

EMMAUS OXFORD

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST, 2024

Company No. 3422350

Charity No. 1066618

EMMAUS OXFORD

The trustees present their report and the financial statements of the charity for the year ended 31 August 2024.

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Reference and Administrative details

The charity registration number is 1066618 and the company registration number is 3422350. The company is registered in England.

Registered Office Emmaus Oxford
171 Oxford Road
Cowley
Oxford OX4 2ES

Trustees of Emmaus Oxford

The trustees who served during the year, and the dates of any appointments and resignations during the year, were as follows:

A Hipkin	(appointed 19 December 2023)
E McKay	
B. Moloney	
A Morgan-Giles	
N Rose	
D Maitland	(appointed 02 June 2024)
M O'Sullivan	(appointed 09 April 2024)
M Hallam	(resigned 02 August 2024)
A Clark	(resigned 08 October 2024)
C Macfarlane	(resigned 11 Sept 2023)

Bankers & professional advisers

Bankers	Barclays Bank PLC PO Box 333	Auditors	Gravita Audit Oxford LLP Park Central 40-41 Park End Street Oxford, OX1 1JD
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Structure, Governance and Management

The organisation is a charitable company limited by guarantee, incorporated on 20 August, 1997, and registered as a charity. The company was incorporated under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association which were last amended on 1st July 2012.

The charity is administered by the trustees, with day-to-day management responsibility delegated to the CEO, Edward Blaze.

The organisation recruits new trustees from a combination of national advertising through the Emmaus UK website and personal recommendation. The trustees have committed themselves to an open and inclusive engagement policy and all trustees are recruited and retained on the basis of the needs of the organisation and an objective assessment of the skills required. This assessment is carried out annually and is compared with a review of the skills and competencies of the trustees. Resource shortfalls are addressed by the recruitment of further trustees and selective training provided to existing trustees.

Risk Management

The trustees have carried out a detailed review of the charity's activities and produced a comprehensive strategic plan setting out the major opportunities available to the charity and the risks to which it is exposed. The trustees monitor progress annually against the strategic objectives set out in the plan. As part of their review, the trustees have implemented a risk management strategy which comprises:

- a continuous review of the risks which the charity may face;
- establishing systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

The principal financial risks to the organisation remain its dependence on its two main income streams, the store and housing benefit which continue to be supplemented by generous donations from supporters. The second-hand furniture store has been expected to increase trading revenue substantially over the next few years, particularly through on-line sales, and whilst we have seen some increase in revenues, it has fallen short of expectations and so remains a particular focus. The organisation's long-term viability depends on this growth being achieved. The other main income stream is the Companions' housing benefit which will be subject to review as part of the government's ongoing welfare reforms.

The trustees are aware of their responsibilities to ensure compliance with all statutory legislation and the main areas considered are as follows:

- | | |
|---|---|
| • Charity law | • Working Time Regulations |
| • Company law | • Human Rights Act |
| • Trustees' Act | • Race relations |
| • Data Protection Act & GDPR | • Health & Safety |
| • Disability Discrimination Act | • Office, Shops and Railway Premises Act |
| • Employment and National Minimum Wage laws | • Compliance with taxation regulations relating to employees and donors |

Objectives of Emmaus Oxford

The charity's objects are the alleviation of poverty and hardship, and distress arising therefrom, for those in need, without distinction.

The principal aim of the organisation is to provide accommodation, support, learning and development and work activity for homeless persons, and to achieve the financial sustainability necessary to underpin this by increasing trading revenues and trading surpluses to support this Emmaus Community in Oxford. The charity has also received much-needed donations in support of the Community. Continuing contributions in the form of housing benefit and donations will be required in addition to the trading income.

Achievements & Performance

Emmaus Oxford continues to develop the Community and establish it on a sound basis for the long term. There is generally a full complement of 28 Companions, with homeless people recruited when vacancies arise. The Charity continues to use 169 Oxford Road as a transitional facility for Companions seeking to 'move on' in the near future and the Charity is developing plans and fund-raising for an additional transitional facility at 167 Oxford Road.

Key Companion outcomes were:

- 9 companions positively move on
- 5 Companions moved into employment
- Average length of stay was 2.75 years

The Charity is also executing a strategy and focus on training and development this year; not only is this a core mission of the Charity, but it also recognises that in order for Companions to move on successfully, there is a need to build a wider range of skills and experience; we have developed a plan involving a mix of skills development and work experience outside of the social enterprise. Whilst it is too early to demonstrate clear outcomes, there are positive signs from the programme where Companions have been able to obtain good jobs on the back of specific skills training under the programme. We are excited to see a more formal review of this programmes outcomes in due course.

