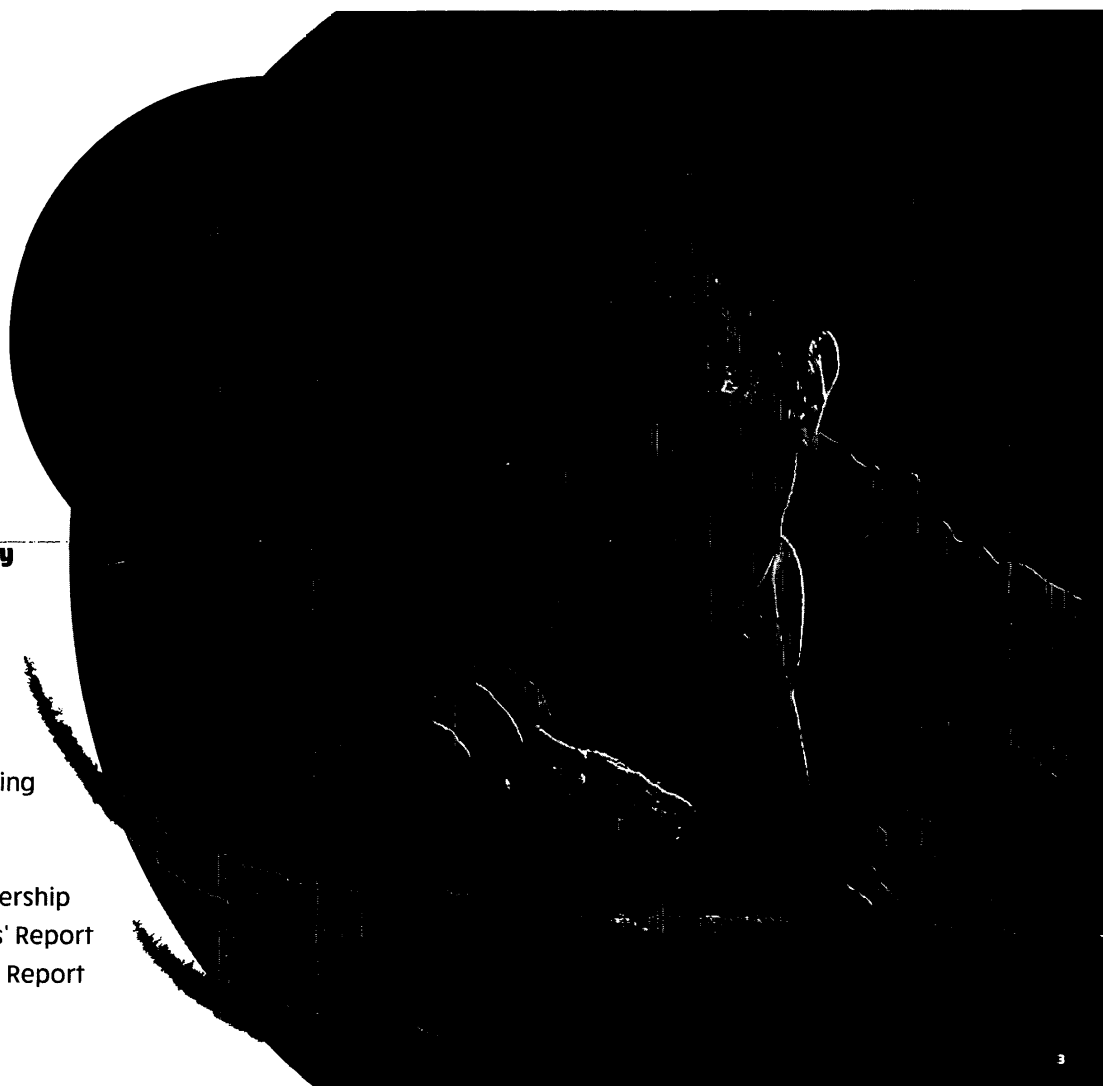


**Rebecca Tucker**  
Speaking Council  
Vice-Chair

# CONTENTS

## L'Arche in the UK Annual Report

2	Introduction
3	Contents
4-5	Our Year
6	Our Money
7	<b>Finding Belonging</b>
8	We are L'Arche
9	<b>The "Unreachable" Boy</b>
10	Back to Life Together
11	Our Numbers
12	Making a Difference
13	<b>Finding Linda</b>
14	Plans for the Future
15	Partners and Fundraising
16	People We Lost
17	People We Welcomed
18	Governance and Leadership
20-29	Strategic and Trustees' Report
30-33	Independent Auditors Report
34-57	Financial Statements



# Our YEAR

Aug '21

L'Arche Nottingham organises **HopeFest**, a L'Arche mini-festival! They were joined by members of L'Arche from across the UK, for a bit of camping fun and a first reunion for many old friends who haven't seen each other since the start of Covid.

Sept '21

As our international assistants are settling in their new homes, we join 250+ screens on Zoom to celebrate the **L'Arche International Light Festival** that has become an annual tradition.

Oct '21

Busy month! Six athletes successfully complete the **London Marathon** for Team L'Arche, L'Arche Highlands displays their artwork in the **"Friendship Postcard Project"** at the Eastgate Shopping Centre; **Richard Keagan-Bull**, from L'Arche London, is named as one of the 100 most influential people with learning disabilities in the UK!

Dec '21

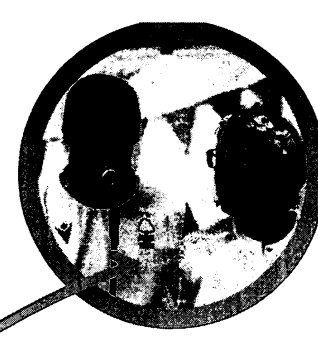
Chief Nurse Professor Deborah Sturdy presents L'Arche with an NHS Silver Award for our new **Assistant Induction Programme**. And since it is still tricky to gather in person, people across L'Arche light a candle to create a virtual Christmas Tree.

Jan '22

Nov '21

In light of COP26, our Communities gather to **handcraft canaries** and send easy-read letters to local MPs, calling on them to take action. Others compete in **"Battle of the Fans"** - a worldwide lip-synch competition led by people with disabilities.

Our HR team proudly launch an **apprenticeship programme** and we say hello to a new Community Leader in L'Arche Highlands, Chris!



Feb  
'22



L'Arche London leads a **joyful service** in St-Martin-in-the-Fields with plenty of singing, acting and laughing. A week later we start joining L'Arche in Lviv and Ternopil in their nightly Zoom prayers as Russia invades Ukraine.

Mar  
'22

Communities in the UK **sell crafts** to raise money for L'Arche's Emergency Fund in support of Ukraine. L'Arche Manchester host a Ukrainian themed gathering, where members make beautiful **traditional flower crowns** to show solidarity. And we warmly welcome our new Preston Community Leader David.



Happy Easter! We do foot washing in person as a sign of hope and coming back to life! Also, we make an important commitment to pay **real living wage** to our employees.

Apr  
'22



Twenty-one brave Manchester Community members take on the **Great Manchester 10K Run!** The rest of L'Arche is fundraising around the number 38 (for the 38 member countries **#38Challenge**). Milly is taking pictures with 38 dogs in a park, Linda is making 38 cards and Emma is challenging herself to complete 38km on her exercise bike!

May  
'22



A team of four challengers decides to go on a quest to visit **38 Embassies** in London raising a staggering £7,689! The same weekend, L'Arche London Drama Group tells "**The Story of Creation**" as part of a Sunday Eucharist service.

Jun  
'22



Jul  
'22



From Sydney to London, from Atlanta to Nottingham, we put on our favourite yellow **Walking Together** t-shirts and hit the road for one L'Arche, celebrating the gifts of people with learning disabilities in neighbourhoods all over the world. Moreover, we proudly support the first ever accessibility team at the **Big Church Festival!**

## Our MONEY



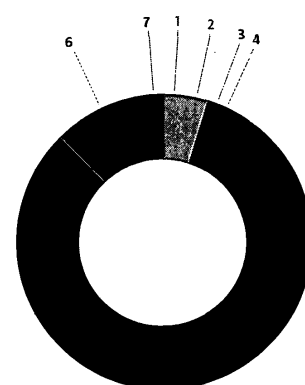
“Leaving a legacy to L'Arche means I'm helping to continue their wonderful work even when I am no longer in this world. I know the gift I leave them will be used wisely.”

Mike Thornley,  
L'Arche supporter.

## 2021-2022

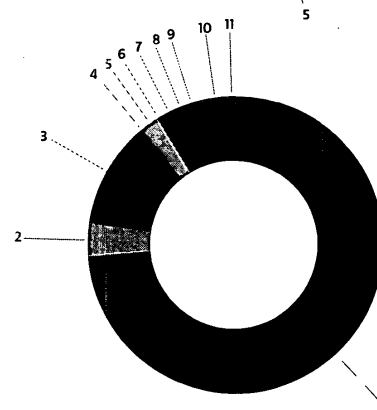
### Income

1	General Donations	£339,883
2	Donations for UK Projects	£459,248
3	Donations for L'Arche International	£323,529
4	Government Grants	£32,031
5	Support Income	£13,011,244
6	Housing Income	£1,625,202
7	Other Income	£387,800
<b>Total</b>		<b>£16,178,937</b>



### Expenditure

1	Employment costs	£11,629,685
2	Living Costs	£567,687
3	Housing Costs	£1,869,895
4	Day Service Costs	£50,518
5	Admin and Travel	£300,409
6	Legal Costs	£38,205
7	Support Costs	£406,645
8	Other Costs	£8,629
9	Depreciation	£394,295
10	Fundraising and Communications	£404,140
11	Donations to L'Arche International and other charities	£123,197
<b>Total</b>		<b>£15,793,305</b>





**“ We look forward to our evening prayer, we meet a lot of people from all over the world and feel their support... ... It is the main event of our day. ”**

**Ol'ha, mother of Lubomyr (above)**



**Scan the QR Code  
or visit the link**

**[bit.ly/findingbelonging](http://bit.ly/findingbelonging)**

## Finding **BELONGING** in the midst of war

**Anticipating difficulties, a Ukrainian mother makes the painful decision to flee with her autistic son.**

**On 24 February 2022, as Russian tanks rolled into Ukraine, Ol'ha was at home in Kyiv with her son Lubomyr, recovering from two broken ankles.**

Unable to take shelter, they could do nothing but listen and hope, as air raid sirens warned of the dangers overhead.

