

Registered Number: 03183985

Charity number: 1055036

EMMAUS MOSSLEY
(A Company Limited by Guarantee)

TRUSTEES REPORT AND FINANCIAL STATEMENTS
For the Year Ended 31 MARCH 2021

EMMAUS MOSSLEY
(A Company Limited by Guarantee)

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EMMAUS MOSSLEY
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TRUSTEES' REPORT

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
For the Year Ended 31 March 2021

Trustees

R Al-Hamdani

M Clark

R Davies Deputy Chair

F Hirst

AW Kilburn Chair

C Lyness

I Williamson Company Secretary

S Bardsley

R McCallum

D Chauhan Treasurer

A Ritchie

Company registered number

03183985

Charity registered number

1055036

Registered and principal office

Longlands Mill, Queen Street, Mossley, Ashton-under-Lyne, OL5

Company secretary

I Williamson

Key management personnel

Director – A Hill

Community Leader – H Barlow

Retail Manager – H Hodgkinson

Finance Officer – A France

Independent examiner

Community Accountancy Service Limited, The Grange, Pilgrim Drive, Beswick, Manchester, M11 3TQ

Bankers

The Co-operative Bank, 1 Balloon Street, Manchester, M60 4EP

CAF Bank Ltd, 25 Kings Hill Avenue, West Malling, Kent, MW19 4JQ

Scottish Widows, 67 Morrison Street, Edinburgh, EH3 8YJ

EMMAUS MOSSLEY
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TRUSTEES' REPORT

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Emmaus Mossley Limited (the charity) for the year ended 31st March 2021. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements of the charity's governing documents and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities 2019".

Emmaus Mossley is a charitable company limited by guarantee, constituted under its Memorandum and Articles of Association dated 10 April 1996 as amended on 19 January 1999, 17 October 2000 and 22 November 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Objectives and activities

The aims of Emmaus Mossley are to alleviate and relieve poverty, hardship, distress and to provide accommodation for the poor and homeless for the public benefit. This is achieved by providing a home, meaningful work, training and support at Longlands Mill, Mossley.

The main activity is resourced by revenue earned from a social enterprise based on recycling and from housing benefit. The former earned us £209,392 in the past financial year. Whilst housing benefit brought in £141,420 in the year ending 31 March 2021.

The sums raised primarily support a staff team which covers companion support, the successful operation of the social enterprise and administrative support, this cost £267,348 in the past year.

We measure success for companions in relation to our aims as follows:

- a) The number of homeless people helped by Emmaus Mossley in a year 30 compared to 36 in 2019/20).
- b) Occupancy rates. The target occupancy is 95% and this year we averaged 95% (95% for 2019/20).
- c) Successful completion of training courses:

	2020/21	2019/20
Manual handling	5	36
ESOL	1	1
Employability Course	5	0
Mental Health Awareness	1	0
CBT	1	0
Adult Safeguarding	1	

- d) Achieving successful move into employment and other accommodation (6 companions left during the year compared to 9 in the previous year).
- e) As part of Emmaus UK's 5 year Strategic Review trustees have undertaken additional training and have agreed to undertake an annual review of governance to ensure progress and achievement of best practice in accordance with NCVO guidelines.

Solidarity. "Serve those who are less fortunate before yourself. Serve first those who suffer most". (Emmaus Mossley manifesto).

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Solidarity with those in need is one of the primary purposes of Emmaus Mossley and during the year the community has continued its commitment to the relief of poverty and homelessness at home and abroad not only through solidarity payments (£5,570 in 2020/21 compared to £6,250 in 2019/20) but also acts of solidarity amounting to (229 companion hours in 2020/21 and 840 companion hours in 2019/20) and donated goods (this amounts to £1,850 in 2020/21 and £4,867 in 2019/20). Solidarity grants are awarded after consideration by the Solidarity Committee.

It is intended to produce an impact report in future to allow a more detailed reporting analysis.

Trustees have reviewed the Charity Commission's published guidance on public benefit requirements in light of recent events to ensure that it is complying with best practice.

Emmaus Mossley benefits from the invaluable support of on average 26 volunteers who assist in many areas of the social enterprise which provides revenue to support our charitable activities, they provide support in the workshop area, an upcycling group, driver collections, valuing and sorting donations, manning the collectables retail area and with IT support.

Achievements and performance

The non-financial highlights of the year are contained within the above objectives and activities paragraphs.