Emmaus Oxford continues to grow its second-hand furniture retail operation, and other social enterprise activities, as a means whereby Companions can work and at the same time generate funds to finance the on-going running of the Community. Sales of second-hand furniture and other goods were flat this year after several years of growth and there is a focus on this area of the social enterprise to re-establish its previous trajectory of growth by looking at on line and other related activities.

Plans for the future

Emmaus Oxford will seek to support and encourage all Companions to move-on to independent living as soon as they are able to, and has resources dedicated to assisting companions in making this transition. The future strategy is to increase the number of Companions or Affiliates that can be supported by Emmaus Oxford and who may be potentially in external employment. The acquisition of 167 Oxford Road will be one of the elements which supports this strategy. Plans for developing 167 Oxford Road are underway, with construction works planned ahead of opening the new facility.

Fundraising

Emmaus Oxford is registered with the Fundraising Regulator and complies with their Code of Fundraising Practice. The charity received no complaints about its fundraising this year. All fundraising campaigns were run by one member of staff directly employed by Emmaus Oxford using communications by direct mail, email and social media. Emmaus Oxford is signed up to the Fundraising Preference Service, but this year received no requests from this service. Supporters of Emmaus Oxford can elect, through the website, to receive the newsletter and have the opportunity to review and change their communication preferences similarly for all mass communications.

Emmaus Oxford continues to apply its supporters' privacy policy and its ethical fundraising policy to maintain high standards in our fundraising. Both are available on the website. The ethical fundraising policy describes the steps it takes if offered a donation from someone who is potentially vulnerable and gives details on how to make a complaint about our fundraising. The privacy policy for supporters contains details on the steps the charity takes to protect supporters' data.

In the year 2023-2024, our fundraising continued to be successful, and Emmaus Oxford received strong support in the form of grants and donations.

Equality, diversity and inclusion

Emmaus Oxford wants to offer an environment which invites and welcomes diversity amongst the staff, volunteers and companions. This year Emmaus Oxford took the following steps towards that goal:

- Appointed an 'Equality and Inclusion Champion' from amongst the board of trustees
- Arranged for all staff to undertake mandatory training in Equality and Diversity
- Monitored equality and diversity within applicants and companions through an annual anonymous survey
- Encouraged applicants with lived experience of homelessness to apply for paid and volunteer roles

- Introduced a new Domestic Abuse Policy and appointed a Domestic Abuse Champion from within the staff.

Safeguarding and serious incidents

Emmaus Oxford are committed to supporting the safety and wellbeing of our companions, many of whom have care and support needs. All staff undertake mandatory training in Safeguarding Adults (levels 1 and 2) and Safeguarding Children, with annual refresher courses. A Trustee Lead on Safeguarding has been appointed. Safeguarding is referenced and tested in recruitment.

Emmaus Oxford reported no serious incidents to the Charity Commission during this year.

Public Benefit

Emmaus Oxford is committed to helping homeless people make a new start. The charity operates two community buildings which allow it to provide a home for a number of them. Over the past 10 years it has accepted many homeless people as 'Companions' who are living in the Community and working there and at the second-hand furniture store. The charity provides affordable furniture and household goods in the second-hand furniture store for the general public, much of which might otherwise go into landfill. The charity is therefore providing a public benefit in accordance with its objectives. The trustees have complied with their duty under Section 17/5 of the Charities Act 2011 having regard to the guidance on public benefit issued by the Charity Commission.

Financial Review

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

Reserves Policy

The trustees review of the reserves of the charity encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments, and the nature of the reserves. The review concluded that to allow the charity to be managed efficiently, there is a requirement for £300,000 of working capital. In addition, the trustees want to ensure that companions have sufficient time in case of a severe issue and look to provide a buffer for uninterrupted services, a general reserve, equating to around three months' expenditure (£300,000), held in unrestricted funds, and not committed or invested in tangible fixed assets.

The charity's total unrestricted reserves as of 31 August 2024 are £1,410,372 (2023: £1,260,430).

The balance of the unrestricted reserves is allocated to its long-term project to provide further 'move-on' accommodation for Companions who are ready for more independence. This is estimated to require an investment of approximately £900,000, and so the charity is actively seeking further funding for 'move-on' accommodation while retaining its contingency reserve and working capital.

Investment Approach

Emmaus Oxford's investment policy sets out the trustees' approach to investing. It is a framework for making investment decisions, managing our financial resources, and meeting our governance responsibilities. The trustees will review the investment policy annually to ensure that it continues to align with the charitable mission and objectives.

Emmaus Oxford will invest in a diversified range of asset classes and regions. The trustees will consider investment in stocks, bonds, property, and other investment vehicles that are not inconsistent with our charitable mission.