Although evacuation would be hugely challenging, Ol'ha made the difficult decision to leave and seek safety elsewhere. And so, they set out on a journey that would take them to western Ukraine, over the Polish border to Krakow, before finally settling in L'Arche Edinburgh.

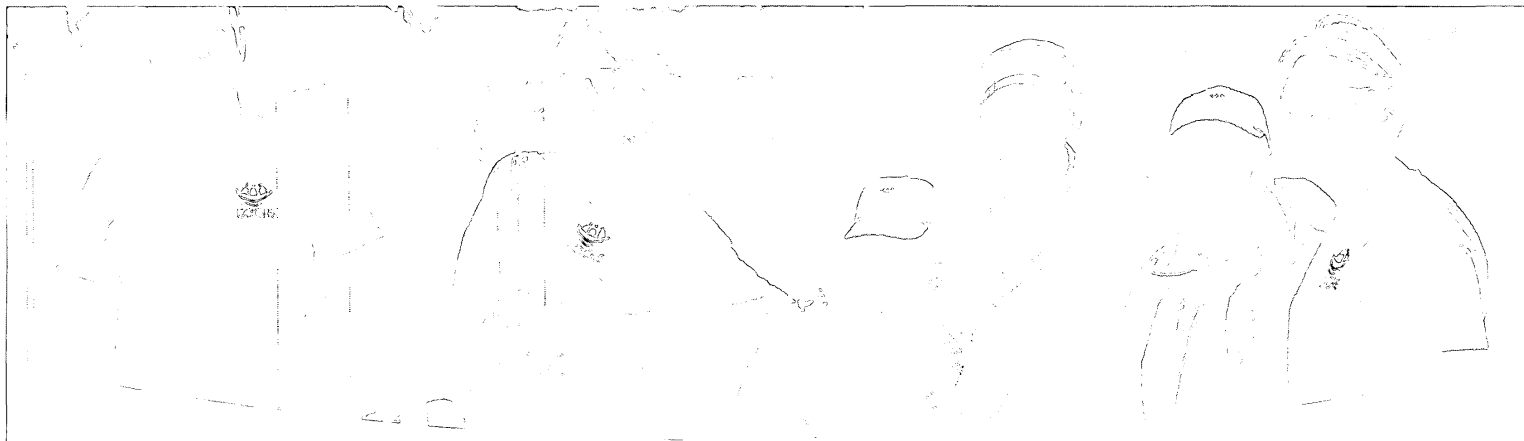
They were met in Krakow by Kirsty (top right), Community Leader of L'Arche Edinburgh, who accompanied them back to Scotland. On arrival, they were greeted with food, kindness and quantities of handmade cards.



Their European odyssey was followed daily by dozens of friends from L'Arche and beyond, who have been joining them on Zoom to pray, ever since the start of the war. These times of fellowship and community kept them going. "We look forward to our evening prayer, we meet a lot of people from all over the world and feel their support," Ol'ha said. "It is the main event of our day."

In Edinburgh, they relish being surrounded by a welcoming community, even though Lubomyr doesn't yet understand English. Ol'ha has started building a network and planning for the future, while Lubomyr participates fully in L'Arche community gatherings, singing, having fun and sharing meals in a safe space, surrounded by friends.

**“ We feel that we are not lonely, not by ourselves, we are in a Community. ”**



## Who we are

We are people with and without learning disabilities, with a mission to build a more inclusive world. We are a life-sharing movement, seeking to make known the gifts of people with learning disabilities. We share four key elements:

service  
community  
spirituality  
outreach

We help build each other live full and empowered lives, enriched with belonging, kindness, creativity, fun and joy. We seek to grow by building mutual relationships across our diversity and differences, and to work together for more a more human society.

## What we do

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

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

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

## Where we are

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

We are local - with community clusters in 11 towns and cities across Britain.

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

We are international - members of a federation with 156 L'Arche Communities in 38 countries on 6 continents.

[www.larche.org.uk](http://www.larche.org.uk)



It is good  
to be paid:  
it makes you feel  
you're doing  
a proper job.

Richard Keagan-Bull



Buy the  
book today!  
Scan the QR code  
or visit the link:

# From "UNTEACHABLE" boy to university teacher

**Only around 5% of people with learning disabilities  
have paid work in England.**

**Richard Keagan-Bull, a member  
of L'Arche London, is one of the  
exceptions, having landed what he calls  
"a proper job where I would get paid at  
the end of the month".**

In 2021, Richard started working as a research assistant at Kingston and St George's, University of London as a research assistant. He is part of a team, led by Professor Irene Tuffrey-Wijne, within the Faculty of Health, Social Care and Education.

His research has involved conducting fieldwork interviews and focus groups, using accessible communication methods, and helping produce easy-read cards which will help people with learning disabilities communicate their living preferences when leaving their family home.

"We discovered people were scared of the system," said Richard, describing what he has learned from his research. "One mother we spoke to told us: 'It scares me to think what might happen to our children after me and my husband are gone.'"

Over recent years, Richard has become a leading advocate for people with learning disabilities. His campaign work gained national recognition in October 2021, when he was named in the Shaw Trust Power list of the 100 most influential disabled people in the UK.

This year, Richard published his remarkable life-story in a book, *Don't Put Us Away: Memories of a man with learning disabilities*. He also taught a module on learning disability to a class of nursing students for the first time. Not bad for someone branded "unteachable" at school by his headmaster!

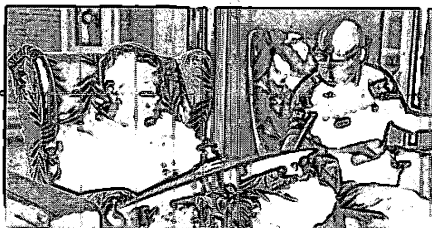
“We discovered people  
were scared of the system”



## I Harsh Storms...

Intrusive and inflexible lockdown rules. Unprecedented social care recruitment shortages and turnover rates. A cost-of-living crisis and inadequate local authority funding. In 2021/22 L'Arche Communities faced harsh storms.

Amid all this, we saw a second L'Arche Community member die with COVID. And people with learning disabilities continued to face discrimination and loneliness.



**We are  
back to life  
TOGETHER**

## I ...we survived

And yet, we survived. We were there for each other. We protected people and cared for them when COVID broke out.

When life was locked down, we kept it going at home, from Abba karaoke to Zoom meditations.

On the worst days when many assistants were stricken with the virus, our leaders, friends and volunteers gave us their nights and weekends to keep our houses safe.

We stepped up to the recruitment challenge. We paid everyone Real Living Wage for the first time. We invested time and money in new ways to reach out to new assistants - at festivals, schools, online and with new visas for people around the world.



## I ...we thrived

At last, lockdowns lifted. Life surged back in our Communities.

We opened our doors again. We had people to dinner, re-opened our gardens and workshops. We went back to the pub, to the art studio, to church and on holiday.

We went to Festivals, and created our very own HopeFest. We did marathons and fun runs. We walked together in pilgrimages and found new ways to raise money for L'Arche worldwide.

We met with L'Arche members in Ukraine, praying and sharing night after night on Zoom. L'Arche Edinburgh welcomed a family from Kyiv escaping the war.

We welcomed new Community Leaders in Highland and Preston, and opened a new house in Manchester. Our National Speaking Council started to meet in person again.

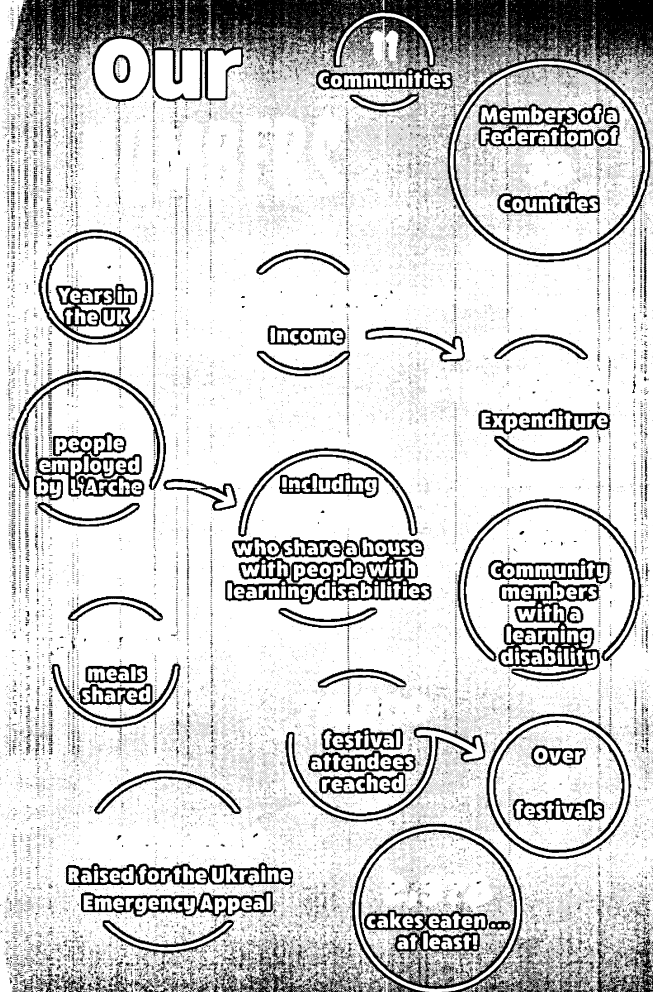
We renewed our traditions like the Easter washing of feet, and tried new ways to share spiritual life inclusively and openly. We shared our vision and our reality with churches and civil servants, in exuberant drama, profound worship and honest story-telling.

“ We took a positive and creative approach to climate activism by taking part in #CanaryCraftivists project - a campaign for new activists and crafters alike! Many of our Communities across UK gathered to handcraft canaries and send easy-read letters to local MPs asking to take action.