We have started the year with 24 companions on 1 April 2020. 7 arrived during the year and 8 left; leaving us with 23 companions at 31 March 2021.

In addition to helping the above companions from being homeless we ran a total of 6 courses with 14 in attendance, this is without taking into account the solidarity sums outlined above.

Financial Review

On a total funds basis we made a profit of £35,482. This represents a continuing improvement on previous recent years (profit in 2019/20 £52,554, profit in 2018/19 £56,587).

The budget for 2021/22 currently shows a deficit of £33,217 which is working towards our aim of financial sustainability. We intend to review this in the light of the pandemic and our new Business Plan will reflect our aspirations.

Reserves policy

Emmaus Mossley recognises the need to maintain an adequate level of unrestricted reserves to secure the organisations future viability. The board's policy is that a reasonable level of reserves is required for the following reasons:

- To absorb short term setbacks such as reduction in income or unexpected expenditure.
- To finance further working capital costs such as leases on shop premises.
- To cover the working capital required to fund uneven flows of income and expenditure.
- To cover the costs of investing in staff training and development.
- To improve services and the efficiency of the charity and to retain employees.
- To cover the costs of developing new services.
- To set aside funds for investments in appropriate capital assets such as workshop or IT equipment and premises requirements.

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The need for reserves has to be balanced against the following factors:

- The need to be seen as a responsible charity by local and central government, sponsors and the Charity Commissioners.
- The need to avoid the accusation of creating excessive surpluses or accumulating large surpluses for which there is no future planned requirements or that bears no relation to the organisation's charitable aims.

In line with this policy there is a designated contingency fund of £210,000 which is roughly equivalent to 6 months of unrestricted expenditure.

There is a further designated fund set aside to improve the position of companions at Emmaus Mossley, this amounts to £43,641 at 31st March 2021.

There is a further £180,267 of unrestricted funds held as free reserves. The organisation is aiming to retain sufficient reserves to meet contingencies and liabilities and this amount is to be reviewed annually. The Board has always aimed to retain sufficient reserves to meet contingencies and liabilities, particularly in recent years with the threat posed to our operating model by the introduction of Universal Credit. However, the Board remains mindful of the need to review this amount annually and will be doing so with a view to allocating specific reserve funds to items such as future retail development and buildings.

The implications of the pandemic and the forced extended closure of our retail operation will be reflected in our review of the level of reserves needed going forward.

Going concern

After making appropriate enquiries the trustees have a responsible expectation that the charity has adequate resources to continue in operation existence for the foreseeable future. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Future plans

Emmaus Mossley is currently reviewing priorities in the light of the continuing impact of the pandemic, Covid 19. We intend to review our Business Plan; maintain our commitment to the development of the warehouse subject to a detailed financial review and assessment of affordability; place an increasing emphasis on the development of on-line sales, potentially with the assistance of a new role for which we are currently seeking funding; streamline our governance and sub-committee structure; and ensure that our plans are consistent with the EUK Strategic Plan.

Risk management

Emmaus Mossley has based its risk management policy on that developed by Emmaus UK. The major areas of risk are identified as:

- The income from sales and housing benefit on which the project relies might reduce with consequences for cash flow and payroll commitment.
- General financial risks such as sudden high expenditure (e.g. need to make building repairs); operational risks such as programme performance, staff skills and IT systems. External risks

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including the need to comply with employment legislation and the risks associated with giving assistance to third parties.

- The risk of injury to a person who would be eligible for compensation. The possibility of a person or organisation taking the board to court which would create the need to employ legal expert to prepare and conduct a defence.
- Loss of key personnel.
- Welfare reform changes with the introduction of Universal Credit.

Trustees have taken these risks factors into account in their planning and have prioritised key recommendations of a building survey and a complete retail survey with a timeline for achieving them. The need to increase retail income to achieve self-sustainability to mitigate a decrease in Housing Benefit income and the potential negative effect of the introduction of Universal Credit have been considered and key recommendations have been prioritised and incorporated into a new three-year business plan.

A more systematic approach to risk has been developed which assists in the management and mitigation of risk and this will be refined and improved in the coming year.

Structure, governance and management

The board of trustees of Emmaus Mossley are responsible for its governance, activities, assets and working practice as laid down in its constitution and governance documents.

Trustees have final responsibility for the management of Emmaus Mossley and are responsible for policy decisions. Staff are responsible for the operational implementation of policy decisions and for the day to day running of the community.

