

Company No **9** 601868 (England & Wales)

Charity No 1140576

**Ark Community Transport Ltd**  
**(A company Limited by Guarantee**  
**and not having a share capital)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> MAY 2011**

FRIDAY



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**ARK COMMUNITY TRANSPORT LTD**  
**INDEX TO THE FINACIAL STATEMENTS**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

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**Page No**

1- 5	Report of the Directors/Trustees
6	Report of the Independent Examiners
7	Income and Expenditure Account
8	Statement of Financial Activities
9	Balance Sheet
10-16	Notes to the Financial Statements

**ARK COMMUNITY TRANSPORT LTD**  
**REPORT OF THE DIRECTORS/TRUSTEES**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

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1 Reference and administration details

Charity Number 1140576

Company Number 6901868

Principal office Beaufort House, Beaufort Road, Birkenhead, Merseyside, CH41 1HE

Accountants McEwan Wallace, 68 Argyle Street, Birkenhead, Wirral CH41 6AF

Bankers HSBC, 38 Grange Road, West Kirby, Wirral, CH48 4EA

Solicitors Ms Heather Davies, 174 Law Solicitors

Trustees Trustees who served during the year were

Mr Christopher John Taylor

Mr Keith John Achworth (Date of resignation 24 February 2011)

Mr Abdul Karim Erzouki

Chief Executive Mr Abdul Karim Erzouki

**ARK COMMUNITY TRANSPORT LTD**  
**REPORT OF THE DIRECTORS/TRUSTEES**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

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**2 Structure, governance & management**

Governing Document

The company is governed by its Memorandum and Articles of Association and is constituted as a company limited by guarantee, registration number 6901868

The Charity is registered by the Charity Commissioners for England & Wales, registration number 1140576

History of Ark Community Transport Ltd

The Company was formed in 2009 and registered with the Charity Commission in February 2011

Recruitment & Appointment of Trustees

The trustees of the charity are also the directors for the purposes of company law. Under the requirements of the Memorandum and Articles of Association the number of trustees on the council shall not be less than three.

The Charity is actively seeking to recruit new trustees to add to the existing expertise and experience.

New trustees are made aware of their legal obligations under charity and company law.

Trustee Induction & Training

New trustees will be invited to an induction to meet staff and learn about the workings of the Charity, including Board Policy and Procedures. An induction pack will be given out with full information of the company's history.

Risk Management

The trustees have reviewed the activities of the company and the risks it faces. From time to time the risks are re-assessed and managed as appropriate.

Internal controls, based upon appropriate lines of authority and a subdivision of tasks within the company, are maintained. Health and Safety risks and operational risks rely upon the subdivision of responsibilities, proper training of personnel and regular maintenance of the company's assets, principally its vehicles and lifts. These controls are maintained on a continuous basis. Environmental, ethical and social risks are assessed as part of operational risks.

External financial risks relate principally to the company's future funding.

**ARK COMMUNITY TRANSPORT LTD**  
**REPORT OF THE DIRECTORS/TRUSTEES**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

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Organisational Structure

The Chief Executive is responsible to the Board of Directors. He is supported by the Finance Manager.

The Board meet bi-monthly and on an ad hoc basis with the Chief Executive/Company Secretary and Finance Manager.

The Finance Manager is responsible to the Chief Executive for producing and monitoring all financial information.

**3. Objectives & Activities**

Objectives & Activities

The charity's objectives are to provide transport facilities in Merseyside for persons who have special need of such facilities because they are vulnerable children and adults with mental and / or physical disabilities.

A further activity is the hire of vehicles and drivers on a commercial basis to local organisations within the Merseyside area.

The trustees have paid due regard to the Charity Commission's guidance on Public Benefit and believe that the charity has complied with the duty in Section 17 (5) of the Charities Act 2011. The charity has made no changes to the company's objectives or the policies needed to achieve them during the year.

**4. Achievements and performance**

This was the Charity's first period of activity.

The trustees have a policy of affording the highest possible standard of transport and working environment for both the users of its vehicles and its staff and consequently significant resources were used setting up premises, buying new vehicles adapted specially for transporting wheelchairs and recruiting drivers and attendants of the highest calibre, experience and training.

When everything was in place six contracts were negotiated with Wirral Borough Council to assist vulnerable children and adults with mental and/or physical disabilities who were housebound to attend day centres affording some respite for their home carers and improving the individual's quality of life.

The Charity achieved over 10 000 individual client journeys in the period.

