

ARK HOUSING TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004

Registered number CR 42034

ARK HOUSING TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 March 2004

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ARK HOUSING TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
for the year ended 31 March 2004

Trustees and Advisers

Trustees: H Davies
W T Duncan – Appointed 24 September 2003
I Guild
A Martin – Resigned 21 May 2003
R McDowall
J A Milroy (Secretary)
D Molyneaux (Chairman)

Principal Office: The Priors
Canaan Lane
Edinburgh
EH10 4SG

Auditors: Baker Tilly
23 Queen Street
Edinburgh
EH2 1JX

Solicitor: Shepherd & Wedderburn WS
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2ET

Bankers: The Royal Bank of Scotland
Colinton Branch
64 Bridge Street
Edinburgh
EH13 OLQ

ARK HOUSING TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 March 2004

Report of the Trustees

The ARK Housing Trustees present their report and the audited financial statements for the year ended 31 March 2004.

Principal Activities

The ARK Housing Trust was established by Trust Deed dated 7 February 1978.

The purposes of the Trust are:-

1. For payment of the expenses of administering the Trust.
2. For payment in any year or years of the whole or such part of the free income of the Trust Estate as the Trustees consider desirable for such purposes as are charitable in law as the Trustees may in their absolute discretion select, subject to the declaration that the Trustees shall expressly keep in mind the relief of poverty and the furtherance of the Christian religion and education, and in particular the benefit of disabled and elderly people and the furtherance and extension of the purposes of ARK Housing Association Limited. This declaration is without prejudice to the full and complete discretion of the Trustees to administer and dispose of the Trust Estate for such purposes as are charitable in law and to such institutions and other bodies as are charitable in law and in accordance with the Trust purposes.

Business Review

The principal activities of the Trust in the financial year to 31 March 2004 were the receipt of rental income from ARK Housing Association for the property at Rankin Avenue, the receipt of a bequest and the receipt of interest on cash balances.

Current Financial Position

The finances of the Trust are detailed in the attached primary statements.

ARK HOUSING TRUST

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for the year ended 31 March 2004

The Trustees

The Trustees of the company during the period, none of whom have a beneficial interest in the trust are detailed on page 1 of these accounts.

The Secretary of ARK Housing Association Limited is an ex officio Trustees, as provided for in the Trust Deed.

The company is limited by guarantee and is constituted by Trust deed.

Statement of Trustees' Responsibilities

Charities Legislation requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Trust and of the surplus or deficit of the Trust for that period. In preparing those accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Trust will continue.

The Trustees are responsible for ensuring that arrangements are made for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Risk Management

The trustees confirm that the major risks to which the charity is exposed to, have been considered and reviewed. The risk management process involves discussion of the future activity and direction of the company.

ARK HOUSING TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 March 2004

Credit Payment Policy

The payment policy which the Association work to is to pay all purchases within 3 months and in accordance with creditor payment terms.

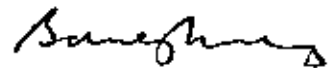
Reserves

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity which have not been designated for any other purpose. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Auditors

Baker Tilly have agreed to offer themselves for reappointment as auditors of the Trust.

By order of the Board



**James A Milroy
Secretary**

Date - 18.08.04

ARK HOUSING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARK HOUSING TRUST

for the year ended 31 March 2004

We have audited the financial statements on pages 7 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 10.

This report is made solely to the Trust's members, as a body. Our audit work has been undertaken so that we might state to the Trust'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 Trust and the Trust's members as a body, for our audit work, for this report, or for opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustee' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with The Statement of Recommended Practice 2000 (SORP), Accounting and Reporting by Charities, the Trust Deed and the Charities (Accounts and Reports) Regulations 2000. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

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

Basis of opinion

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

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

ARK HOUSING TRUST

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ARK HOUSING TRUST**

for the year ended 31 March 2004

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 March 2004 and of the incoming resources and application of resources, including income and expenditure, in the period then ended and have been properly prepared in accordance with the Charities SORP 2000- Accounting and Reporting by Charities, the Trust Deed and the Charities (Accounts and Reports) Regulation 2000.



Baker Tilly

Registered Auditors

Chartered Accountants

Edinburgh

Date: 15.8.2004

ARK HOUSING TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 March 2004

	Unrestricted funds					
	General		Designated	Restricted	Total	Total
	Trust	Note	Funds	Funds	Funds	2004
	Funds		£	£	£	£
	£					2003
			£	£	£	£
Income						
Other Income	2,134		-	-	2,134	5,993
Donations	905		-	-	905	5,582
Interest receivable	2,912		277	1,413	4,602	5,988
Total income	5,951		277	1,413	7,641	17,563
Expenditure						
Management and administration costs	5,376	2	-	-	5,376	3,511
Surplus on ordinary activities for the year to 31 March 2004	575	6/7/8	277	1,413	2,265	14,052
Surplus on ordinary activities for the year to 31 March 2003	11,642	6/7/8	391	2,019	14,052	14,052

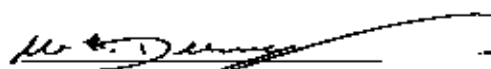
ARK HOUSING TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
BALANCE SHEET

for the year ended 31 March 2004

	Note	2004 £	2003 £
Current assets			
Deposit account		212,798	209,521
Bank current account		266	275
Debtor	3	<u>27,643</u>	<u>26,178</u>
		<u>240,707</u>	<u>235,974</u>
Creditors			
Amounts falling due within one year	4	<u>(14,463)</u>	<u>(11,995)</u>
Net current assets		<u>226,244</u>	<u>223,979</u>
Net assets		<u>226,244</u>	<u>223,979</u>
 Represented by:			
Designated Funds	8	15,782	15,505
Unrestricted funds	6	129,385	128,810
Restricted funds	7	<u>81,077</u>	<u>79,664</u>
	9	<u>226,244</u>	<u>223,979</u>

These financial statements are prepared in accordance with the special provisions of (Part VII) of the Companies Act 1985 relating to small companies and also with the revised (effective March 2000) Financial Reporting Standard for Smaller Entities (FRSSE). The statements were approved by the Trustees on
and were signed on its behalf by:-

18 AUG 2004



~~D. Molynoux - Chairman~~
W. T. Pincen - Trustee



J A Milroy - Secretary

The notes on pages 10 to 12 form part of these accounts.