Trustees have an agreed policy and procedure for the recruitment, induction and training of trustees and recognises the need for a board with a diverse range of relevant skills, experience and knowledge.

Most trustees are already familiar with the practical work of the charity having been encouraged to visit the Community whenever they are able, whether with members of staff or by themselves. It is felt that informal conversations with Companions are very useful in judging the success of the Community.

As part of a review of our activities occasioned by the publication of the UK Emmaus Federation's 5-Year Strategy we have decided to do more trustees training and have appointed one of our numbers to take the lead in progressing it.

Trustees are responsible for setting the pay and remuneration of key staff personnel. A remuneration review panel consisting of the Chair, Vice Chair, Treasurer and company secretary takes into account internal staff salary ranges, local market rates, comparisons with other relevant organisations and benchmarking based on PDR objectives and appraisal. The Panel's recommendations go forward to the full board for consideration and final decision making.

Emmaus Mossley is a company limited by guarantee but is a member of Emmaus UK Federation and takes into account its recommendation when making decisions on adopting policies and procedures. The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

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The Trustees are looking to apply the Charity Governance Code, which was published by the Charity Commission in July 2017. The trustees will review the code, the extent to which the charity applies and the code and areas for potential improvement over the coming months.

INVESTMENT POLICY

The Trustees have implemented a conservative policy to invest working capital in interest-bearing accounts. We are currently implementing a policy to ensure that the majority of our funds are covered by the FSA £85,000 deposit guarantee.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also the directors of Emmaus Mossley Limited for the purposes of company law) are responsible for preparing the Trustees' 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 charity trustees to prepare financial statements for each 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 the financial statements, the trustees are required to:

- Select suitable accounting principles and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

A.W.KILBURN Chair

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Date: 15th September 2021

Independent examiner's report to the trustees of EMMAUS MOSSLEY

I report on the accounts of the company for the year ended 31st March 2021, which are set out on pages 8 to 23.

Respective responsibilities of trustees and examiner

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 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 is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of The Association of Chartered Certified Accountants.

Having satisfied myself that the charity is not subject to audit under company law 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(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 seeking 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.

Independent examiner's statement

In connection with 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 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006, ; and
 - with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities 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.

AM King FCCA *A.M. King*
 Community Accountancy Service Ltd
 The Grange, Pilgrim Drive, Beswick, Manchester, M11 3TQ

Date: 15th September 2021

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an Income and Expenditure Account)
For The Year Ended 31 March 2021

		Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
	Further Details				
INCOME FROM:					
Donations and legacies	(3)	27,605	-	27,605	2,525
Charitable Activities	(4)	418,687	111,472	530,159	670,639
Investment Income	(5)	201	-	201	392
TOTAL INCOMING RESOURCES		446,493	111,472	557,965	673,556
EXPENDITURE ON:					
Charitable Activities	(6)	399,286	123,197	522,483	621,002
TOTAL RESOURCES EXPENDED		399,286	123,197	522,483	621,002
NET INCOME / (EXPENDITURE)		47,207	(11,725)	35,482	52,554
RECONCILIATION OF FUNDS:					
Brought forward		665,045	344,930	1,009,975	957,421
Transfers between funds		(1,818)	1,818	-	-
Carried forward	(18)	710,434	335,023	1,045,457	1,009,975

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 11 to 23 form part of these financial statements.

BALANCE SHEET
As at 31 March 2021

Company Registration Number: 03183985

	Notes	2021 £	2020 £
Fixed assets:			
Tangible assets	(12)	522,688	539,990
Total fixed assets		<u>522,688</u>	<u>539,990</u>
Current assets:			
Debtors	(13)	19,522	23,181
Cash at Bank & in Hand		587,002	462,288
Total current assets		<u>606,524</u>	<u>485,469</u>
Liabilities:			
Creditors: Amounts falling due within one year	(14)	38,168	15,484
Net current assets or liabilities		<u>568,356</u>	<u>469,985</u>
Total assets less current liabilities		1,091,044	1,009,975
Creditors: Amounts falling due after more than one year	(16)	(45,587)	-
Total net assets or liabilities		<u><u>1,045,457</u></u>	<u><u>1,009,975</u></u>
The funds of the charity:			
Restricted income funds	(18)	335,023	344,930
Unrestricted income funds	(18)	710,434	665,045
Total charity funds		<u><u>1,045,457</u></u>	<u><u>1,009,975</u></u>

For the period in question the company was entitled to the exemption conferred by section 477 of the Companies Act 2006, and that no notice has been deposited under section 476 in relation to its accounts for the financial year; and the directors acknowledge their responsibilities for:

- complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102.