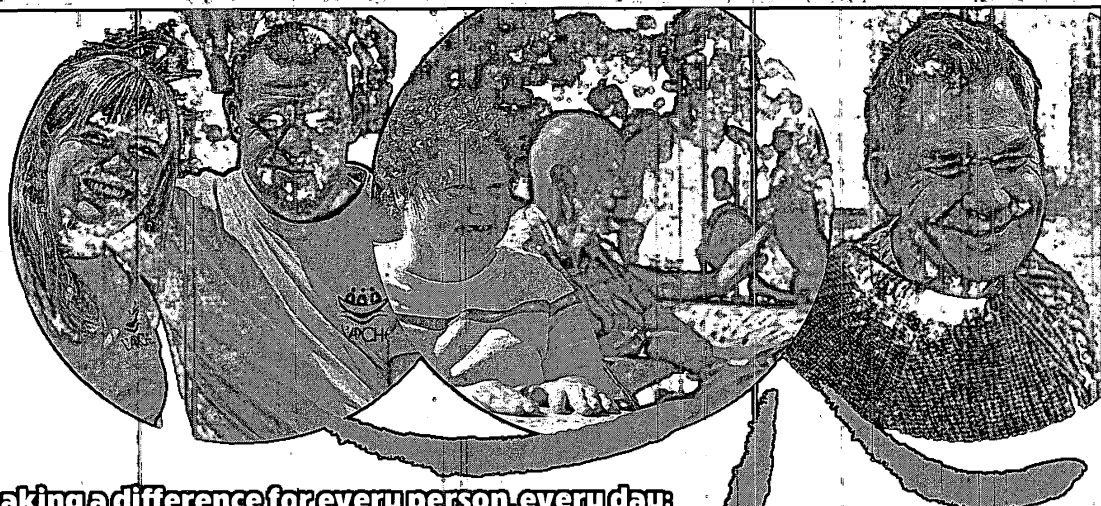
Craftivism for Climate  
Kent, Edinburgh, Nottingham



our



# We are making a DIFFERENCE (our impact)



In 2021/22, this meant making a difference for every person, every day:

## BOTH...

### Brilliant care:

283 people with learning disabilities received loving and professional support. We were responsible to the care regulators to be safe, effective and caring. We were responsible to each other for the L'Arche ethos of loving presence, mutual relationships and deep reflection.

## AND...

### Real community:

We believe it takes relationships for people to thrive. We continued to stand for every person's right to friendships, to a spiritual life, to create and contribute.

In 2021/22 we invented new ways to do this together online, and rebuilt our friendships and community spaces after lockdown.

## FOR...

### A more human society.

In 2022, we brought the L'Arche experience back to localities, schools, churches, Embassies, festivals and policy discussions. We modelled how to do friendship, spirituality and community. We raised our voice to improve care services, and for people with disabilities in Ukraine. We championed greater diversity in L'Arche, and the voice of people with disabilities everywhere.

L'Arche exists to be a beacon.

To show life with learning disabilities can be a life to the full.

To show real community can nourish us all.

To show social care can be full of life and love

# FINDING Linda again in L'Arche Liverpool

**After 9 years as Community Leader of L'Arche Liverpool, and 45 years in social care, Carol Carney is retiring in March 2023. Finding a long-lost friend led her to L'Arche.**

**"Towards the start of my career, I worked in a day centre for Liverpool Social Services. One of my close friends there was Linda, who lived with her mum, and attended almost every day.**

Linda spent most of her time in sessions with me. We went on holiday every year and spent some weekends away youth hostelling, camping and caravanning. Sadly, after I left Social Services, we lost touch.

So imagine my surprise, years later, when I came to look around L'Arche - and there was Linda living in one of the flats! After her mum died, she had moved into a L'Arche flat. It was great to see how happy she was and the friendships she had developed.

Seeing her, I made up my mind to apply for the Community Leader role.

L'Arche is very different to other 'providers'. It is unique, in that we promote mutual relationships, respect and friendships. There is no 'them and us' and everyone is encouraged to find their place.

Linda and I picked up our relationship where we left off. As Community Leader, I remained close to her. I had the privilege of spending time with her on the day she died - peacefully in her flat, surrounded by family and friends - after we had nursed her through to the end of her life.

Linda will always have a special place in my heart as will all of the friendships I have made in L'Arche."

“ There is no 'them and us' and everyone is encouraged to find their place. ”



“ It was great to see how happy she was and the friendships she had developed. ”



We have a vision, our people and our systems  
so we can achieve the dreams of our generation

## Vision ...

We are starting 3 Big Conversations to forge new confidence and clarity about the difference L'Arche makes, about our spirituality, and about the voice and power of people with learning disabilities.

We are preparing a new mandate and vision statement for our 50th anniversary in 2024.

**We are  
INVESTING  
to be the  
best we  
can be.**

## People ...

For people with learning disabilities, we are developing new roles and new ways to lead and be heard. We have created action plans to benefit from recent CQC inspections in our Communities.

For assistants, our national induction programme won a Silver Medal from the Chief Nurse for Adult Social Care, as a model of integrating professional skills and whole-person reflective formation. We are opening new ways for assistants who live in our houses to develop wider skills and be more financially supported.

For leaders, we are creating induction and development programmes, and pathways to grow a more diverse and long-term leadership cadre.

For volunteer members and other friends, we are increasing the capacity our teams have to help people connect more deeply with our Community life.

We are implementing a new Diversity Plan to make L'Arche more than ever a place where everyone belongs.

## Systems ...

We are investing in new finance and IT platforms to enable Community life. We are preparing to move to digital care records and more automated rostering and payroll. We are streamlining our recruitment and visa processing.

We are consulting everyone who lives in L'Arche on the housing they want in the future.

We are refreshing our website, and building new online fundraising and communications capacity.

We are developing new tools to define and measure our impact in fresh, clear and robust ways.



# We are looking for the partners we need for us to FLOURISH

“ Training for my first marathon was fantastic with L'Arche - they supported me in such a personal way every step of the way, and raising the funds was easy once people became aware of how amazing the cause is. ”

Lucy, L'Arche supporter

## Fundraising

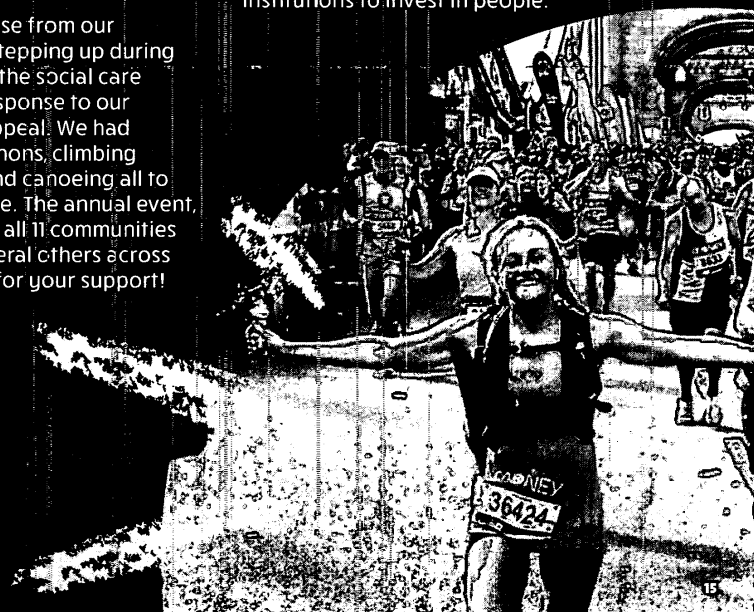
**It has been a busy year for the Fundraising Team as we launched an impact-centred approach to fundraising.**

Driven by our organisational priorities, we set out on funding key business objectives for our people, our systems, and our vision. In the 2021-2022 financial year, the team raised over £1.1 million, £200k over target.

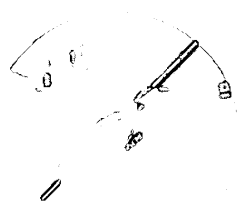
We saw a huge response from our supporters this year, stepping up during a difficult moment for the social care sector and again in response to our Ukraine emergency appeal. We had friends running marathons, climbing mountains, walking, and canoeing all to raise money for L'Arche. The annual event, Walking Together saw all 11 communities participating, plus several others across the globe. Thank you for your support!

As we look to the future, our priority continues to be focused on creating a larger network of supporters and advocates, which will increase the reach and voice of L'Arche UK and resource new projects and ongoing operations.

As the organisation emerges from a challenging season, we will continue to be a beacon of light, providing a different and sustainable way for individuals and institutions to invest in people.



# We are together... in living and dying



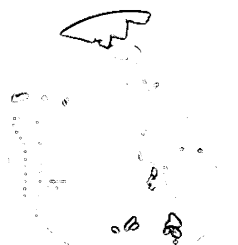
MARTIN

Martin had lived with us since 2012 and loved bunnies, classic cars, Guinness and his girlfriend in the Community. He was a connoisseur of a good pub lunch. He was a warm and gentle man and has left a big hole in our community.



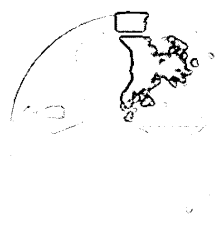
PAM

Pam, along with her husband, was connected with the London community from its beginning, sharing L'Arche with her daughters along the way. She was a gifted and generous friend, offering welcome and wisdom, her love of justice and her love of detail (and her label maker as well).



BETTY

Betty was our Queen in the house, giving speeches and telling stories to everyone. She built relationships with everyone around her. She liked adventures. We miss her laughter, clapping and her smile when she asked "where have you been?"



JOHN

John was a founding member of L'Arche Edinburgh and our first Local Committee Chair. He was incredibly faithful to the community and acted as appointee to one of our core members, who called him "my accountant". John supported L'Arche in many ways, including by fundraising for L'Arche in India.



GEOFFREY

Geoffrey was loved by all assistants and core members. He was a "people person" and would sit and have a coffee and ask "how are you?". A warm, friendly and caring gentleman who is missed by all who knew him.