**ARK COMMUNITY TRANSPORT LTD**  
**REPORT OF THE DIRECTORS/TRUSTEES**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

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**5. Financial Review**

The charity recorded a surplus of £2,707 during the year. Total income amounted to £109,960, with £94,590 coming from service funding and £15,370 from donations

This allowed the charity to expend £107,253 on operating and governance matters during the year

Reserves policy

The reserves fund represents the unrestricted funds arising from past activities. The policy objective of the charity's management is that the unrestricted funds held should be between three and six months of predicted expenditure

Based on 2011 expenditure levels, this would equate to between £28,813 and £53,626. Actual reserves at 31<sup>st</sup> May 2011 were £2,707. The trustees are taking steps in 2011/12 to build up the reserves position to comply to the stated objective

**6. Future Developments**

The charity intends to carry on with its existing contracts with Wirral Social Services possibly expanding the number of contracts and subsidising this side of its work by the provision of other commercial activities

**7. Trustees' responsibilities**

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the trustees' are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and in accordance with the Charity's Constitution. 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





**ARK COMMUNITY TRANSPORT LTD**  
**REPORT OF THE DIRECTORS/TRUSTEES**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

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**Statement as to disclosure of information to auditors**

So far as the trustees' are aware, there is no relevant audit information (as defined by section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of the information.

**8. Directors/Trustees**

The directors/trustees who served during this period were as follows

Mr Christopher John Taylor

Mr Keith John Achworth (resigned 24 February 2011)

Mr Abdul Karim Erzouki

Signed on behalf of the Board



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A K A Erzouki – Chairman

Dated 26 September 2012

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

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I report on the accounts for the year ended 31 May 2011

Respective responsibilities of directors and reporting accountants

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. [The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of (named body) ]\*

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention

Basis of Independent Examiner's Report

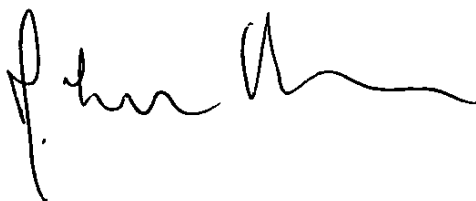
My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or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

Opinion

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

- which gives me reasonable cause to believe that, in any material respect, the requirements
  - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
  - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005) have not been met, or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

N Wilson  
For and on behalf of  
McEwan Wallace Chartered Accountants  
Statutory auditor  
68 Argyle Street  
Birkenhead  
CH41 6AF  
26 September 2012





**ARK COMMUNITY TRANSPORT LTD**  
**INCOME AND EXPENDITURE ACCOUNT**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

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	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>INCOME</b>		
Donations and fundraising	15,370	
Service funding	94,590	
	<hr/>	<hr/>
	109,960	-
<b>EXPENDITURE</b>		
Charitable activities	92,551	
Management and administration	13,740	
	<hr/>	<hr/>
	106,291	-
<b>SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES</b>	3,669	-
Other interest receivable and similar income	(962)	-
	<hr/>	<hr/>
<b>NET SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES</b>	2,707	-
	<hr/>	<hr/>

The notes set out on pages 10 to 16 form part of these financial statements

**ARK COMMUNITY TRANSPORT LTD**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

	Notes	Unrestricted	Restricted	2011	2010
		£	£	Total £	Total £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
Voluntary income	2	15,370	-	15,370	-
Service funding	3	94,590		94,590	-
Total Incoming resources		109,960		109,960	-
<b>RESOURCES EXPENDED</b>					
Costs of generating funds					
Charitable activities	4	103,753		103,753	-
Governance costs	5	3,500		3,500	-
<b>TOTAL RESOURCES EXPENDED</b>		107,253		107,253	-
Net (Outgoing)/Incoming Resources before transfers		2,707		2,707	-
Net (Outgoing)/Incoming Resources for the year		2,707		2,707	-
Balances brought forward at 1 <sup>st</sup> June 2010		-		-	-
Balances carried forward at 31 <sup>st</sup> May 2011		2,707		2,707	-

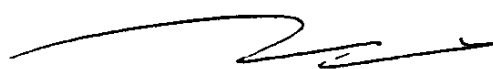
The notes set out on pages 10 to 16 form part of these financial statements