The financial statements were approved and authorised for issue by the Trustees on 15th September 2021 and signed on their behalf by:

AW Kilburn

Chair

The notes on pages 11 to 23 form part of these financial statements.

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	2021	2020
	£	£
Cash flows from operating activities	126,763	67,352
Net cash provided by operating activities		
Cash flows from investment activities:		
Dividends and interest from investments	201	392
Purchase of property, plant and equipment	(2,250)	(10,559)
Net cash applied to investing activities	<u>(2,049)</u>	<u>(10,167)</u>
Change in cash and cash equivalents during the year	124,714	57,185
Cash and cash equivalents at the beginning of the year	462,288	405,103
Cash and cash equivalents at the end of the year	<u>587,002</u>	<u>462,288</u>

NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net outgoing resources	35,482	52,554
Depreciation of tangible fixed assets	19,552	18,998
Investment income	(201)	(392)
Decrease/(increase) in debtors	3,659	(2,744)
Increase/(decrease) in creditors	68,271	(1,064)
Net cash provided by operating activities	<u>126,763</u>	<u>67,352</u>

The notes on pages 11 to 23 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2021

1. GENERAL INFORMATION

Emmaus Mossley is a registered charity operating from Longlands Mill, Mossley to provide a Community and support under the worldwide Emmaus model.

The charity is a company limited by guarantee and is incorporated in England and Wales. The address of its registered office is Longlands Mill, Queen Street, Ashton-under-Lyne, OL5 9AH. The trustees consider the charity to be a public benefit entity.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in 2015, the Companies Act 2006 and Financial Reporting Standard 102 (FRS 102).

the trustees have reviewed the level of reserves available to the charity and consider it appropriate for the charity to prepare its accounts on the going concern basis. The current level of reserves takes into account the risk posed by falling levels of Housing Benefit and the potential future loss of that income stream with the government changes to the welfare system and the introduction of Universal Credit.

2.2 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold Property & Fixtures	2% - 15% straight line
Motor Vehicles	25% reducing balance
Office Equipment	20% - 33% straight line

2.3 COMPANY STATUS

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2.4 FUND ACCOUNTING

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 and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 costs 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. There are 8 restricted funds.

Investment income, gains and losses are allocated to the appropriate fund.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2021

2.5 INCOMING RESOURCES

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.6 RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment but not accrued as expenditure.

2.7 GRANT MAKING POLICY

Grants are recognised in the accounting period in which the decision is made to award the grant.

2.8 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest rate method, less any impairment.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2021

2. ACCOUNTING POLICIES (continued)

2.9 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 FINANCIAL INSTRUMENTS

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

2.11 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest rate method.

2.12 JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property, plant and equipment and note 2.2 for the useful economic lives for each class of assets.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors.

When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of the debtors.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2021

3. DONATIONS AND LEGACIES

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Donations and Gift Aid	27,605	-	27,605	2,525
	<u>27,605</u>	<u>-</u>	<u>27,605</u>	<u>2,525</u>
Previous reporting period	2,525	-	2,525	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Football Income	88	-	88	1,860
Garden Project Income	456	-	456	480
Housing Benefit	141,420	-	141,420	152,316
Local Authority Rooms	13,612	-	13,612	-
Trading Income	209,392	-	209,392	493,889
Small Grants	53,719	-	53,719	22,094
Restricted Grants:				
National Lottery Covid 19	-	83,994	83,994	-
Government BBILS Interest	-	625	625	-
HMRC CJRS	-	26,471	26,471	-
Asda	-	382	382	-
	<u>418,687</u>	<u>111,472</u>	<u>530,159</u>	<u>670,639</u>
Previous reporting period	670,639	-	670,639	

5. INVESTMENT INCOME

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Bank Interest	201	-	201	392
	<u>201</u>	<u>-</u>	<u>201</u>	<u>392</u>
Previous reporting period	392	-	392	