The charity's investment objectives are to achieve growth and income. The trustees aim to generate sustainable returns that allow the charity to achieve its charitable objectives while protecting the capital value of its investments. The trustees recognize that every investment carries risk and will manage these risks to ensure that they are commensurate with the charity's objectives and the financial resources available. The risk appetite is determined to be moderate, but the trustees are willing to accept fluctuations in the value of the assets in pursuit of the investment objectives.

The trustees will manage Emmaus Oxford's financial resources in line with its objectives, risk appetite, and investment policy. The amount available for investment will be reviewed annually, and the trustees will adjust the investment strategy as necessary to ensure that the charity continues to meet its objectives. The trustees will ensure that the charity has sufficient liquidity to meet its financial commitments; it will invest in liquid assets and maintain an appropriate level of cash reserves to ensure that it can have access to money when needed.

The trustees have a legal obligation to secure the best financial return, within the appropriate level of risk, to be spent on the charity's aims. They have a duty to consider investment suitability and diversification, to take advice unless there is good reason for not doing so, and to review the investments periodically.

Trustees' Responsibilities

The trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with any 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This Report has been prepared in accordance with the small companies' regime under the Companies Act 2006.



Approved by the trustees on the 24th February 2025

Andrew Morgan-Giles
Chair of Emmaus Oxford

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMMAUS OXFORD

We have audited the financial statements of Emmaus Oxford (the "Charity") for the year ended 31 August 2024 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement [set out on page 5], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity;

We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
 - making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
 - considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at:
www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, reading 'G Pready', written over a horizontal line.

Gary Pready (Senior Statutory Auditor)

For and on behalf of Gravita Audit Oxford LLP (Statutory Auditor)
Park Central, 40-41 Park End Street, Oxford, OX1 1JD

Date: 18 March 2025

EMMAUS OXFORD

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 August, 2024

	Note	Unrestricted £	Restricted £	Total 2024 £	Unrestricted £	Restricted £	Total 2023 £
Income							
Donations & Legacies		156,487	171,398	327,885	597,975	93,915	691,890
Other trading activities		2,710	-	2,710	-	-	-
Investment income	3	42,235	-	42,235	34,559	-	34,559
Charitable activities - Furniture store		613,475	-	613,475	668,521	-	668,521
Housing benefit for Companions		267,002	-	267,002	257,302	-	257,302
Other income - Gift Aid		42,317	-	42,317	54,342	-	54,342
Total income		1,124,225	171,398	1,295,624	1,612,699	93,915	1,706,613
Expenditure							
Raising funds	8	74,864	-	74,864	67,187	-	67,187
Events costs		3,103	-	3,103	2,926	-	2,926
Charitable activities	4	947,575	130,902	1,078,477	880,235	94,939	975,173
Total expenditure		1,025,542	130,902	1,156,444	950,347	94,939	1,045,286
Net gains/(losses) on investments		46,666	-	46,666	2,092	-	2,092
Net income (expenditure) for the year before transfers		145,349	40,497	185,846	664,444	(1,024)	663,420
Transfer of funds from restricted to unrestrict	17	-	-	-	-	-	-
Fund balances							
Net movement in funds		145,349	40,497	185,846	664,444	(1,024)	663,420
Brought forward at 1 September, 2023		2,493,234	12,662	2,505,897	1,828,791	13,686	1,842,477
Carried forward at 31 August, 2024		2,638,584	53,159	2,691,743	2,493,234	12,662	2,505,897

EMMAUS OXFORD (Co number 3422350)**BALANCE SHEET**

31st August 2024

	Notes	2024 £	2023 £
Fixed Assets			
Leasehold Property	10	537,264	541,856
Freehold Property	10	690,948	690,948
Equipment	10	12,517	2,674
Motor Vehicles	10	16,189	28,253
		-----	-----
Tangible assets		1,256,918	1,263,731
Investments	3 & 11	478,845	432,178
Intangible assets	10	-	-
		-----	-----
Total fixed assets		1,735,763	1,695,909
Current assets			
Cash at Bank		978,617	820,161
Debtors	12	64,780	53,164
		-----	-----
		1,043,396	873,326
Creditors			
due within one year	13	(87,416)	(63,338)
		-----	-----
Net current assets		955,980	809,988
Total assets less current liabilities		2,691,743	2,505,897
		-----	-----
Creditors			
due after more than one year: (see note 14)		-	-
		-----	-----
Net assets		2,691,743	2,505,897
		-----	-----
Funds			
Restricted funds	16	53,159	12,662
Unrestricted funds (designated)	16, 17 & 18	1,228,212	1,232,804
Unrestricted funds (other)	16	1,410,372	1,260,430
		-----	-----
Total charity funds		2,691,743	2,505,897
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These accounts were approved and authorised for issue by the directors on the 24 February 2025