**ARK COMMUNITY TRANSPORT LTD**  
**BALANCE SHEET**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

	Notes	2011		2010	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets			-		-
Tangible assets	11		245,045		-
			<u>245,045</u>		<u>-</u>
<b>CURRENT ASSETS</b>					
Debtors	12	73,276		-	
Cash at bank and in hand		-		-	
		<u>73,276</u>		<u>-</u>	
<b>TOTAL CURRENT ASSETS</b>			73,276		-
<b>CREDITORS: Amounts falling due within one year</b>	13	(153,768)		-	
		<u>(153,768)</u>		<u>-</u>	
<b>NET CURRENT ASSETS / (LIABILITIES)</b>			(80,492)		-
			<u>(80,492)</u>		<u>-</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			164,553		-
			<u>164,553</u>		<u>-</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	14	(161,846)		-	
		<u>(161,846)</u>		<u>-</u>	
<b>NET ASSETS</b>			2,707		-
			<u>2,707</u>		<u>-</u>
<b>FUNDS</b>					
Unrestricted funds	17		2,707		-
Restricted funds	16				-
			<u>2,707</u>		<u>-</u>

These Financial Statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the board on 26 September 2012 and were signed on its behalf by



A K A Erzouki (Chairman)

The notes set out on pages 10 to 16 form part of these financial statements

**ARK COMMUNITY TRANSPORT LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

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**1 ACCOUNTING POLICIES**

a) Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), and the Companies Act 2006. The Financial statements incorporating a Statement of Financial Activities, have been prepared in accordance with Statement of Recommended Practice SORP 2005 – “Accounting and Reporting by Charities ”

b) Company status

The organisation is a registered Charity and a company limited by guarantee. The liability in respect of the guarantee as set out in the memorandum is limited to £1 per member of the company.

d) Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the organisation
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor

All income and expenditure is shown in the Statement of Financial Activities

The nature and purpose of each fund are fully explained in notes 16 and 17

e) Income and expenditure

All income and expenditure is accounted for on the accruals basis

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income

- Incoming resources from charitable activities are received by way of transport fees. They are all credited to the statement of financial activities in accordance to the period they relate to, regardless of when actually received. Any amounts received in advance are treated as deferred income; and arrears are treated as debtors at the year end. Grants received for specific purposes are credited to the statement of financial activities on receipt and allocated to restricted funds
- Donated goods are included at the value to the charity where this can be quantified
- Income from investments is included in the statement of financial activities in the year in which it is receivable

f) Provisions

Provisions are recognised in the balance sheet when there is a present obligation as a result of a past event. The provision recognised is the best estimate of the expenditure required to settle the present obligation at the balance sheet date

**ARK COMMUNITY TRANSPORT LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

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g) Fixed assets

Depreciation is calculated to write off the cost or valuation, less estimated residual values, of tangible fixed assets over their estimated useful lives to the charity. The annual depreciation rates and methods are as follows:

Short leasehold premises	- 20 years
Motor Vehicles	- Over the economic life of the asset

Assets are carried in the balance sheet at written down historical cost.

Gifted assets are capitalised if valued over £250 at the point of receipt.

Impairment reviews are carried out on assets where an indication is given that the recoverable amount is below the net book value. No assets have been subject to impairment to date.

**2. VOLUNTARY INCOME**

	<b>Unrestricted 2011</b>	<b>Restricted 2011</b>	<b>Total 2011</b>	<b>Total 2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations	15,370	-	15,370	-
	<u>15,370</u>	<u>-</u>	<u>15,370</u>	<u>-</u>





**ARK COMMUNITY TRANSPORT LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

**3 SERVICE FUNDING**

Wirral Council Passenger Transport for Adult Services funding in the year amounted to £94,590.

**4. RESOURCES EXPENDED -CHARITABLE ACTIVITIES**

	Unrestricted	Restricted	Total 2011	Total 2010
	£	£	£	£
Salaries and associated costs	61,437		61,437	-
Professional fees	269		269	-
Motor expenses	13,072		13,072	-
Hire of motor vehicles	28,306		28,306	-
Rates and water	2,205		2,205	-
Light and heat	(13,346)		(13,346)	-
Telephone	685		685	-
Stationery and postage	356		356	-
Insurance	2,356		2,356	-
Repairs & renewals	50		50	-
Miscellaneous	1,111		1,111	-
Short leasehold depreciation	2,664		2,664	-
Bank charges and interest	2,182		2,182	-
Hire purchase	962		962	-
	<hr/>	<hr/>	<hr/>	<hr/>
	102,309		102,309	-
	<hr/>	<hr/>	<hr/>	<hr/>