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2021

6. EXPENDITURE ON CHARITABLE ACTIVITIES

		Provision of Services to Homeless Persons	Total Funds	Total Funds
	Notes	2021	2021	2020
		£	£	£
Building Repairs & Maintenance		14,300	14,300	13,246
Cleaning & Hygiene		3,852	3,852	2,065
Council Tax		1,469	1,469	1,559
Depreciation		19,552	19,552	18,998
Minor Equipment		1,965	1,965	1,456
Insurance		8,267	8,267	7,923
Pest Control		4,992	4,992	-
Rates		-	-	4,108
Security		178	178	9,875
Servicing		9,291	9,291	11,389
Utilities		44,347	44,347	54,253
Waste Disposal		431	431	421
Community Expenses		1,625	1,625	3,521
Subscriptions		11,583	11,583	12,036
Solidarity (Grants to Institutions)	(8)	5,570	5,570	6,250
Companions Expenses		99,339	99,339	124,086
Governance Costs	(7)	1,125	1,125	1,966
Trading Costs		5,835	5,835	48,762
Wages & Salaries		267,348	267,348	268,837
Casual Driver Costs		-	-	1,971
Training		-	-	218
Travel		33	33	1,420
Volunteer Expenses		143	143	740
Vehicle Running Costs		8,985	8,985	9,811
Support Costs	(7)	12,253	12,253	16,091
		<u>522,483</u>	<u>522,483</u>	<u>621,002</u>
Restricted funds			123,197	9,907
Unrestricted funds			<u>399,286</u>	<u>611,095</u>
			<u>522,483</u>	<u>621,002</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2021

7. SUPPORT AND GOVERNANCE COSTS

	Provision of services to Homeless Persons 2021 £	Total 2021 £	Total 2020 £
Bank Charges	3,053	3,053	5,338
Loan Interest	625	625	-
Printing, postage and stationery	547	547	942
Office costs	3,416	3,416	4,139
Payroll costs	949	949	958
Repairs and maintenance	89	89	159
Telephone	3,574	3,574	4,555
TOTAL SUPPORT COSTS	12,253	12,253	16,091
Governance costs			
Accountancy fees	1,104	1,104	1,000
Legal and professional	-	-	549
Trustees' costs	21	21	417
TOTAL GOVERNANCE COSTS	1,125	1,125	1,966

8. GRANTS TO INSTITUTIONS (SOLIDARITY)

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Provision of services to Homeless Persons	1,230	-	1,230	4,550
Relief of Poverty	4,340	-	4,340	1,700
	5,570	-	5,570	6,250
			Total 2021 £	Total 2020 £
Livingstone Primary School			200	-
Micklehurst All Saints Primary School			200	-
Emmaus UK			800	1,700
Milton St John Primary School			200	-
Oxfam			-	300
Save the Children			500	-
St George's Primary School			200	-
St Joseph's Primary School			200	-
Disasters Emergency Fund			500	-
Fairtrade Mossley			-	150
British Red Cross			-	800
St John's Chrysostoms Parish Church			200	500
Sightsavers			-	50
Freedom from Torture			740	250
Tameside Women's Refuge			430	-
Emmaus South Manchester			300	2,500
The Children's Society			200	-
Mossley Food Bank			700	-
Solidarity Vouchers for Schools			200	-
			5,570	6,250

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2021

8. SUMMARY BY FUND TYPE

	Activities undertaken directly 2021 £	Grant funding of Activities 2021 £	Support Costs 2021 £	Total 2021 £	Total 2020 £
Provision of services to Homeless Persons	504,660	1,230	12,253	518,143	619,302
Relief of Poverty	-	4,340	-	4,340	1,700
	<u>504,660</u>	<u>5,570</u>	<u>12,253</u>	<u>522,483</u>	<u>621,002</u>

9. DIRECT AND TOTAL COSTS

	Provision of services to Homeless Persons 2021 £	Total 2021 £	Total 2020 £
Trading costs	14,820	14,820	58,573
Companion costs	118,117	118,117	145,893
Property costs	89,092	89,092	106,295
Employee & Volunteer Costs	267,524	267,524	273,186
Depreciation	19,552	19,552	18,998
Direct costs	<u>509,105</u>	<u>509,105</u>	<u>602,945</u>
Support costs	12,253	12,253	16,091
Governance costs	1,125	1,125	1,966
Total costs	<u>522,483</u>	<u>522,483</u>	<u>621,002</u>

10. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets owned by the charity	19,552	18,998
Accountancy fees	1,104	1,000
	<u>19,552</u>	<u>18,998</u>

During the year, no trustees received any remuneration or benefits in kind. Expenses reimbursed are disclosed in note 20.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2021

11. STAFF NUMBERS AND COSTS

The average monthly number of employees during the year was as follows:

	2021 No.	2020 No.
Management and administration staff	3	3
Direct charitable staff	7	7
	10	10

No employee received remuneration amounting to more than £60,000 in either year.