Andrew Morgan-Giles
Chair of Emmaus Oxford

EMMAUS OXFORD
CASH FLOW STATEMENT
For the year ended 31 August, 2024

	2024 £	2023 £		
Cash flows from operating activities:				
Net cash provided by (used in) operating activities	130,235	207,471		
Cash flows from investing activities:				
Dividends, interest and rents from investments	42,235	34,353		
Proceeds from the sale of property	-	-		
Proceeds from the sale of plant and equipment	-	-		
Purchase of property	-	-		
Purchase of plant and equipment	(14,015)	(2,675)		
Proceeds from sale of investments	-	-		
Purchase of investments	-	-		
Net cash provided by (used in) investing activities	28,220	31,678		
Resultant cash flow	158,455	239,149		
Reconciliation of net income/(expenditure) to net cash flow				
Cash and cash equivalents at the beginning of the Reporting Period	820,161	581,012		
Cash and cash equivalents at the end of the Reporting Period	978,617	820,161		
Net cash inflows/(outflows)	158,455	239,149		
Reconciliation of income to cash flows				
Operating cash flow	130,235	207,471		
interest	42,235	34,353		
depreciation charges	(20,828)	(20,574)		
donated investments	-	430,086		
gains/(losses) on investments	46,666	2,092		
profit/(loss) on the sale of fixed assets	-	-		
Increase/(decrease) in stocks	-	-		
Increase/(decrease) in debtors	11,616	2,022		
(Increase)/decrease in creditors	(24,079)	7,970		
Income given in Statement of Financial Activities	185,845	663,420		
Analysis of cash and cash equivalents				
Cash in hand	978,617	820,161		
Notice deposits (less than 3 months)	-	-		
Overdraft facility repayable on demand	-	-		
Total cash and cash equivalents	978,617	820,161		
Analysis of changes in net debt	at start of year	cash flows	other non-cash changes	at end of year
	£	£	£	£
Cash	820,161	158,455	-	978,616
Loans falling due within one year			-	-
Loans falling due after one year	-	-	-	-
Total	820,161	158,455	-	978,616

EMMAUS OXFORD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August, 2024

1. ACCOUNTING POLICIES

a. Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard 102, the Companies Act 2006 and follow the recommendations in "Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102)". Emmaus Oxford is a charitable company limited by guarantee. The charity is a public benefit entity. The registered address is 171 Oxford Road, Cowley, Oxford, OX4 2ES.

b. Going Concern

The accounts have been drawn up on a going concern basis. The charity meets its day to day capital requirements through positive cash balances held on deposit. There are no material uncertainties related to events or conditions which cast significant doubt on the charity's ability to continue as a going concern.

c. Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the trustees in furtherance of the general charitable objectives. Restricted funds are amounts for specific purposes as defined by the donor. The charity does not currently have any endowment funds or capital funds which have been transferred from restricted funds.

d. Income

Incoming resources represent the total income receivable during the year comprising sales from the second-hand furniture store, housing benefit for companions living in the Emmaus Community in Oxford, grants, donations and gifts, investment income and gifts in kind. All incoming resources are recognised at the point of receipt of monies except where earlier recognition is prudent, for example, investment income and monies from grants made in respect of the accounting period. Incoming resources are deferred where the conditions for receipt are not met at the end of the accounting period.

Income from donated goods is recognised when those goods are sold because it is impractical to assess their value on donation.

e. Expenditure

Those costs which are directly attributable to different functions of the charity are allocated as such. The trustees apportion aggregated costs in proportions which they consider to be a fair estimate of their functional division. Support costs are allocated to the charitable activities of operating the Emmaus Community in Oxford and the second-hand furniture store, based on an estimate of time spent by the staff concerned.

f. Depreciation of fixed assets and amortisation of goodwill

Depreciation is provided to write off the cost of fixed assets over their estimated useful lives using the following rates:

Freehold land and buildings	NIL
Leasehold buildings	straight line - over the lifetime of the lease
Fixtures, fittings and equipment	25% straight line
Motor vehicles	20% straight line

Assets are not capitalised unless the purchase cost or value assessed at acquisition is greater than £2,000.

Depreciation will be provided for the leasehold superstore in Barns Road commencing in 2016-17, on a straight-line basis, £574,000 over 125 years.

g. Pension costs

Emmaus Oxford operates a defined contribution pension scheme and contributions are charged to the Statement of Financial Activities as they become payable.

h. Investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised as other gains or losses and are included in net income/expenditure for the year.

Transaction costs are expensed as incurred.

2. CRITICAL ACCOUNTING ESTIMATES

In the process of applying the charity's accounting policies, the trustees make judgements and estimates. These judgements and estimates are evaluated regularly and are based on historical experience and other factors including expectations of future events. The trustees consider there are no significant accounting judgments or estimates to report in this period.