## The we lost.



# The NEWBIES

These are just some of the amazing live-in and day-service members who chose to 'do life' in a L'Arche community in the UK this year. We've welcomed each and every one with open arms.



MATTHEW

BRIGIDE

DONNA

MOIR

DANIELLA

SCOTT

RORY

MACY

JOSETTE

SIAN

JAMES

EVE

JESS

CHLOE

NATHALIE

CHLOE

KAYA

LIAM

CHARLOTTE

SHINQUA

CARSTEN

ELLA

CATHERINE

REIFF

ANDREW

FLORENCE

SHONA

HUW

ANN

CHARLIE

MARK

LYNN

LAURA

GREGOR

## The PEOPLE we welcomed.



# Governance and leadership

## National Board:

Aedan MacGreevy*	National Chair
Sue Williams	National Vice Chair
Roland Clark*	National Treasurer
Peter Oakes	Safeguarding Lead
Marie Roberts	HR and Whistleblowing Lead
Jane Brown	Manchester
Isobel Gray*	Edinburgh
Laura Harper	London
Martin Weale	Brecon
Ben Moorhead	Resigned 14 <sup>th</sup> Sept '22

## National Leadership Team:

John Casson*	National Leader
Kathleen Boyle**	Deputy National Leader
James Cuming	Regional Leader South and Wales
Des Kennedy	Regional Leader North and Scotland
Hannah Lythe	Director of Fundraising
Louise Carter	Mission Formation
Sarah Harrison	Human Resources
Debbie Walker**	Head of Finance Operations
Tony Humphreys**	Head of Finance and IT Transformation (from 24 <sup>th</sup> January 2022)

## Community Leaders:

Liis Revell	Kent
Gary Deplacido	Highland - to 5 <sup>th</sup> Nov '21
Chris Gehrke	Highland - from 31 <sup>st</sup> Jan '22
Carol Carney	Liverpool
Lucy Winter	London
Sonja Jones	Bognor Regis - to 1 <sup>st</sup> Jul '22
Sarah Shallis	Bognor Regis - from 7 <sup>th</sup> Sept '22
Jill Farmer	Brecon - from 11 <sup>th</sup> Oct '21
Kirsty MacCrimmon	Edinburgh
Michael Sheppard	Preston - to 31 <sup>st</sup> Dec '21
David Knowles	Preston - from 14 <sup>th</sup> Mar '22
David Hockley	Ipswich
Nem Tomlinson	Manchester
Caireen Detain	Nottingham (Project)

“It gives me more of a sense of worth that I've ever had sitting in an office working for large companies.”

Colin, L'Arche Kent

\*Member of the Finance Subcommittee  
\*\*In attendance at Finance Subcommittee

**“ Being supported  
by the core members  
that you know on such  
an intimate level,  
and to know that they  
just want to do the same  
thing back for you  
just brings it all  
full circle.”**

Dom, L'Arche Manchester



# Strategic and Trustees' Report



# **STRATEGIC AND TRUSTEES' REPORT FOR THE YEAR ENDING 31<sup>ST</sup> JULY 2022**

The Trustees are pleased to present their Strategic and Trustee Report for the year ending 31st July 2022, including the preceding pages, which are also prepared to meet the requirements for a Directors' Report and Accounts for Companies Act purposes.

The Financial Statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

## **FINANCIAL REVIEW**

### **FINANCIAL RESULTS**

The Statement of Financial Activities shows an operating surplus of £33,207 (2021: deficit: £122,306). The operating surplus on unrestricted funds is £28,519 (2021: deficit £86,107).

After taking into account the net of donations and specific grants and expenditure from development funds, net incoming resources were £385,632 (2021: £315,486).

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

### **DONATIONS AND GRANTS**

Income from fundraising was lower than in the previous financial year at £1,154,691 (2021: £1,245,144). Unrestricted donations fell to £339,883 (2021: £415,156) due primarily to a reduction in the amount received from legacies. UK restricted donations reduced to £459,248 (2021: £582,470) as a result of the review of the Ipswich expansion. A number of pledges which would normally have fallen into the financial year were held pending completion of the purchase of a property in Ipswich. However, we were heartened and overwhelmed by the response to our appeal to support our communities in the Ukraine as we raised £236,659.

We continued to strengthen the Fundraising and Communications team and as a result expenditure saw an increase to £404,140 (2021: £335,389).

Government grant funding for additional costs resulting from Covid was substantially reduced during the year although the devolved governments continued to fund awards to carers in Scotland and Wales. Some local authorities also awarded funding towards the costs of our assistants self-isolating, having tested positive for Covid. As a result, Covid grant funding fell from £115,410 in 2021 to £32,031.

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

## INCOME FROM CHARITABLE ACTIVITIES

For the first time our income from Charitable Activities was in excess of £15 million. Overall, it rose by £1,556,605 to £15,004,144 (2021: £13,447,539).

As vacancies were filled our support income increased to £13,011,244 (2021: £11,749,607) with housing income also showing a strong performance at £1,625,202 (2021: £1,366,700). We continued to review support packages in response to changing needs and historical underfunding.

**Review: Securing annual fee increases from some local authorities remains challenging, but others awarded helpful uplifts. In Scotland, Government policy is that we are funded at a level that allows us to pay our assistants Real Living Wage as defined by the Living Wage Foundation and annual uplifts reflect this. In England, awards were mixed, with one large service receiving 8.9% but another only 2%.**

## DIRECT CHARITABLE EXPENDITURE

Expenditure on our services increased by £1,375,739 to £15,265,968 (2021: £13,890,229) The main factor behind this increase was staffing costs which rose from £10,940,626 in 2021 to £12,051,899 in 2022.

**Review: Recruitment of overseas assistants has remained challenging post Covid and Brexit. This is not unique to us but it also meant that our traditional live in model was being seriously challenged. The Government's recognition of care workers as being a shortage occupation is very welcome and will enable us to reduce our reliance on agency going forward. However, it came too late for the financial year under review and the latter half of the financial year was seriously impacted by staff shortages.**

## CHARITABLE DONATIONS

A donation of £3,000 (2021: £3,000) was made during the year to the L'Arche Benevolent Trust, a registered charity with the objectives of assisting employees and ex-employees of L'Arche who may require financial support as a result of personal hardship. Donations to L'Arche International totaled £120,097 (2021: £149,269) and donations to other charitable organisations £100 in total (2021: £250).

## BALANCE SHEET

Balance sheet net assets increased from £13,349,621 to £13,712,845. Cash balances at £4,497,532 (2021: £3,938,767) were particularly buoyant following the sale of 434 Woodbridge Road and pending the purchase of 320 Woodbridge Road in Ipswich. The purchase of the new property was completed in October 2022. Changes to local authority payment methods also caused delays in some of our communities creating unusually high debtor balances at £2,619,928, (2021: £1,883,454).

## **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 16 of the Financial Statements).

At 31st July 2022, L'Arche held total reserves of £13,712,845 (2021: £13,349,621). Free reserves totaled £2,884,811 (2021: £2,401,252) and were held in the General Fund.

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

The General Fund is held primarily to protect against interruptions to our main income flow and to sustain working cash balances to cover fluctuations in operating costs. The current level of unrestricted General Funds of £2,936,545 (2021: £2,471,194) represents 10.2 weeks (2021: 9.6 weeks) of community operating expenditure. In view of the needs of the residents in L'Arche's care, and our long-term commitment to them, a minimum of 13 weeks' reserves is our medium-term objective.

## **GOING CONCERN**

L'Arche operates in a financially challenging environment, with increasing wage costs and demands on funding, to which the COVID-19 pandemic has added new pressures. The directors are confident that the company has adequate reserves to cover these challenges and to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

## **FUTURE CAPITAL COMMITMENTS**

Capital project commitments outstanding at the year-end totaled nil (2021: £nil).

## **INVESTMENT POLICY**

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

## RISK REGISTER

L'Arche managed the immediate risks of COVID better than feared. We kept our community members safe through rigorous infection control. Our finances held up relatively well, as local authorities provided additional short-term funding.

But the long-term impact has been longer and more serious. Community life was severely curtailed, people with disabilities missed social contact, missed meeting friends and family face to face, and missed their daily routines. Several vacancies in our services could not be filled for months. The combination of Brexit and Covid left us facing serious challenges in recruiting enough assistants.

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

Two new risks were added this year:

- A major transformation of our financial systems and IT infrastructure, which depends on significant fundraising and a culture change in the organisation.
- A long-term question about whether our housing will continue to meet changing needs and expectations.

We face the future with confidence that we have survived Covid well, and have launched three Big Conversations to clarify our priorities ahead of our 50th Anniversary in 2024.