**5 GOVERNANCE COSTS**

	Unrestricted	Restricted	Total 2011	Total 2010
	£	£	£	£
Accountancy & independent review	3,500		3 500	-
	<hr/>	<hr/>	<hr/>	<hr/>
	3,500		3,500	-
	<hr/>	<hr/>	<hr/>	<hr/>

**ARK COMMUNITY TRANSPORT LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

**6. NET INCOMING RESOURCES FOR THE YEAR**

This is stated after charging

	2011	2010
	£	£
Depreciation and amortisation	2,664	-
Independent review	3,500	-
Hire of motor vehicles	28,306	-
	<u>          </u>	<u>          </u>

**7. STAFF COSTS**

	2011	2010
	£	£
The cost of employing staff, including trustees, was		
Wages & salaries	61,437	-
	<u>          </u>	<u>          </u>
	61,437	-
	<u>          </u>	<u>          </u>

No employees received emoluments above £60,000

The average weekly number of employees during the period was

	2011 No.	2010 No
Management and trustees	3	-
Other	6	-
	<u>          </u>	<u>          </u>
	9	-
	<u>          </u>	<u>          </u>

**ARK COMMUNITY TRANSPORT LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

**8. TANGIBLE FIXED ASSETS**

	<b>Short Leasehold £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>COST</b>			
At 1 <sup>st</sup> June 2010	-		
Additions at cost	53,275	194,434	247,709
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 <sup>st</sup> May 2011	53,275	194,434	247,709
	<hr/>	<hr/>	<hr/>
<b>AMORTISATION</b>			
At 1 <sup>st</sup> June 2010	-		
Disposals	-	-	-
Charge for the period	2,664	-	2,664
	<hr/>	<hr/>	<hr/>
At 31 <sup>st</sup> May 2011	2,664	-	2,664
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 31 <sup>st</sup> May 2011	50,611	194,434	245,045
	<hr/>	<hr/>	<hr/>
At 31 <sup>st</sup> May 2010	-	-	-
	<hr/>	<hr/>	<hr/>

All fixed assets are used to further the Charity's objects

Fixed assets, included in the above, which are held under hire purchase contracts total at 31<sup>st</sup> May 2011 £192,418 (net book value)

**12. DEBTORS**

	<b>2011 £</b>	<b>2010 £</b>
Trade debtors	13,680	-
Other debtors	30,203	
Vat	28,713	-
Prepayments	680	-
	<hr/>	<hr/>
	73,276	-
	<hr/>	<hr/>



**ARK COMMUNITY TRANSPORT LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

**13. CREDITORS. Amounts falling due within one year**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Bank overdrafts	19,808	-
Hire purchase contracts	42,221	-
Trade creditors	9,930	-
Social security and other contracts	6,664	-
Other creditors	3,824	-
Directors' loan accounts	43,621	-
Accruals	27,700	-
	<hr/>	<hr/>
	153,768	-
	<hr/>	<hr/>

**14. CREDITORS: Amounts falling due after more than one year**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Hire purchase contracts	161,846	-
	<hr/>	<hr/>
	161,846	-
	<hr/>	<hr/>

**15. SECURED DEBTS**

The following secured debts are included within creditors

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Bank overdrafts	19,808	-
Hire purchase contracts	204,067	-
	<hr/>	<hr/>

The hire purchase contracts are secured against the assets concerned

A debenture dated 15 March 2011 was created to secure all monies due or to become due to HSBC Bank PLC on any account whatsoever, including the overdraft



**ARK COMMUNITY TRANSPORT LTD**  
**DETAILED INCOME AND EXPENDITURE ACCOUNT**  
**YEAR ENDED 31<sup>ST</sup> MAY 2011**

**16 RESTRICTED FUNDS**

There were no restricted funds during the year

**17 UNRESTRICTED FUNDS**

	01 05.10 £	Income £	Expenses £	Fund Transfers £	31.05.11 £
Funds	-	109,960	107,253	-	2,707

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds

**18. TAXATION**

The company is a Registered Charity and is not liable to U K. Corporation Tax

**19. ANALYSIS OF NET ASSETS BETWEEN RESTRICTED AND UNRESTRICTED FUNDS**

	Restricted £	Unrestricted £	Total £
Intangible fixed assets	-	-	-
Tangible fixed assets	-	245,045	245,045
Net current liabilities	-	(80,492)	(80 492)
Long-term liabilities	-	(161,846)	(161,846)
	-	2,707	2,707