3. INVESTMENT INCOME

	2024	2023
	£	£
Bank interest	12,076	7,286
Dividends receivable	30,159	27,273
Investment income total	42,235	34,559

Bank Interest has been earned on bank accounts held within the United Kingdom.

4. CHARITABLE ACTIVITIES

	Emmaus Community £	Furniture Store £	Total 2024 £	Emmaus Community £	Furniture Store £	Total 2023 £
Costs of activities undertaken directly	190,790	252,457	443,247	175,851	237,915	413,767
Indirect support costs	464,925	170,305	635,230	390,456	170,951	561,407
Totals	655,715	422,762	1,078,477	566,307	408,866	975,173

	Emmaus Community £	Furniture Store £	Total 2024 £	Emmaus Community £	Furniture Store £	Total 2023 £
Activities undertaken directly represent:						
Salaries & wages – Note 8	-	175,108	175,108	-	185,203	185,203
Materials	-	13,144	13,144	-	13,233	13,233
Vehicle running costs	355	51,196	51,551	1,897	32,934	34,830
Expenses for Companions	190,435	13,008	203,443	173,955	6,546	180,501
Totals	190,790	252,457	443,247	175,851	237,915	413,767

5. SUPPORT COSTS

	Emmaus Community	Furniture Store	Total 2024	Emmaus Community	Furniture Store	Total 2023
	£	£	£	£	£	£
Salaries & wages – Note 8	224,593	58,369	282,963	201,560	61,734	263,294
Expenses for volunteers	-	352	352	7	120	127
Recruitment Advertising	985	1,462	2,447	2,178	396	2,574
Marketing	2,633	10,062	12,695	2,500	9,218	11,718
IT	1,936	4,784	6,720	1,458	4,619	6,077
Travelling expenses	1,882	4	1,886	2,040	642	2,682
Telephone	4,433	5,466	9,899	3,832	4,380	8,212
Rent, rates & water	108,311	5,606	113,917	98,158	6,525	104,683
Light & heat	36,049	13,611	49,660	23,152	10,094	33,246
Printing, postage & stationery	3,583	3,030	6,613	3,877	3,549	7,426
Other office costs	4,396	19,267	23,662	17,216	22,054	39,271
Maintenance and repairs	126	2,555	2,681	503	1,699	2,202
Other premises costs	26,383	12,436	38,819	15,416	12,738	28,153
Insurance	4,548	14,130	18,678	2,253	13,242	15,496
Professional Fees	22,748	960	23,708	9,246	1,265	10,511
Governance costs - Note 6	2,250	2,250	4,500	2,250	2,250	4,500
Bank charges	327	263	590	215	442	657
Depreciation	5,261	15,567	20,828	4,592	15,982	20,574
Amortisation	-	-	-	-	-	-
Miscellaneous	14,481	132	14,613	3	-	3
Totals	464,925	170,305	635,230	390,456	170,951	561,407

6. GOVERNANCE COSTS

	2024	2023
	£	£
Auditors' remuneration	4,500	4,500
Auditors' accountancy fees	-	-
	4,500	4,500

7. NET MOVEMENT IN FUNDS

	2024	2023
	£	£
The net movement in funds is stated after charging:		
depreciation of tangible fixed assets owned by the charity	20,828	20,574

8. EMPLOYEES AND STAFF COSTS

					No.	No.
The aggregate FTE number of full and part time persons employed during the year was:					14	14
Staff costs were as follows:						
	Cost of Generating Funds	Direct costs Furniture Store	Support Costs Community	Furniture Store	Total 2024	Total 2023
	£	£	£	£	£	£
Salaries & Wages	67,160	158,659	201,480	52,886	480,185	464,891
National Insurance	5,050	11,390	15,151	3,797	35,389	33,582
Pension contributions	2,654	5,058	7,963	1,686	17,361	17,212
Totals: 2024	74,864	175,108	224,593	58,369	532,935	515,684
Totals: 2023	67,187	185,203	201,560	61,734		

No employee earned more than £60,000 in the year.

9. REMUNERATION OF TRUSTEES AND KEY MANAGEMENT

In aggregate the trustees and key management received remuneration of £60,866 for their services (£58,104 in 2022-23).