- Spirituality
- Voice and power and voice of people with disabilities
- The difference of L'Arche

Risk Area 1: Financial Sustainability	Mitigation
Communities become financially unsustainable due to lack of people who choose to share a house with people with learning disabilities [Impact 4 x Likelihood 4=16]	New recruitment post created. Review of the live-in role undertaken and pilots planned to consider how to make the role more attractive and sustainable. [Mitigation = M]
Finance / IT transformation programme fails to deliver, or cannot be afforded [5x3=15]	Head of Finance and IT transformation appointed. Steering Group formed. Independent advisers employed to ensure due diligence is carried out. Fundraising focus agreed [H]



**Risk Area 2:  
Mission and Identity****Mitigation**

Community, spirituality and outreach dwindle – due to lack of vision, volunteers, funds, investment in formation and leadership. [5x3=15]

Big Conversation on Spirituality will re-stimulate interest. Supervision of Community Leaders focuses on community life as well as service standards. Induction programme includes Formation in L'Arche as well as care standards. Each local Chair reports annually to National Board. Improved website and higher profile on social media achieved [M]

**Risk Area 3:  
Care and Housing****Mitigation**

Scandal in care service [5x2=10]

Clear policies and procedures for investigating promptly and robustly any allegations. DBS/PVG checks. New Major Incident procedure to support learning nationally. Regular meetings between Deputy National Leader and Board Safeguarding leads. [M]

Housing is unfit to meet long-term aspirations of care members and expectations of commissioners [5x3=15]

Housing vision to be developed, beginning with stock condition survey [M]

**Risk Area 4:  
Recruitment / Retention****Mitigation**

Not recruiting and retaining the people we need [4x4=16]

Move to Real Living Wage achieved for all. Job evaluation scheme to ensure mid-level leadership salaries are fair. Recruitment strategy including increased use of social media. Training in values-based recruitment. [H]

**Risk Area 5:  
Reputation****Mitigation**

Scandal or abuse or discrimination, or accusation of "cult" [5x2=10]

Training for leaders, improved policies and procedures for reporting and investigating allegations. Continue to process Jean Vanier Enquiry findings and support long-term members who remain affected by these events. [M]

**Risk Area 6:  
Leadership****Mitigation**

Leaders in communities overloaded / distracted [5x3=15]

Holistic supervision by Regional Leaders to ensure community leaders are well supported to deliver these very wide-ranging roles. Prompt support offered by specialists in national team when required. Peer support in place [H]

# **STRUCTURE, GOVERNANCE AND MANAGEMENT**

## **Organisational Structure**

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

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

## **Management**

The National Leader/CEO is appointed by the National Board and reports to the Trustees through the National Chair. As leader of the executive management structure, the National Leader/CEO is responsible for supervising a team of Deputy National Leader, Regional Leaders, as well as national co-ordinators of Formation, HR, Finance, Fundraising, and Communications. All members of the Leadership Team are permanent employees. The National Leader/CEO is also a member of the L'Arche International Leadership Team and reports to the International Federation of L'Arche through the International Leader.

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

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

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

## **Trustees**

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

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

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

## **Equal opportunities**

L'Arche seeks to ensure that it has a diverse workforce to reflect the diversity of the people who use our services. Opportunities for employment, promotion, transfer and training are advertised widely and all applicants are welcomed irrespective of race, colour, nationality, ethnic or national origins, gender, sexual orientation, disability, age, religion or belief.

We have trained senior staff in values-based recruitment, and we are moving to make "blind sifting" standard in our recruitment in line with best practice. In 2021 we also formed an "Embracing Diversity" working group representing perspectives across the organisation.

## **Disabled Employees Policy**

Our mission includes "we celebrate the unique value of every person and recognise our need of one another". Key elements of this include our commitment to giving full and fair consideration of applicants for employment of disabled people, having regard to their aptitudes and abilities. We support the continuing employment and training of people who become disabled, including offering flexible working wherever possible. Reasonable adjustments are offered to training opportunities to ensure accessibility to disabled employees. We analyse the results of our annual employees' survey in terms of protected characteristics including disability to see where our practices can be improved to ensure our commitment to diversity, equality and inclusion is translated into action.

## **Engagement with employees**

During the year we maintained and developed channels for engaging with employees. New national initiatives included: introduction of a Belong newsletter sent to every employee, inviting comment; video and written blogs from the national team inviting employee discussion on key topics, open forums for all employees to discuss the results of the diversity survey with the National Leader, messages from the national team communicating key decisions on pay and other announcements. We conducted a diversity survey of all employees, and an additional

survey of front-line leaders. Most consultation with employees takes place locally including regular gatherings of all Community members, listening groups, Community Councils and assistant assemblies. Groups of employees and service users work together to develop local plans and recruit senior leaders. Employees from all locations and roles participate in listening groups and steering groups for key national initiatives, and all employees are being invited to participate in new diversity forums for people with ethnic minority and LGBTQ identity. The National and Regional Leaders regularly visit communities and hear direct from employees at all levels. As a not for profit charity, there is no scope for sharing profits with employees, but news on performance including care inspection reports is shared widely internally and via social media. A number of Directors serve as chairs of local committees, and therefore have regular engagement with employees. Directors remain acutely aware of the challenges our employees face in working in social care where remuneration is low, and all decisions are taken by balancing the effects on our financial viability, our workforce, and the people with disabilities we support.

### **Remuneration policy**

L'Arche is committed to becoming a Real Living Wage employer as defined by the Living Wage Foundation and is also guided by the principles of L'Arche International in setting salaries, namely that we will seek to:

- use our financial strategy to ensure that we become a Real Living Wage employer.
- recruit and retain candidates who want to work for L'Arche because of our value base.
- ensure that the Remuneration Policy complements and reflects other relevant policies, in particular the Equal Opportunities and Diversity Policy, Recruitment and Selection Policy and the Identity & Mission statement.
- be transparent in the remuneration paid by sharing salary scale information in each community.
- review the salary benchmarking comparators and salary scales on an annual basis.
- recommend a Cost of Living increase if affordable.

### **Fundraising**

The charity does not use any professional fundraiser or participator to carry out activities on the charity's behalf.

### **Company, Charity & Tax Status**

The Company is limited by guarantee, with no shareholdings. The liability of the 46 members (2020: 42) is limited to £1 each. The Company is registered as a charity in England and Wales and in Scotland with the Office of Scottish Charity Regulator.

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

### **Public Benefit Disclosure**

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

# STATEMENT OF TRUSTEES' RESPONSIBILITIES

## Auditors

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

## Trustee Responsibilities In The Preparation Of Financial Statements

The trustees (who are also directors of L'Arche for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which 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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records that 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.

## Statement As To Disclosure Of Information To The Auditor

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 auditor is 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 National Board  
6<sup>th</sup> February 2023



**Aedan MacGreevy**

# **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF L'ARCHE**

## **Opinion**

We have audited the financial statements of L'Arche (the 'charitable company') for the year ended 31 July 2022 which comprise the statement of financial activities (incorporating income and expenditure account), the balance sheet, the cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Charities Act 2011.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustee's report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

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

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

## **Auditor responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures can detect irregularities, including fraud, is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the sector in which it operates and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations, relevant to the charitable company, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management, review of minutes and legal expenses. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.



## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF L'ARCHE (Continued)

---

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of nominal ledger. We evaluated whether there was evidence of bias by the trustees or management that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the FRC's website at:

**[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)** This description forms part of our auditor's report.

### Use of our report

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



**Lesley Kendrew**

(Senior Statutory Auditor)

For and on behalf of BHP LLP, Statutory Auditor

Date: 8th February 2023

BHP LLP  
New Chartford House  
Centurion Way  
Cleckheaton  
West Yorkshire  
BD19 3QB  
United Kingdom

# L'ARCHE FINANCIAL STATEMENTS

## Statement of financial activities incorporating Income and Expenditure Account for the year ended 31<sup>st</sup> July 2022.

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
<b>INCOME AND EXPENDITURE</b>						
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Voluntary income						
Donations and Grants	1	339,883	814,808	-	1,154,691	1,245,144
Investment income	2	4,884	156	-	5,040	330
Incoming resources from charitable activities	3	15,003,105	1,039	-	15,004,144	13,447,539
Other incoming resources						
Profit on disposal of fixed assets		15,062	-	-	15,062	610
<b>Total incoming resources</b>		<b>15,362,934</b>	<b>816,003</b>	<b>-</b>	<b>16,178,937</b>	<b>14,693,623</b>
<b>RESOURCES EXPENDED</b>						
<b>Costs of generating funds</b>						
Fundraising and publicity	4	375,617	28,523	-	404,140	335,389
<b>Charitable activities</b>						
Direct charitable expenditure	5	14,950,992	314,976	-	15,265,968	13,890,229
Donations made	6	3,100	120,097	-	123,197	152,519
<b>Total resources expended</b>	<b>6</b>	<b>15,329,709</b>	<b>463,596</b>	<b>-</b>	<b>15,793,305</b>	<b>14,378,137</b>
<b>Net incoming resources before transfers</b>	<b>7</b>	<b>33,225</b>	<b>352,407</b>	<b>-</b>	<b>385,632</b>	<b>315,486</b>
Analysed as:						
Operating surplus/(deficit)	8	28,519	4,688	-	33,207	(122,306)
Net non operating income after fundraising costs		4,706	347,719	-	352,425	437,792
<b>Net incoming resources before transfers</b>		<b>33,225</b>	<b>352,407</b>	<b>-</b>	<b>385,632</b>	<b>315,486</b>
Transfer between funds	16	279,137	(279,137)	-	-	-
<b>Net income for the year</b>		<b>312,362</b>	<b>73,270</b>	<b>-</b>	<b>385,632</b>	<b>315,486</b>
Other recognised gains & losses:						
Unrealised (loss)/gain on investments		(18,208)	-	(4,200)	(22,408)	21,610
<b>Net movement in funds</b>		<b>294,154</b>	<b>73,270</b>	<b>(4,200)</b>	<b>363,224</b>	<b>337,096</b>
<b>Balances brought forward at 1st August 2021</b>	<b>16</b>	<b>12,174,960</b>	<b>1,074,386</b>	<b>100,275</b>	<b>13,349,621</b>	<b>13,012,525</b>
<b>Balances carried forward at 31st July 2022</b>	<b>16</b>	<b>12,469,114</b>	<b>1,147,656</b>	<b>96,075</b>	<b>13,712,845</b>	<b>13,349,621</b>

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

## L'Arche Balance sheet at 31<sup>st</sup> July 2022

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	9	8,430,818	9,177,697
Investments	10	147,809	170,217
		<b>8,578,627</b>	<b>9,347,914</b>
<b>CURRENT ASSETS</b>			
Debtors	11	2,619,928	1,883,454
Cash at bank and in hand	12	4,497,532	3,938,767
		7,117,460	5,822,221
<b>CREDITORS</b>			
Amounts falling due within one year	13	1,738,806	1,572,905
<b>NET CURRENT ASSETS</b>		<b>5,378,654</b>	<b>4,249,316</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>13,957,281</b>	<b>13,597,230</b>
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	244,436	247,609
<b>NET ASSETS</b>		<b>13,712,845</b>	<b>13,349,621</b>
<b>THE FUNDS OF THE CHARITY</b>			
<b>Unrestricted</b>			
General Fund	16a	2,936,545	2,471,194
Development Fund	16a	1,262,365	704,520
Fixed Asset Fund	16a	8,270,204	8,999,246
<b>Restricted</b>			
Development Funds	16b	1,147,656	1,074,386
<b>Endowment</b>			
General Fund	16c	96,075	100,275
<b>TOTAL CHARITY FUNDS</b>		<b>13,712,845</b>	<b>13,349,621</b>

