

Company Registration no. SC299406 (Scotland)

OLD SAILORS' ARK LIMITED
REPORT AND UNAUDITED ACCOUNTS
For the year ended 31 March 2012

Charity No. SC037539

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OLD SAILORS' ARK LIMITED

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OLD SAILORS' ARK LIMITED

TRUSTEES' ANNUAL REPORT

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Registration number: SC037539

Principal Office:

2 New Street
EDINBURGH
EH8 8BH

Members of the Management Committee and Trustees:

Christopher Perkins
Streetwork UK

Independent Examiners:

Alan Greig
1 Millar Gove
Hamilton

Bankers:

Bank of Scotland
38 St Andrew Square
EDINBURGH
EH2 2YR

Registered Office:

2 New Street
EDINBURGH
EH8 8BH

Solicitors:

Anderson Strathern LLP
1 Rutland Court
EDINBURGH
EH3 8EY

OLD SAILORS' ARK LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2012

Structure, governance and management

Captain Charles Taylor of Stonehaven, Kincardineshire, Master Mariner, a wealthy bachelor, died in London in 1911. His executors declined to accept office, and accordingly an Accountant was appointed by the Court as Judicial Factor on his estate. Captain Taylor's Will provided for the building of premises to be called the "Old Sailors' Ark" in central Edinburgh. The estate was accumulated (as instructed in the Will) until 1933, when premises in New Street were constructed. The building continues to be a base from where the Ark and their partner Streetwork UK Limited (registered charity no. SC017802) provide services to the disadvantaged in Edinburgh.

The original Ark Trust (SC010298) was formally wound up as at 31 March 2009 and all remaining assets and liabilities transferred to the Old Sailors' Ark Limited.

The Old Sailer's Ark Limited is a charitable company limited by guarantee, not having share capital, and is governed by its memorandum and articles of association. The company is registered with the Inland Revenue as a charity, and having no taxable activities is not liable to Corporation Tax.

Objectives of the charity

The company is established for charitable purposes as determined in the Charities and Trustee Investment (Scotland) Act 2005. The company may also apply the assets exclusively for the following charitable purposes, namely:

- a) for the relief of poverty, distress and ill-health among people from disadvantaged groups of all kinds within Scotland.
- b) for the promotion of public safety, in particular through the provision of counselling and support for vulnerable groups of all kinds (including homeless and young people) within Scotland.
- c) for the promotion of charitable work for the benefit of communities of all kinds within Scotland by the promotion of voluntary service in the relief of poverty, distress and ill health and the advancement of other charitable aims.

Activities during the year and financial performance

The charity has not directly employed any staff but has continued to be supportive of the services provided by its partner, Streetwork UK including Streetwork Trading in their objective of supplying services to vulnerable groups in need.

The charity recorded a surplus and its main assets are cash reserves.

In December 2011 discussions took place with Deloitte LLP as administrators of Mountgrange (New Street) Limited (Mountgrange) and Artisan Investment Projects 10 Limited (Artisan) being prospective developers of the premises at 2 New Street, Edinburgh. Agreement with Deloitte LLP and Artisan was reached for the assignation of Missives from Mountgrange to Artisan plus the granting of a Standard Security on the same terms as the existing Standard Security in return for a sum of £92,800. In agreeing to this transaction the Board has protected the previous requirement that new premises will be built by the developer at their cost. (See note 9 to the accounts for further detail).

Details of the balances on restricted and unrestricted funds are shown in the notes to the financial statements.

OLD SAILORS' ARK LIMITED

Risk assessment

The Board has considered risk as part of their management duties. As part of this process, and as agreed in previous years the Board continue to work in very close partnership with Streetwork UK. It has been agreed the long term aim will be to formally merge with Streetwork UK. As stated in prior years until the issue regarding the sale of New Street (see note 9) is resolved the charity would continue to operate in its current manner. As noted above progress has been made on this issue and there is an expectation that new premises will be ready by the end of 2013. It is the Board's view that no formal merger will take place until this transaction is fully completed. Legal advice has been taken throughout this process and continues to be taken regarding these matters.

Plans for the future and going concern

As noted above, the Charity will continue in its current structure until such time that the contract with Artisan Developments is completed.

Trustees' responsibilities in relation to the accounts

The trustees (who are also directors of Old Sailors' Ark Limited 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).

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the 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 judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any 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 Charity will continue in operation.

The trustees are responsible for keeping proper accounting records which 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, the Charities and Trustee Investment (Scotland) Act, the Charities Accounts (Scotland) Regulations 2006 and the Trust Deed of the charity. 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.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (Revised 2005) and the provisions applicable to companies entitled to the small companies exemption.

Approved by the trustees on 17.9.12 and signed on their behalf by:



Christopher Perkins
Trustee

OLD SAILORS' ARK LIMITED

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE OLD SAILORS' ARK LTD

I report on the accounts of the charity for the year ended 31 March 2012 which are set out on pages 5 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act) and the Charities Accounts (Scotland) Regulations 2006 (the 2006 Accounts Regulations).