ARK HOUSING TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2004

	Note	General Trust Funds £	Designated Funds £	Restricted Funds £	Total 2003/2004 £	Total 2002/2003 £
Income and Expenditure						
Incoming resources						
Other Income		2,134	-	-	2,134	5,993
Donations Receivable		905	-	-	905	5,582
Interest Receivable		<u>2,912</u>	<u>277</u>	<u>1,413</u>	<u>4,602</u>	<u>5,988</u>
Total incoming resources		<u>5,951</u>	<u>277</u>	<u>1,413</u>	<u>7,641</u>	<u>17,563</u>
Resources expended						
Administration Expenses	2	<u>5,376</u>	-	-	<u>5,376</u>	<u>3,511</u>
Total resources expended		<u>5,376</u>	-	-	<u>5,376</u>	<u>3,511</u>
Net incoming resources for the year		575	277	1,413	2,265	14,052
Fund balances brought forward		<u>128,810</u>	<u>15,505</u>	<u>79,664</u>	<u>223,979</u>	<u>209,927</u>
Fund balances carried forward	6/7/8	<u><u>129,385</u></u>	<u><u>15,782</u></u>	<u><u>81,077</u></u>	<u><u>226,244</u></u>	<u><u>223,979</u></u>

ARK HOUSING TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS

for the year ended 31 March 2004

1 Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in October 2000.

(a) Basis of accounting

The financial statements are prepared in accordance with the historical cost accounting rules and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000). Costs are allocated directly to the fund to which they relate. General costs are allocated on the basis of time spent on administration in relation to each fund.

2. Management and administration costs

	2004	2003
	£	£
General Trust Funds:		
Administration expenses due to ARK Housing Association Limited	2,040	830
Audit fee	670	748
Other expenses	<u>2,666</u>	<u>1,933</u>
	<u>5,376</u>	<u>3,511</u>

3. Debtors

	2004	2003
	£	£
Loan to ARK Housing Association Limited	25,000	25,000
Other Debtors	<u>2,643</u>	<u>1,178</u>
	<u>27,643</u>	<u>26,178</u>

4. Creditors

	2004	2003
	£	£
Amounts falling due within one year		
Designated Scheme Funds	10,643	10,465
Accruals	<u>3,820</u>	<u>1,530</u>
	<u>14,463</u>	<u>11,995</u>

ARK HOUSING TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS

for the year ended 31 March 2004

5.	Net assets	2004	2003
		£	£
	The net assets of the Trust can be split between general and restricted funds as :		
	Restricted funds:		
	Deposit account	81,077	79,664
	Designated Funds		
	Deposit Account	15,505	15,505
		<u>96,582</u>	<u>95,169</u>
	Unrestricted funds:		
	Deposit account	116,216	114,352
	Bank current account	266	275
	Debtors	27,643	26,178
	Creditors	<u>(14,463)</u>	<u>(11,995)</u>
		<u>129,662</u>	<u>128,810</u>
	Total net assets	<u><u>226,244</u></u>	<u><u>223,979</u></u>
6.	Unrestricted funds		
		2004	2003
		£	£
	General trust funds		
	At 1 April 2003	128,810	117,168
	Surplus for the year	<u>575</u>	<u>11,642</u>
	At 31 March 2004	<u><u>129,385</u></u>	<u><u>128,810</u></u>
7.	Restricted funds		
		2004	2003
		£	£
	Janet Thomson Paterson Fund		
	At 1 April 2003	79,664	77,645
	Surplus for the year	<u>1,413</u>	<u>2,019</u>
	At 31 March 2004	<u><u>81,077</u></u>	<u><u>79,664</u></u>

The Janet Thomson Paterson Fund was established in 1982 by way of a donation of £50,359 for adult mentally handicapped female persons.

ARK HOUSING TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS

for the year ended 31 March 2004

8. Designated Reserves

These amounts relate to moneys raised on behalf of specific projects. The intention is that the funds will be used on behalf of the relevant projects as follows:-

	2004	2003
	£	£
Dalkeith	10,038	9,861
Glenrothes	4,989	4,899
Livingston	610	599
Dunfermline	145	146
	<u>15,782</u>	<u>15,505</u>

9. Total reserves

	2004	2003
	£	£
General trust funds	129,385	128,810
Designated funds	15,782	15,505
Restricted funds	81,077	79,664
	<u>226,244</u>	<u>223,979</u>

At 31 March 2004

10. Related party transactions

At March 2004 ARK Housing Trust had a creditor of £ 2,870 (2003: £830) due to ARK Housing Association for management services provided by the Association during the year.

In addition a loan of £25,000 has been made to ARK Housing Association from ARK Housing Trust to assist with the purchase of a new property. The loan is interest free and is repayable on disposal of the property. The rental income from the property will be paid to the Trust after deduction of the Association's management and maintenance allowances. The balance of any sales proceeds of the property would be divided equally between the Trust and the Association.