The financial statements were approved by the Finance Sub-Committee and authorised for issue on 6<sup>th</sup> February 2023 and were signed on its behalf by:



**A. MacGreevy**  
Director



**R. Clark**  
Director

Company number: 1055041

## L'Arche cash flow statement for the year ended 31<sup>st</sup> July 2022

	Notes	2022 £	2021 £
<b>CASH FLOW</b>			
Net cash inflow from operating and other activities	17a	227,415	1,658,603
Investments and servicing of finance	17b	1,832	(4,656)
Net capital expenditure	17c	347,355	(881,007)
		576,602	772,940
Financing outflow	17e	(17,837)	(17,928)
Increase/(Decrease) in cash		<b>558,765</b>	<b>755,012</b>
<b>CASH AND CASH EQUIVALENTS</b>			
As at 1 <sup>st</sup> August 2021		<b>3,938,767</b>	<b>3,183,755</b>
As at 31 <sup>st</sup> July 2022		<b>4,497,532</b>	<b>3,938,767</b>

## **Principal accounting policies in L'Arche**

### **Basis of Accounting**

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) - (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

### **Company Status**

The charity is a company limited by guarantee and constitutes a public benefit entity as defined by FRS102. The members of the company, who include the Directors and Trustees, have each guaranteed to contribute no more than £1 in the event of the company being wound up.

### **Going Concern**

The Trustees have considered the impact of Covid-19 on the Charity's income and beneficiaries, as well as the wider economy. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the Trustees are confident that they have plans in place to deal with and mitigate any financial losses that may arise. The Trustees therefore consider that the level of reserves for the charity are adequate. The Trustees continue to adopt the going concern basis of preparation for these financial statements.

### **Grants, Donations and Legacies**

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 16).

Entitlement to Legacies 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 received by the Charity from the executors that a distribution will be made
- or when a distribution is received from the estate

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/(Deficit)**

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/(deficit) comprises operating income less Direct Charitable Expenditure and Administration costs. See note 8 for the detailed figures.

**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 audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

**Interest Receivable**

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

**Donations for L'Arche International and Overseas Communities**

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

**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 or on assets in the course of construction. The basis is:

Category	Years
Freehold buildings	40 years
Long and short leasehold buildings	period of the lease
Tools and equipment	4 years
Motor vehicles	4 years

Freehold land is excluded from the depreciation on the basis of value at date of acquisition. The cost of fixtures and fittings is accounted for as expenditure in the year in which it is incurred.

## **Investments**

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

## **Debtors**

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

## **Cash at Bank and In Hand**

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

## **Liabilities and Provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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

### **Financial Instruments**

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

### **Pension Costs**

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

### **Leased Assets and Obligations**

All leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

### **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.

### **Foreign Currencies**

Transactions in foreign currencies are recorded at the rate ruling on the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.



# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 1. DONATIONS

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
<b>Donations and Grants received for general purposes:</b>				
a. retained in the General Fund	-	-	-	-
b. designated to the Development Fund	339,883	-	339,883	415,156
<b>Donations and Grants</b>				
a. received for UK Development	-	459,248	459,248	580,606
b. received for L'Arche International	-	323,529	323,529	133,972
	339,883	782,777	1,122,660	1,129,734
<b>Grants received from the Job Retention Scheme and Devolved Government Grants</b>				
	-	32,031	32,031	115,410
	<b>339,883</b>	<b>814,808</b>	<b>1,154,691</b>	<b>1,245,144</b>

## 2. INVESTMENT INCOME

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Bank interest	3,395	-	3,395	328
Income from investments	1,489	156	1,645	2
	<b>4,884</b>	<b>156</b>	<b>5,040</b>	<b>330</b>

Income from investments includes £1,638 (2021: £0) deriving from an investment of endowment funds.

## 3. INCOMING RESOURCES FROM CHARITABLE

	Unrestricted £	Restricted £	Total £	Total £
Income from Care and Support Provision	13,011,244	-	13,011,244	11,749,607
Income from Housing Services	1,625,202	-	1,625,202	1,366,700
Other funding	230,899	-	230,899	221,436
Sundry receipts	113,260	-	113,260	98,826
Sale of Products	22,500	1,039	23,539	10,970
	<b>15,003,105</b>	<b>1,039</b>	<b>15,004,144</b>	<b>13,447,539</b>

# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 4. COSTS OF GENERATING FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
Publicity	79,794	-	-	79,794	71,804
Fundraising	295,823	28,523	-	324,346	263,585
	<b>375,617</b>	<b>28,523</b>	-	<b>404,140</b>	<b>335,389</b>

## 5. DIRECT CHARITABLE EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
<b>Community operating costs</b>					
Employment and training	10,927,444	98,049	-	11,025,493	10,119,832
Household costs					
£ community activities	564,453	3,234	-	567,687	686,631
Occupancy costs	1,383,889	-	-	1,383,889	1,282,166
Repairs, maintenance & renewals	474,395	11,611	-	486,006	325,235
Depreciation	394,295	-	-	394,295	379,169
Workshop costs	49,918	600	-	50,518	28,493
<b>Support costs</b>					
Office costs	230,396	4,669	-	235,065	201,626
Motor & travel	65,038	306	-	65,344	40,330
Legal & professional	38,205	-	-	38,205	49,032
Loan interest	3,208	-	-	3,208	4,986
Direct support and development	695,573	196,507	-	892,080	671,706
Governance Costs	118,757	-	-	118,757	101,023
Loss on disposal of fixed assets	5,421	-	-	5,421	-
	<b>14,950,992</b>	<b>314,976</b>	-	<b>15,265,968</b>	<b>13,890,229</b>

# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 6. TOTAL RESOURCES EXPENDED

	Staff Costs £	Depreciation £	Other Costs £	Total 2022 £	Total 2021 £
Donations to L'Arche International	-	-	120,097	<b>120,097</b>	149,269
Donations to L'Arche Benevolent Trust	-	-	3,000	<b>3,000</b>	3,000
Other donations	-	-	100	<b>100</b>	250
<b>Total donations</b>	-	-	123,197	<b>123,197</b>	152,519
Direct charitable expenditure	11,763,098	404,816	3,098,054	<b>15,265,968</b>	13,890,229
Fundraising and publicity	288,801	4,349	110,990	<b>404,140</b>	335,389
	<b>12,051,899</b>	<b>409,165</b>	<b>3,332,241</b>	<b>15,793,305</b>	<b>14,378,137</b>

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.

	Total 2022 £	Total 2021 £
<b>Staff costs</b>		
Salaries	10,772,890	9,802,892
National Insurance	810,253	691,726
Pension and life assurance costs	266,535	262,585
Training	202,221	183,423
	<b>12,051,899</b>	<b>10,940,626</b>

The number of staff receiving employer's contributions into the pension scheme was 416 (2021: 393). At the year end, no premiums were outstanding to the pension scheme provider (2021: £nil)

	Total 2022 £	Total 2021 £
<b>Other costs</b>		
Donations	123,197	152,519
Household costs & community activities	567,704	687,062
Workshop costs	50,518	28,493
Occupancy costs, repairs & renewals	1,900,533	1,628,137
Office costs	288,299	246,310
Motor & travel	111,364	49,216
Community support and development	34,611	25,786
Legal & professional	141,817	108,172
Loan interest	3,208	4,986
Fundraising and publicity	110,990	114,777
	<b>3,332,241</b>	<b>3,045,458</b>

## L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

### 6. TOTAL RESOURCES EXPENDED (cont.)

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

The total remuneration of the National Leadership Team was £469,445 (2021: £426,893).

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. One employee received remuneration in the range £70,001 - £80,000 (2021: 0).

During the year, no directors, who act as trustees of the charity, were reimbursed in respect of travel or other expenses (2021: 0 - £0). The trustees receive no remuneration.

During the year, there were no transactions between related parties (2021: nil)

Excluding the Committee members, the average weekly number of employees, analysed by function was:

	2022	2021
Communities	398	422
Administration and Finance	20	17
Fundraising and publicity	6	4
	<b>424</b>	<b>443</b>

### 7. 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:

	2022 £	2021 £
Auditors' remuneration - audit services	19,932	18,120
Auditors' remuneration - other services	-	900
Depreciation charge for the year on tangible fixed assets	409,165	392,053
Cost of operating leases (see note 15)	10,561	10,561
Profit on disposal of tangible fixed assets	(9,641)	(610)

# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 8. OPERATING SURPLUS

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2022	Total 2021
	£	£	£	£	£

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

Operating income	15,003,105	-	-	15,003,105	13,447,539
Investment income applied to operating expenditure	4,884	-	-	4,884	330
Donations for operating expenditure	39,254	319,664	-	358,918	394,248
Profit on disposal of fixed assets	15,062	-	-	15,062	610
	<b>15,062,305</b>	<b>319,664</b>	-	<b>15,381,969</b>	<b>13,842,727</b>

Less:

Direct charitable expenditure	14,950,992	314,976	-	15,265,968	13,890,229
Contributions to Benevolent Trust	3,000	-	-	3,000	3,000
Publicity Costs	79,794	-	-	79,794	71,804
	<b>15,033,786</b>	<b>314,976</b>	-	<b>15,348,762</b>	<b>13,965,033</b>
<b>Operating Surplus/(Deficit)</b>	<b>28,519</b>	<b>4,688</b>	-	<b>33,207</b>	<b>(122,306)</b>

# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 9. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Long leasehold buildings £	Short leasehold buildings £	Tools and equipment £	Motor vehicles £	Total £
--	--	-------------------------------------	--------------------------------------	--------------------------------	------------------------	------------

### COST

1st August 2021	11,074,877	688,825	876,853	1,341,768	114,646	14,096,969
Additions	104,543	61,953	47,017	123,376	90,878	427,767
Re-allocations	13,331	-	(13,331)	-	-	-
Disposals	(808,031)	-	(22,681)	(57,384)	(9,995)	(898,091)
31st July 2022	<b>10,384,720</b>	<b>750,778</b>	<b>887,858</b>	<b>1,407,760</b>	<b>195,529</b>	<b>13,626,645</b>