	2021 £	2020 £
Wages and Salaries	238,467	240,582
Holiday Pay Accrual	5,223	-
Emmaus UK	2,083	5,000
Social Security Costs	16,786	18,491
Pension Costs	4,789	4,764
	267,348	268,837
Charitable activities	267,348	268,837
Support costs	-	-
	267,348	268,837

The pension costs relate to the Emmaus Mossley Stakeholder Pension Scheme 72469 with Group Solutions Administration, The Co-operative Group, PO Box 4254, Miller Street, Manchester, M60 3VF. This is a money purchase scheme where staff members who want to take part pay in 3% of their salary and Emmaus Mossley matches this. There is no commitment on the charity's behalf beyond this.

With effect from 1 November 2016 the charity has also begun to make contributions to the auto-enrolment NEST scheme, a defined contribution scheme, for employees not previously included in other pension schemes.

The total remuneration of key management personnel, as disclosed on page 1, is £139,659 (2020: £148,619).

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2021

12. TANGIBLE FIXED ASSETS

	Freehold Property	Motor Vehicles	Office Equipment	Total
Cost	£	£	£	£
At 1 April 2020	1,145,887	42,980	46,598	1,235,465
Additions	-	-	2,250	2,250
Disposals	-	-	-	-
At 31 March 2021	1,145,887	42,980	48,848	1,237,715
Depreciation				
At 1 April 2020	612,176	39,228	44,071	695,475
Charge for Year	16,598	938	2,016	19,552
Eliminated on Disposals	-	-	-	-
At 31 March 2021	628,774	40,166	46,087	715,027
NET BOOK VALUE				
At 31 March 2021	517,113	2,814	2,761	522,688
At 31 March 2020	533,711	3,752	2,527	539,990

13. DEBTORS

	2021	2020
	£	£
Other Debtors	13,903	13,755
Prepayments and Accrued Income	5,619	9,426
	19,522	23,181

Debtors and prepayments related to restricted funds £nil (2020: £nil), and unrestricted funds £nil (2020: £23,181)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2021

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bounce Back Loan	4,413	-
Trade Creditors	6,091	7,142
Other Creditors	3,342	3,322
Social Security and Other Taxes	3,581	-
Holiday Pay Accrual	5,223	-
Deferred Income	14,414	4,020
Accruals	1,104	1,000
	<u>38,168</u>	<u>15,484</u>

15. DEFERRED INCOME

Deferred income comprises grants and other income that covers a period beyond the year end

Balance as at 1 April 2020	4,020
Amount released to income earned from charitable activities	(4,020)
Amount deferred in year	14,414
Balance at 31 March 2021	<u>14,414</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bounce Back Loan	45,587	-
	<u>45,587</u>	<u>-</u>

17. FINANCIAL INSTRUMENTS

	2021	2020
	£	£
Financial assets measured at amortised cost	606,524	485,469
Financial liabilities measured at amortised cost	<u>83,755</u>	<u>15,484</u>

Financial assets consist of cash and other debtors.

Financial liabilities consist of trade creditors, other creditors and accruals.

18. STATEMENT OF FUNDS

Analysis of movements in unrestricted funds

	Balance at 1 April 2020	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£
General Funds	377,385	446,493	(399,286)	(61,818)	362,774
Designated Funds:					
Building Fund	85,000	-	-	-	85,000
Development Fund	9,019	-	-	-	9,019
The Shaw Fund	43,641	-	-	-	43,641
Contingency Fund	150,000	-	-	60,000	210,000
	<u>287,660</u>	<u>-</u>	<u>-</u>	<u>60,000</u>	<u>347,660</u>
Total Unrestricted Funds	<u>665,045</u>	<u>446,493</u>	<u>(399,286)</u>	<u>(1,818)</u>	<u>710,434</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2021