10. FIXED ASSETS

	Leasehold asset	Freehold	Fixtures Fittings & Equipment	Motor Vehicles	Total
	£	£	£	£	£
Cost					
As at 1 September, 2023	574,000	690,948	10,987	88,827	1,364,762
Additions	-	-	14,015		14,015
Disposals	-	-	-		-
As at 31 August, 2024	574,000	690,948	25,002	88,827	1,378,777
Depreciation					
As at 1 September, 2023	32,144	-	8,313	60,574	101,031
Charge for the year	4,592	-	4,172	12,064	20,828
Disposals	-	-	-		-
As at 31 August, 2024	36,736	-	12,485	72,638	121,859
Net Book Value					
As at 31 August, 2024	537,264	690,948	12,517	16,189	1,256,918
As at 31 August, 2023	541,856	690,948	2,674	28,253	1,263,731
Intangible assets					
Goodwill					15,800
Amortisation					15,800
Net book value as at 31 August, 2024					-
Net book value as at 31 August, 2023					-

Emmaus Oxford has granted a leasehold interest in the property at 171 Oxford Road to Dominion Housing Group for 125 years. In return, Dominion Housing Group assisted in funding construction of the Community property on the site.

11. INVESTMENTS

Investment Portfolio		
M & G Equities Investment Fund for Charities	Initial valuation	£430,086
Investment Summary		
	Brought forward	£432,179
	Additions	
	Disposals	-
	Revaluation	£46,667
	Carried forward	£478,845

12. DEBTORS

	2024	2023
	£	£
Accrued interest on deposits	10,966	7,618
VAT repayment	6,292	545
Gift aid reclaimed from HM Revenue & Customs	7,480	7,265
Sundry debtors and prepayments	29,095	25,924
Housing benefit from Oxford City Council	10,947	11,812
Donations	-	-
	<u>64,780</u>	<u>53,164</u>

13. CREDITORS DUE WITHIN ONE YEAR

	2024	2023
	£	£
Taxes and social security	-	-
Companion funds	23,217	25,751
Trade creditors and accruals	64,199	37,587
	<u>87,416</u>	<u>63,338</u>

14. CREDITORS DUE AFTER ONE YEAR

None

15. SHARE CAPITAL

Emmaus Oxford is a company limited by guarantee with no share capital. The liability of each member is limited to £1.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	Total
	£	£	£
Fixed assets	1,735,763	-	1,735,763
Net current assets	902,821	53,159	955,980
	<u>2,638,584</u>	<u>53,159</u>	<u>2,691,743</u>
Creditors due after more than one year	-	-	-
Net assets: 2024	<u>2,638,584</u>	<u>53,159</u>	<u>2,691,743</u>
Net assets: 2023	<u>2,493,234</u>	<u>12,662</u>	<u>2,505,897</u>

In the year 2023-24, restricted donations were given to Emmaus Oxford to the value of £171,398. A further £53,159 has been carried forward to year 2024-25 from 2023-24, mainly related to facilities. Restricted funds amounting to a total of £12,662 were carried forward at the end of 2022-23 (see note 17)

In the year 2013-14, £289,000 was paid to Greensquare Group for the purchase and construction of the new furniture store, and a further £285,000 was paid in 2015-16, amounting to £574,000 in total.

17. ANALYSIS OF CHARITABLE FUNDS

Analysis of Movement in Restricted Funds

	Balance 1 Sept 2023	Income	Expenditure	Transfers	Funds 31 August 2024
	£	£	£	£	£
Facilities fund	5,500	49,709	3,990	-	51,219
Companion wellbeing fund	7,162	121,689	126,911	-	1,940
	12,662	171,398	130,901	-	53,159

18. DESIGNATED FUNDS

Designated funds are unrestricted funds which the trustees have set aside for particular purposes. The trustees have set up a designated fund equal to the net book value of the charity's freehold and leasehold property.

19. COMMITMENTS

On 21st February, 2008 Emmaus Oxford entered into a management agreement with Dominion Housing Group in relation for a 125 year lease of 171 Oxford Road under which Emmaus Oxford has to pay for the use of the building. The amount currently payable is £74,300 per annum. The lease can be terminated by Emmaus Oxford by giving two years' notice.

On 15 April, 2013 Emmaus Oxford entered into an Agreement for Lease with Oxford City Housing Association Limited and Greensquare Group Limited for the grant of a lease to Emmaus Oxford of property at Barns Road, Oxford for a term of 125 years in consideration of a premium of £574,000. (see Leasehold Asset in note 9)

20. TRUSTEES

Trustees were not reimbursed for expenses during the period and received no remuneration.

Donations to the value of £120 were received from trustees and related parties in 2023-24 (£120 in 2022-23). No related party transactions took place in the year.

21. OTHER NOTES - PRIOR YEARS

Grants from Emmaus UK to Emmaus Oxford, received in previous years, which amount to £140,000 in total, will be immediately refundable if Emmaus Oxford ceases, for whatever reason, to be a Member of the Federation of Emmaus in the UK.

The purchase of the freehold property at 167, Oxford Road was completed on 3rd February 2022 for a total consideration of £490,000.