### DEPRECIATION

1st August 2021	2,943,049	376,989	298,163	1,210,664	90,407	4,919,272
Charge for year	235,965	16,924	42,296	85,138	28,842	409,165
Re-allocations	-	-	-	-	-	-
Disposals	(65,088)	-	(17,407)	(57,237)	7,122	(132,610)
31st July 2022	<b>3,113,926</b>	<b>393,913</b>	<b>323,052</b>	<b>1,238,565</b>	<b>126,371</b>	<b>5,195,827</b>

### NET BOOK VALUE

31st July 2022	<b>7,270,794</b>	<b>356,865</b>	<b>564,806</b>	<b>169,195</b>	<b>69,158</b>	<b>8,430,818</b>
31st July 2021	<b>8,131,828</b>	<b>311,836</b>	<b>578,690</b>	<b>131,104</b>	<b>24,239</b>	<b>9,177,697</b>

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 31<sup>st</sup> July 2022

## 10. INVESTMENTS

	Quoted £	Listed £	Unlisted £	Total £
Market value 1st August 2021	69,942	100,275	-	170,217
Unrealised investment losses	(18,208)	(4,200)	-	(22,408)
<b>Market value 31st July 2022</b>	<b>51,734</b>	<b>96,075</b>	-	<b>147,809</b>
Historical cost 31st July 2022	-	3,230	-	3,230

All investments are in the United Kingdom.

The listed investments were given to L'Arche as an endowment, and comprise 1,050 shares in Adnams Brewery, an Aquis Stock Exchange company, with a market value of £91.50 per share at 31st July 2022 (2021: £95.50).

## 11. DEBTORS

	2022 £	2021 £
Other debtors	452,041	398,405
Prepayments and accrued income	2,167,887	1,485,049
	<b>2,619,928</b>	<b>1,883,454</b>

## 12. CASH AT BANK AND IN HAND

	2022 £	2021 £
Working cash balances	18,124	9,328
Bank deposits	4,479,408	3,929,439
	<b>4,497,532</b>	<b>3,938,767</b>

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.

# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 13. CREDITORS - Amounts falling due within one year

	2022 £	2021 £
Taxation and social security costs	223,872	194,622
Residents' grants received in advance	286,348	63,848
Other creditors	642,268	668,881
Triodos loan	16,483	16,483
Accruals and deferred income	569,835	629,071
	<b>1,738,806</b>	<b>1,572,905</b>

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

## 14. CREDITORS - Amounts falling due after more than one year

	2022 £	2021 £
Triodos loan		
Falling due 1-2 years	14,814	14,814
Falling due 2-5 years	44,442	44,442
Falling due over 5 years	101,358	119,195
	<b>160,614</b>	<b>178,451</b>
Other Creditors	83,822	69,158
	<b>244,436</b>	<b>247,609</b>

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



# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 15. COMMITMENTS AND CONTINGENCIES

### a) Operating Lease Commitments

At 31 July 2022 the company was committed to making the following payments during the next year under non-cancellable operating leases as follows:-

	2022 Land & buildings £	2021 Land & buildings £
Falling due with 12 months	10,561	10,561
Falling due within 2-5 years	42,244	42,244
Falling due over 5 years	177,777	188,338
	<b>230,582</b>	<b>241,143</b>

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) Capital Projects Planned and Committed

Capital projects planned at 31<sup>st</sup> July 2022 amounted to a total of £880,000 (2021: £880,000).

	1st August 2021 £	Expended £	Allocated (Released) £	31st July 2022 £
<b>Planned</b>				
Ipswich, Purchase of New Property	880,000	-	-	880,000
	<b>880,000</b>	-	-	<b>880,000</b>

At 31<sup>st</sup> July 2022, no contractual commitments had been entered into in respect of the above project (2021 - nil)

At 31<sup>st</sup> July 2022, total pledges received in respect of the above projects totalled £235,000 (2021 - £299,375)

# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 16. FUNDS

### a) Unrestricted Funds

	General Fund	Development Fund	Fixed Asset Fund	Total Funds
	£	£	£	£
<b>1st August 2021</b>	<b>2,471,194</b>	<b>704,520</b>	<b>8,999,246</b>	<b>12,174,960</b>
<b>Fund movements for the year:</b>				
Net incoming resources for the year	33,225	-	-	33,225
Donations and Grants received for general purposes	(339,883)	339,883	-	-
Purchase of tangible fixed assets	(148,630)	(279,137)	427,767	-
Derestriction on purchase of tangible fixed assets	-	279,137	-	279,137
Repayment of loans and mortgages on property	(17,837)	-	17,837	-
Transfer for depreciation	409,165	-	(409,165)	-
Net book value of disposals	765,481	-	(765,481)	-
Allocations to Development Fund for future projects	(552,180)	552,180	-	-
Development Funds expended	334,218	(334,218)	-	-
Unrealised loss on investments	(18,208)	-	-	(18,208)
<b>Total fund movements</b>	<b>465,351</b>	<b>557,845</b>	<b>(729,042)</b>	<b>294,154</b>
<b>31st July 2022</b>	<b>2,936,545</b>	<b>1,262,365</b>	<b>8,270,204</b>	<b>12,469,114</b>

### b) Restricted Funds

	General Fund	Development Fund	Fixed Asset Fund	Total Funds
	£	£	£	£
<b>1st August 2021</b>	<b>-</b>	<b>1,074,386</b>	<b>-</b>	<b>1,074,386</b>
<b>Fund movements for the year:</b>				
Net incoming resources for the year	-	352,407	-	352,407
Derestriction on purchase of tangible fixed assets	-	(279,137)	-	(279,137)
<b>Total fund movements</b>	<b>-</b>	<b>73,270</b>	<b>-</b>	<b>73,270</b>
<b>31st July 2022</b>	<b>-</b>	<b>1,147,656</b>	<b>-</b>	<b>1,147,656</b>

The Restricted Funds form part of Bank Deposits.

# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 16. FUNDS (cont.)

### c) Endowment Funds

	General Fund £	Development Fund £	Fixed Asset Fund £	Total Funds £
<b>1st August 2021</b>	<b>100,275</b>	-	-	<b>100,275</b>
<b>Fund movements for the year:</b>				
Unrealised loss on investments	(4,200)	-	-	(4,200)
<b>Total fund movements</b>	<b>(4,200)</b>	-	-	<b>(4,200)</b>
<b>31st July 2022</b>	<b>96,075</b>	-	-	<b>96,075</b>

### d) Summary

	General Fund £	Development Fund £	Fixed Asset Fund £	Total Funds £
<b>1st August 2021</b>	<b>2,571,469</b>	<b>1,778,906</b>	<b>8,999,246</b>	<b>13,349,621</b>
<b>Fund movements for the year:</b>				
Net incoming resources for the year	33,225	352,407	-	385,632
Purchase of tangible fixed assets	(148,630)	(279,137)	427,767	-
Repayment of loans and mortgages on property	(17,837)	-	17,837	-
Adjustment for depreciation	409,165	-	(409,165)	-
Transfer between funds	207,636	557,845	(765,481)	-
Unrealised loss on investments	(22,408)	-	-	(22,408)
<b>Total fund movements</b>	<b>461,151</b>	<b>631,115</b>	<b>(729,042)</b>	<b>363,224</b>
<b>31st July 2022</b>	<b>3,032,620</b>	<b>2,410,021</b>	<b>8,270,204</b>	<b>13,712,845</b>

# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 16. FUNDS (cont.)

## Restricted Funds Analysis:

	1st August 2021	Incoming	Movement in Resources		31st July 2022	
	£	£	Transfers	Derestricted	Expended	
				£	£	
<b>Transforming Lives</b>						
<b>Expanding the Contribution of People with Learning Disabilities in Society</b>						
Developing resources to help people with learning disabilities deepen their spiritual lives	17,650	-	-	-	(11,309)	6,341
<b>Creating More Places to Call Home</b>						
<b>New Communities</b>						
Nottingham	18,994	2,705	-	-	(3,569)	18,130
Scotland	48,346	-	-	-	-	48,346
<b>Capital &amp; Refurbishment Appeals</b>						
Ipswich - Purchase and Development of New Project	210,243	-	(120,760)	(89,483)	-	-
Ipswich - Purchase of The Ark, supported living house	-	-	120,760	-	-	120,760
Manchester - Day Service Development	20,855	4,190	-	-	(24,539)	506
Manchester - The Rose, supported living house	47,940	13,568	-	(36,481)	(13,534)	11,493
<b>Investing in Leadership, Young People &amp; Infrastructure for Growth</b>						
Assistant Induction Programme	45,785	12,500	-	-	(48,530)	9,755
Big Conversation - Voice and Power	-	48,000	-	-	(5,280)	42,720
Big Conversation - Impact	-	25,000	-	-	-	25,000
Investment in Charity Infrastructure	83,277	204,894	-	(26,363)	(140,957)	120,851
Volunteers Coordination	30,638	32,413	-	-	(13,636)	49,415
<b>Investment in Programmes &amp; Projects Of L'Arche International</b>						
India	2,117	12,327	-	-	(10,530)	3,914
Africa	11,174	10,439	-	-	(14,736)	6,877
Poland	-	156	-	-	-	156
Ukraine*	-	236,659	-	-	(15,529)	221,130
International	82,353	64,104	-	-	(95,005)	51,452
<b>Total Transforming Lives</b>	<b>619,372</b>	<b>666,955</b>	<b>-</b>	<b>(152,327)</b>	<b>(397,154)</b>	<b>736,846</b>
<b>Local Community Projects</b>						
Kent	43,927	3,455	-	-	(494)	46,888
Inverness	18,913	4,811	-	-	(7,161)	16,563
Liverpool	89,765	13,435	-	(64,388)	(10,093)	28,719
London	24,210	30,221	-	-	(6,115)	48,316
Bognor	30,706	22,462	-	(14,507)	(1,300)	37,361
Brecon	5,111	-	-	-	-	5,111
Edinburgh	41,985	27,964	-	-	(6,482)	63,467
Preston	97,521	1,400	-	-	(1,999)	96,922
Ipswich	2,896	-	-	-	-	2,896
Manchester	98,127	13,269	-	(47,915)	(767)	62,714
<b>Other</b>						
Scottish and Welsh Government Grants to Social Care Staff	-	32,031	-	-	(32,031)	-
Other restricted donations and gifts	1,853	-	-	-	-	1,853
	<b>1,074,386</b>	<b>816,003</b>	<b>-</b>	<b>(279,137)</b>	<b>(463,596)</b>	<b>1,147,656</b>

\* Subsequence to these accounts an initial transfer of £135,736 was made to L'Arche International who are coordinating L'Arche's global response to the crisis in Ukraine.

# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 16. FUNDS (cont.)

### Prior Year Restricted Funds Analysis:

	1st August 2020	Movement in Resources			31st July 2021
	£	Incoming £	Derestricted £	Expended £	£
<b>Transforming Lives</b>					
<b>Expanding the Contribution of People with Learning Disabilities in Society</b>					
Developing resources to help people with learning disabilities deepen their spiritual lives	19,816	-	-	(2,166)	17,650
<b>Creating More Places to Call Home</b>					
<b>New Communities</b>					
Nottingham	20,172	1,714	-	(2,892)	18,994
Scotland	48,346	-	-	-	48,346
<b>Capital &amp; Refurbishment Appeals</b>					
Ipswich - Purchase and Development of New Project	189,951	20,292	-	-	210,243
Manchester - Day Service Development	59,270	-	-	(38,415)	20,855
Manchester - The Rose, supported living house	-	51,640	-	(3,700)	47,940
Inverness - Development and Refurbishment of Braerannoch Site	369,975	-	(369,975)	-	-
<b>Investing in Leadership, Young People &amp; Infrastructure for Growth</b>					
Assistant Induction Programme	59	98,897	-	(53,171)	45,785
Investment in Charity Infrastructure	-	101,626	-	(18,349)	83,277
Volunteers Coordination	-	30,638	-	-	30,638
<b>Investment in Programmes &amp; Projects Of L'Arche International</b>					
India	70,753	18,808	-	(87,444)	2,117
Africa	10,184	15,878	-	(14,888)	11,174
Poland	50	-	-	(50)	-
International	28,698	93,166	-	(39,511)	82,353
<b>Total Transforming Lives</b>	<b>817,274</b>	<b>432,659</b>	<b>(369,975)</b>	<b>(260,586)</b>	<b>619,372</b>
<b>Local Community Projects</b>					
Kent	35,056	11,435	(1,200)	(1,364)	43,927
Inverness	34,424	7,128	(12,179)	(10,460)	18,913
Liverpool	9,356	88,064	-	(7,655)	89,765
London	52,038	9,607	-	(37,435)	24,210
Bognor	39,396	3,070	(11,260)	(500)	30,706
Brecon	5,111	-	-	-	5,111
Edinburgh	25,701	17,667	-	(1,383)	41,985
Preston	3,188	95,626	-	(1,293)	97,521
Ipswich	2,896	50	-	(50)	2,896
Manchester	63,797	41,896	-	(7,566)	98,127
<b>Other</b>					
Grants from Job Retention Scheme	-	58,586	-	(58,586)	-
Scottish and Welsh Government Grants to Social Care Staff	-	56,824	-	(56,824)	-
Other restricted donations and gifts	5,853	-	-	(4,000)	1,853
	<b>1,094,090</b>	<b>822,612</b>	<b>(394,614)</b>	<b>(447,702)</b>	<b>1,074,386</b>

# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 16. FUNDS (cont.)

### Endowment Funds

	1st August 2021	Gains and transfers	31st July 2022
	£	£	£
Adnams shares	100,275	(4,200)	96,075
	<b>100,275</b>	<b>(4,200)</b>	<b>96,075</b>

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

### Analysis of net assets between funds

	General Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Tangible fixed assets	8,430,818	-	-	8,430,818
Investments	51,734	-	96,075	147,809
Current assets	5,969,804	1,147,656	-	7,117,460
Current liabilities	(1,738,806)	-	-	(1,738,806)
Long term liabilities	(244,436)	-	-	(244,436)
<b>Net assets as at 31 July 2022</b>	<b>12,469,114</b>	<b>1,147,656</b>	<b>96,075</b>	<b>13,712,845</b>

### Prior year analysis of net assets between funds

	General Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Tangible fixed assets	9,177,697	-	-	9,177,697
Investments	69,942	-	100,275	170,217
Current assets	4,747,835	1,074,386	-	5,822,221
Current liabilities	(1,572,905)	-	-	(1,572,905)
Long term liabilities	(247,609)	-	-	(247,609)
<b>Net assets as at 31 July 2021</b>	<b>12,174,960</b>	<b>1,074,386</b>	<b>100,275</b>	<b>13,349,621</b>

# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 17. NOTES TO CASH FLOW STATEMENT

### a. RECONCILIATION of net incoming resources to net cash inflow from operating and other activities

	2022	2021
	£	£
Net incoming resources	385,632	315,486
Investment income receipts	(5,040)	(330)
Finance costs paid	3,208	4,986
Depreciation charges	409,165	392,053
Profit on sale of tangible fixed assets (net)	(9,641)	(610)
(Increase) / Decrease in debtors	(736,474)	818,365
Increase in creditors	180,565	128,653
<b>Net cash inflow from operating and other activities</b>	<b>227,415</b>	<b>1,658,603</b>

### b. INVESTMENTS AND SERVICING OF FINANCE

Investment income receipts	5,040	330
Finance costs paid	(3,208)	(4,986)
	<b>1,832</b>	<b>(4,656)</b>

### c. NET CAPITAL EXPENDITURE

Payments to acquire tangible fixed assets	(427,767)	(881,617)
Receipts from sales of tangible fixed assets	775,122	610
	<b>347,355</b>	<b>(881,007)</b>

### d. RECONCILIATION of net cash flow to movement in net debt

Increase/(Decrease) of cash in the period	558,765	755,012
Loan repayments	17,837	17,928
Movement in net funds in the year	<b>576,602</b>	772,940
Net Funds as at 1st August 2021	<b>3,743,833</b>	2,970,893
<b>Net Funds as at 31st July 2022</b>	<b>4,320,435</b>	<b>3,743,833</b>

# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 17. NOTES TO CASH FLOW STATEMENT (cont.)

### e. ANALYSIS OF CHANGES IN NET CASH AND FINANCING

	1st August 2021	Cash flows	31st July 2022
	£	£	£
<b>Cash</b>			
Cash at Bank and in hand	3,938,767	558,765	4,497,532
<b>Financing</b>			
Triodos loan (Ipswich)	(194,934)	17,837	(177,097)
<b>Total Financing</b>	(194,934)	17,837	(177,097)
<b>Total Net Funds and Financing</b>	<b>3,743,833</b>	<b>576,602</b>	<b>4,320,435</b>



# L'Arche - Financial statements for the year ended 31<sup>st</sup> July 2022

## 18. STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> JULY 2021.

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2021 £
<b>INCOME AND EXPENDITURE</b>					
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income					
Donations and Grants	1	422,532	822,612	-	1,245,144
Investment income	2	330	-	-	330
Incoming resources from charitable activities					
Other incoming resources	3	13,447,539	-	-	13,447,539
Profit on disposal of fixed assets		610	-	-	610
<b>Total incoming resources</b>		<b>13,871,011</b>	<b>822,612</b>	<b>-</b>	<b>14,693,623</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds					
Fundraising and publicity	4	321,421	13,968	-	335,389
Charitable activities					
Direct charitable expenditure	5	13,598,388	291,841	-	13,890,229
Donations made	6	10,626	141,893	-	152,519
<b>Total resources expended</b>	6	<b>13,930,435</b>	<b>447,702</b>	<b>-</b>	<b>14,378,137</b>
<b>Net incoming resources before transfers</b>	7	<b>(59,424)</b>	<b>374,910</b>	<b>-</b>	<b>315,486</b>
Analysed as:					
Operating (deficit)/surplus	8	(86,107)	(36,199)	-	(122,306)
Net non operating income after fundraising costs		26,683	411,109	-	437,792
<b>Net incoming resources before transfers</b>		<b>(59,424)</b>	<b>374,910</b>	<b>-</b>	<b>315,486</b>
Transfer between funds	16	394,614	(394,614)	-	-
<b>Net income for the year</b>		<b>335,190</b>	<b>-19,704</b>	<b>-</b>	<b>315,486</b>
Other recognised gains & losses:					
Unrealised gain on investments		19,510	-	2,100	21,610
<b>Net movement in funds</b>		<b>354,700</b>	<b>(19,704)</b>	<b>2,100</b>	<b>337,096</b>
<b>Balances brought forward at 1st August 2020</b>	16	<b>11,820,260</b>	<b>1,094,090</b>	<b>98,175</b>	<b>13,012,525</b>
<b>Balances carried forward at 31st July 2021</b>	16	<b>12,174,960</b>	<b>1,074,386</b>	<b>100,275</b>	<b>13,349,621</b>

# Be part of our STORY

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

- Donate
- Volunteer
- Fundraise
- Campaign

**Find out more at:**



[www.larche.org.uk](http://www.larche.org.uk)



[www.twitter.com/LArcheUK](http://www.twitter.com/LArcheUK)



[www.facebook.com/UK.LARCHE](http://www.facebook.com/UK.LARCHE)

## **Memberships and Associations:**

**CCPS**  
COALITION OF CARE  
AND SUPPORT PROVIDERS  
IN SCOTLAND

**LDE**  
Learning Disability England

V O D G

**NCF**  
THE NATIONAL CARE FORUM

### **AUDITOR**

BHP LLP

New Chartford House, Centurion Way, Cleckheaton, West Yorkshire, BD19 3QB

### **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

### **L'Arche**

A company limited by guarantee Registered in England and 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](mailto:info@larche.org.uk)

**Website:** [www.larche.org.uk](http://www.larche.org.uk)