The charity trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply and that an independent examination is needed.

It is my responsibility to examine the accounts as required under section 44(1) (c) of the 2005 Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. 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 seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

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



A G Greig
19 September 2012

OLD SAILORS' ARK LIMITED

**UNAUDITED INCOME AND EXPENDITURE AND
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2012**

	Notes	Unrestricted Funds	Restricted Funds	2012 Total Funds	2011 Total Funds
		£	£	£	£
Incoming Resources:					
Incoming resources from generated funds:					
- Donations	4/9	94,056	-	94,056	3,183
- Investment income	5	1,003	-	1,003	1,009
Incoming resources from charitable activities	3	-	-	-	81,604
<i>Total Incoming Resources</i>		<u>95,059</u>	<u>-</u>	<u>95,059</u>	<u>85,796</u>
Resources Expended:					
Charitable activities	6	24,065	-	24,065	82,176
Governance costs	6	750	-	750	1,307
<i>Total Resources Expended</i>	6	<u>24,815</u>	<u>-</u>	<u>24,815</u>	<u>83,483</u>
<i>Net Incoming/ (outgoing) Resources before transfers</i>		70,244	-	70,244	2,313
Transfers					
Transfers to Streetwork UK		-	(18,625)	(18,625)	-
<i>Net Movement in Funds</i>		70,244	(18,625)	51,619	2,313
Reconciliation of Funds					
Total funds brought forward		<u>79,367</u>	<u>18,625</u>	<u>97,992</u>	<u>95,679</u>
Total funds carried forward	12/13	<u>149,611</u>	<u>-</u>	<u>149,611</u>	<u>97,992</u>

The notes on pages 7 to 13 form part of these accounts.

These unaudited financial statements have been subject to Independent Examination. See report on page 4.

**UNAUDITED BALANCE SHEET
AT 31 MARCH 2012**

	Notes	2012 £	2011 £
Fixed Assets:			
Intangible assets	9	-	-
Current Assets:			
Debtors	10	-	1,000
Cash at bank and in hand		194,432	120,393
		194,432	121,393
Creditors:			
Amounts falling due within one year	11	(44,821)	(23,401)
Net Current Assets		149,611	97,992
Net Assets		149,611	97,992
Capital and Reserves			
Restricted Funds	12, 13	-	18,625
Unrestricted Funds	12, 13	149,611	79,367
Total Charity Funds		149,611	97,992

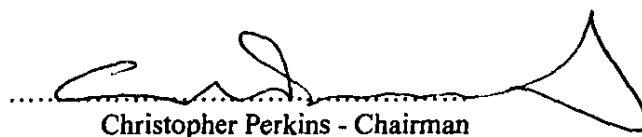
The notes on pages 7 to 12 form part of these accounts.

For the year ending 31 March 2012 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and its members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees' on 17.9.12 and signed on their behalf by:


Christopher Perkins - Chairman

These unaudited financial statements have been subject to Independent Examination. See report on page 4.

OLD SAILORS' ARK LIMITED

NOTES TO THE UNAUDITED ACCOUNTS For the Year Ended 31 March 2012

1. ACCOUNTING POLICIES

Basis of Accounting

The accounts are prepared under the historical cost convention and are in accordance with applicable Accounting Standards in the United Kingdom, the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005), the Charities Accounts (Scotland) Regulations 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Going Concern

The Charity will continue in its current structure until such time as the contract with Artisan Developments is completed. No material uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern have been identified by the trustees and funds are currently available to meet all liabilities as they fall due.

Tangible Fixed Assets

The company's policy is to capitalise all fixed assets of a value greater than £250.

Funds

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

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the appropriate restricted fund.

Income

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate. Donations are credited to income upon receipt. Income is deferred if it relates to unused restricted funds or has been designated for specific use.

OLD SAILORS' ARK LIMITED

NOTES TO THE UNAUDITED ACCOUNTS (cont'd)
For the Year Ended 31 March 2012

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred. Costs are allocated dependent on the activity categories of the resources expended.

- **Costs of generating funds**
The costs of generating funds consist of the cost of fund raising events.
- **Charitable activities**
Costs of charitable activities include all expenditure for providing support services for a range of vulnerable groups including drop in centre café and laundry facilities together with refuge accommodation for women and their children. Other projects have included the start a new day project and other community development initiatives.
- **Governance costs**
Governance costs comprise all costs associated with the governance arrangements of the charity which relate to the general running of the charity. Included within this category are any costs associated with the strategic as opposed to day to day management of the charity's activities.

2. RELATED PARTY TRANSACTIONS AND TRUSTEES' REMUNERATION

There were no related party transactions in the year.

Trustees received no emoluments (2011 - £Nil) during the year.