18. STATEMENT OF FUNDS continued

Analysis of movements in unrestricted funds

Previous reporting period

Analysis of movements in unrestricted funds

	Balance at 1 April 2019	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2020
	£	£	£	£	£
General Funds	338,943	673,556	(600,114)	(35,000)	377,385
Designated Funds:					
Building Fund	80,000	-	-	5,000	85,000
Development Fund	20,000	-	(10,981)	-	9,019
The Shaw Fund	43,641	-	-	-	43,641
Contingency Fund	120,000	-	-	30,000	150,000
	263,641	-	(10,981)	35,000	287,660
Total Unrestricted Funds	602,584	673,556	(611,095)	-	665,045

Analysis of movements in restricted funds

	Balance at 1 April 2020	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£
Tudor Trust (Land Purchase)	75,000	-	-	-	75,000
Tudor Trust Building Purchase)	37,990	-	(1,500)	-	36,490
English Partnership	55,780	-	(2,060)	-	53,720
National Lottery	176,160	-	(6,347)	-	169,813
National Lottery Covid 19	-	83,994	(85,812)	1,818	-
Government BBILS Interest	-	625	(625)	-	-
HMRC CJRS	-	26,471	(26,471)	-	-
Asda	-	382	(382)	-	-
	344,930	111,472	(123,197)	1,818	335,023

Previous reporting period

Analysis of movements in restricted funds

	Balance at 1 April 2019	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2020
	£	£	£	£	£
Tudor Trust (Land Purchase)	75,000	-	-	-	75,000
Tudor Trust Building Purchase)	39,490	-	(1,500)	-	37,990
English Partnership	57,840	-	(2,060)	-	55,780
National Lottery	182,507	-	(6,347)	-	176,160
	354,837	-	(9,907)	-	344,930

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2021

18. STATEMENT OF FUNDS (continued)

Purposes of restricted funds:

Tudor Trust, English Partnership and National Lottery funds represent the depreciation cost in respect of capital costs of purchasing and establishing the Community at Longlands Mill.

National Lottery Covid 19	for salary costs
Government BBILS Interest	for the first year interest on the BBILS loan
HMRC CJRS	for salary costs
Asda	for Covid 19 costs

Purposes of designated funds:

A designated fund has been set aside to improve the position of the Companions at Emmaus Mossley, following the receipt of a legacy from Mr and Mrs Shaw in the year ended 31 March 2008 of £78,173.

A second designated fund, the contingency fund, has been established for £120,000, equivalent to 3 months of unrestricted expenditure in line with the trustees' reserves policy.

A development fund has been created to ensure that there are funds available to aid the growth of the trading side of the charity's activities. This will be spent in the next twelve months.

A building fund has been designated to allow funds to be earmarked for future capital projects. This will be spent in the next financial year.

Purposes of unrestricted funds:

Free reserves = £180,267

The balance of unrestricted funds fund the depreciation cost in respect of capital costs of purchasing and establishing the Community at Longlands Mill.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Tangible fixed assets	182,507	5,158	335,023	522,688
Cash at bank and in hand	244,500	342,502	-	587,002
Other net current assets/(liabilities)	(18,646)	-	-	(18,646)
Total	362,774	347,660	335,023	1,091,044

Previous reporting period

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Tangible fixed assets	188,797	6,264	344,929	539,990
Cash at bank and in hand	180,891	281,396	1	462,288
Other net current assets/(liabilities)	7,697	-	-	7,697
Total	377,385	287,660	344,930	1,009,975

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2021

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS continued

FREE RESERVES

	2021	2020
	£	£
Unrestricted Funds	710,434	665,045
Held as Fixed Assets	(182,507)	(188,797)
Available funds	<u>527,927</u>	<u>476,248</u>
Designated funds:		
Building Fund	(85,000)	(85,000)
Development Fund	(9,019)	(9,019)
Shaw Fund	(43,641)	(43,641)
Contingency Fund	<u>(210,000)</u>	<u>(150,000)</u>
Free Reserves	<u><u>180,267</u></u>	<u><u>188,588</u></u>

20. TRUSTEES' EXPENSES

Trustees were reimbursed in the period for travel and subsistence costs incurred on behalf of the Charity for 2021 £nil (2020: £417). The trustee costs in these accounts relate to flowers purchased for a trustee.

21. RELATED PARTY TRANSACTIONS

There were no transactions with related parties that require disclosure in the financial statements.

22. OPERATING LEASE COMMITMENTS

At 31 March 2021 the charity had future minimum lease payments under non-cancellable operation leases, as follows:

	2021	2020
	£	£
Not later than 1 year	6,465	6,465
Later than 1 year and not later than 5 years	16,300	22,607
	<u>22,765</u>	<u>29,072</u>