22. OTHER NOTES - CURRENT YEAR

None

EMMAUS OXFORD ADDITIONAL INFORMATION

For the year ended 31 August 2024

	2024	2023
	£	£
Charitable activities		
Overall costs		
Wages, salaries, Employer's NI & Pension Contributions	458,071	448,497
Materials	13,144	13,233
Vehicle running costs	51,551	34,830
Companions' allowances & food costs	203,443	180,501
Volunteer expenses & training	352	127
Recruitment Advertising	2,447	2,574
Marketing	12,695	11,718
IT	6,720	6,077
Travelling expenses	1,886	2,682
Telephone	9,899	8,212
Rent, rates & water	113,917	104,683
Light & heat	49,660	33,246
Printing, postage & stationery	6,613	7,426
Other office costs	23,662	39,271
Maintenance and repairs	2,681	2,202
Other premises costs	38,819	28,153
Insurance	18,678	15,496
Professional Fees	23,708	10,511
Bank charges	590	657
Depreciation	20,828	20,574
Amortisation	-	-
Miscellaneous	14,613	3
	<u>1,073,977</u>	<u>970,673</u>
Cost of generating funds		
Fund-raising costs		
Salaries and Employer's National Insurance	74,864	67,187
Event charges	3,103	2,926
	<u>77,967</u>	<u>70,112</u>
Governance costs		
Audit and accountancy fees	<u>4,500</u>	<u>4,500</u>

EMMAUS OXFORD

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST, 2024

Company No. 3422350

Charity No. 1066618

EMMAUS OXFORD

The trustees present their report and the financial statements of the charity for the year ended 31 August 2024.

Trustees' Report	page	1 to 6
Auditors' Report	page	7 to 10
Statement of Financial Activities	page	11
Balance Sheet	page	12
Cash Flow Statement	page	13
Notes to the Financial Statements	page	14 to 19
Additional Information	page	20

Reference and Administrative details

The charity registration number is 1066618 and the company registration number is 3422350. The company is registered in England.

Registered Office	Emmaus Oxford 171 Oxford Road Cowley Oxford OX4 2ES
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Trustees of Emmaus Oxford

The trustees who served during the year, and the dates of any appointments and resignations during the year, were as follows:

A Hipkin	(appointed 19 December 2023)
E McKay	
B. Moloney	
A Morgan-Giles	
N Rose	
D Maitland	(appointed 02 June 2024)
M O'Sullivan	(appointed 09 April 2024)
M Hallam	(resigned 02 August 2024)
A Clark	(resigned 08 October 2024)
C Macfarlane	(resigned 11 Sept 2023)

Bankers & professional advisers

Bankers	Barclays Bank PLC PO Box 333	Auditors	Gravita Audit Oxford LLP Park Central 40-41 Park End Street Oxford, OX1 1JD
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Structure, Governance and Management

The organisation is a charitable company limited by guarantee, incorporated on 20 August, 1997, and registered as a charity. The company was incorporated under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association which were last amended on 1st July 2012.

The charity is administered by the trustees, with day-to-day management responsibility delegated to the CEO, Edward Blaze.

The organisation recruits new trustees from a combination of national advertising through the Emmaus UK website and personal recommendation. The trustees have committed themselves to an open and inclusive engagement policy and all trustees are recruited and retained on the basis of the needs of the organisation and an objective assessment of the skills required. This assessment is carried out annually and is compared with a review of the skills and competencies of the trustees. Resource shortfalls are addressed by the recruitment of further trustees and selective training provided to existing trustees.

Risk Management

The trustees have carried out a detailed review of the charity's activities and produced a comprehensive strategic plan setting out the major opportunities available to the charity and the risks to which it is exposed. The trustees monitor progress annually against the strategic objectives set out in the plan. As part of their review, the trustees have implemented a risk management strategy which comprises:

- a continuous review of the risks which the charity may face;
- establishing systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

The principal financial risks to the organisation remain its dependence on its two main income streams, the store and housing benefit which continue to be supplemented by generous donations from supporters. The second-hand furniture store has been expected to increase trading revenue substantially over the next few years, particularly through on-line sales, and whilst we have seen some increase in revenues, it has fallen short of expectations and so remains a particular focus. The organisation's long-term viability depends on this growth being achieved. The other main income stream is the Companions' housing benefit which will be subject to review as part of the government's ongoing welfare reforms.

The trustees are aware of their responsibilities to ensure compliance with all statutory legislation and the main areas considered are as follows:

- | | |
|---|---|
| • Charity law | • Working Time Regulations |
| • Company law | • Human Rights Act |
| • Trustees' Act | • Race relations |
| • Data Protection Act & GDPR | • Health & Safety |
| • Disability Discrimination Act | • Office, Shops and Railway Premises Act |
| • Employment and National Minimum Wage laws | • Compliance with taxation regulations relating to employees and donors |

Objectives of Emmaus Oxford

The charity's objects are the alleviation of poverty and hardship, and distress arising therefrom, for those in need, without distinction.