OLD SAILORS' ARK LIMITED

NOTES TO THE UNAUDITED ACCOUNTS (cont'd)
For the Year Ended 31 March 2012

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	General Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
CEC Supporting people	-	-	-	-
Scottish Executive	-	-	-	-
Violence against women	-	-	-	-
CEC Health and social care	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,604</u>

4. DONATIONS

	General Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Voluntary income	1,256	-	1,256	3,183
Donation of funds from unincorporated entity	92,800	-	92,800	-
	<u>94,056</u>	<u>-</u>	<u>94,056</u>	<u>3,183</u>

5. INVESTMENT INCOME

	General Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Interest received	1,003	-	1,003	1,009
	<u>1,003</u>	<u>-</u>	<u>1,003</u>	<u>1,009</u>

These unaudited financial statements have been subject to Independent Examination. See report on page 4.

OLD SAILORS' ARK LIMITED

NOTES TO THE UNAUDITED ACCOUNTS (cont'd)
For the Year Ended 31 March 2012

6. TOTAL RESOURCES EXPENDED

	Supporting People £	Supporting Women £	Governance £	Transfer of Net Assets £	Total 2012 £	Total 2011 £
Costs directly attributed						
Streetwork Trading (grant for social purposes)	-	-	-	-	24,000	-
Service fees from Streetwork	-	-	-	-	-	81,604
Telephone	-	-	-	-	-	522
Audit and accountancy fees	-	-	303	-	303	688
Miscellaneous	-	-	65	-	65	50
Support costs allocated to activities						
Legal fees	-	-	447	-	447	619
Total resources expended	-	-	825	-	24,815	83,483

These unaudited financial statements have been subject to Independent Examination. See report on page 4.

OLD SAILORS' ARK LIMITED

NOTES TO THE UNAUDITED ACCOUNTS (cont'd)
For the Year Ended 31 March 2012

7. STAFF COSTS AND NUMBERS

	2012 £	2011 £
Employment Costs recharged from Streetwork		
Salaries and Wages (including sessional staff)	-	-
Social Security Costs	-	-
Pension Contributions	-	-
	<u>-</u>	<u>-</u>

No employee received emoluments of more than £60,000. The average number of employees during the year, calculated on the basis of full time equivalents was:

	2012	2011
Average Employees (no direct employees)	<u>-</u>	<u>-</u>

8. INDEPENDENT EXAMINERS' REMUNERATION

The independent examiners' remuneration constituted an independent examination fee of **£420** (2011 - £2,883) and additional accountancy and other services of **£0** (2011 - £0).

9. FIXED ASSETS

Following on from the administration of Mountgrange and in exchange for a net amount of £92,800 a new contract was entered into in December 2011 with Artisan Investment Projects 10 Limited (Artisan). Please also refer to the Trustee Report. This contract is very similar in terms of rights and obligations to that which was held previously with Mountgrange. The main change has been to the date at which the property at 51 Calton Road will be completed. The original date for completion was December 2012. This has been amended to December 2014. Full legal advice was taken throughout this process. Constructive discussions have taken place with Artisan and it is hoped development of the new building will begin in 2012. The trustees are satisfied with the progress made during the past year and to be in a favourable position going forward with the Charity continuing to have protected its rights to a new building.

10. DEBTORS

Amounts Falling Due Within One Year

	2012 £	2011 £
Other debtors and prepayments	-	1,000
	<u>-</u>	<u>1,000</u>

These unaudited financial statements have been subject to Independent Examination. See report on page 4.

OLD SAILORS' ARK LIMITED

NOTES TO THE UNAUDITED ACCOUNTS (cont'd)
For the Year Ended 31 March 2012

11 CREDITORS

Amounts Falling Due Within One Year

	2012	2011
	£	£
Grant payable	44,401	20,401
Accruals	420	3,000
	<u>44,821</u>	<u>23,401</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Current Assets less Current Liabilities	150,031 (420)	20,401 (20,401)	170,432 (20,821)
Net Assets At 31 st March 2012	<u>149,611</u>	<u>-</u>	<u>149,611</u>

13 SUMMARY OF FUND MOVEMENTS

	At 1st April 2011 £	Incoming Resources £	Outgoing resources £	Transfers £	At 31st March 2012 £
Restricted Funds:					
Supporting People	6,425	-	-	(6,425)	-
Supporting Women	3,195	-	-	(3,195)	-
Gannochy Trust -	9,005	-	-	(9,005)	-
Young People					
Total Restricted Funds	<u>18,625</u>	<u>-</u>	<u>-</u>	<u>(18,625)</u>	<u>-</u>
Unrestricted Funds:					
Property Fund	-	-	-	-	-
General Funds	79,367	95,059	(24,815)	-	149,611
Total Unrestricted Funds	<u>79,367</u>	<u>95,059</u>	<u>(24,815)</u>	<u>-</u>	<u>149,611</u>
Total Funds - 2012	<u>97,992</u>	<u>95,059</u>	<u>(24,815)</u>	<u>(18,625)</u>	<u>149,611</u>

The trustees of Old Sailors' Ark Limited transferred the restricted funds balances to Streetwork UK during the year as services within such charitable activities continued to be delivered by Streetwork UK throughout the year.

These unaudited financial statements have been subject to Independent Examination. See report on page 4.