The principal aim of the organisation is to provide accommodation, support, learning and development and work activity for homeless persons, and to achieve the financial sustainability necessary to underpin this by increasing trading revenues and trading surpluses to support this Emmaus Community in Oxford. The charity has also received much-needed donations in support of the Community. Continuing contributions in the form of housing benefit and donations will be required in addition to the trading income.

Achievements & Performance

Emmaus Oxford continues to develop the Community and establish it on a sound basis for the long term. There is generally a full complement of 28 Companions, with homeless people recruited when vacancies arise. The Charity continues to use 169 Oxford Road as a transitional facility for Companions seeking to 'move on' in the near future and the Charity is developing plans and fund-raising for an additional transitional facility at 167 Oxford Road.

Key Companion outcomes were:

- 9 companions positively move on
- 5 Companions moved into employment
- Average length of stay was 2.75 years

The Charity is also executing a strategy and focus on training and development this year; not only is this a core mission of the Charity, but it also recognises that in order for Companions to move on successfully, there is a need to build a wider range of skills and experience; we have developed a plan involving a mix of skills development and work experience outside of the social enterprise. Whilst it is too early to demonstrate clear outcomes, there are positive signs from the programme where Companions have been able to obtain good jobs on the back of specific skills training under the programme. We are excited to see a more formal review of this programmes outcomes in due course.

Emmaus Oxford continues to grow its second-hand furniture retail operation, and other social enterprise activities, as a means whereby Companions can work and at the same time generate funds to finance the on-going running of the Community. Sales of second-hand furniture and other goods were flat this year after several years of growth and there is a focus on this area of the social enterprise to re-establish its previous trajectory of growth by looking at on line and other related activities.

Plans for the future

Emmaus Oxford will seek to support and encourage all Companions to move-on to independent living as soon as they are able to, and has resources dedicated to assisting companions in making this transition. The future strategy is to increase the number of Companions or Affiliates that can be supported by Emmaus Oxford and who may be potentially in external employment. The acquisition of 167 Oxford Road will be one of the elements which supports this strategy. Plans for developing 167 Oxford Road are underway, with construction works planned ahead of opening the new facility.

Fundraising

Emmaus Oxford is registered with the Fundraising Regulator and complies with their Code of Fundraising Practice. The charity received no complaints about its fundraising this year. All fundraising campaigns were run by one member of staff directly employed by Emmaus Oxford using communications by direct mail, email and social media. Emmaus Oxford is signed up to the Fundraising Preference Service, but this year received no requests from this service. Supporters of Emmaus Oxford can elect, through the website, to receive the newsletter and have the opportunity to review and change their communication preferences similarly for all mass communications.

Emmaus Oxford continues to apply its supporters' privacy policy and its ethical fundraising policy to maintain high standards in our fundraising. Both are available on the website. The ethical fundraising policy describes the steps it takes if offered a donation from someone who is potentially vulnerable and gives details on how to make a complaint about our fundraising. The privacy policy for supporters contains details on the steps the charity takes to protect supporters' data.

In the year 2023-2024, our fundraising continued to be successful, and Emmaus Oxford received strong support in the form of grants and donations.

Equality, diversity and inclusion

Emmaus Oxford wants to offer an environment which invites and welcomes diversity amongst the staff, volunteers and companions. This year Emmaus Oxford took the following steps towards that goal:

- Appointed an 'Equality and Inclusion Champion' from amongst the board of trustees
- Arranged for all staff to undertake mandatory training in Equality and Diversity
- Monitored equality and diversity within applicants and companions through an annual anonymous survey
- Encouraged applicants with lived experience of homelessness to apply for paid and volunteer roles

- Introduced a new Domestic Abuse Policy and appointed a Domestic Abuse Champion from within the staff.

Safeguarding and serious incidents

Emmaus Oxford are committed to supporting the safety and wellbeing of our companions, many of whom have care and support needs. All staff undertake mandatory training in Safeguarding Adults (levels 1 and 2) and Safeguarding Children, with annual refresher courses. A Trustee Lead on Safeguarding has been appointed. Safeguarding is referenced and tested in recruitment.

Emmaus Oxford reported no serious incidents to the Charity Commission during this year.

Public Benefit

Emmaus Oxford is committed to helping homeless people make a new start. The charity operates two community buildings which allow it to provide a home for a number of them. Over the past 10 years it has accepted many homeless people as 'Companions' who are living in the Community and working there and at the second-hand furniture store. The charity provides affordable furniture and household goods in the second-hand furniture store for the general public, much of which might otherwise go into landfill. The charity is therefore providing a public benefit in accordance with its objectives. The trustees have complied with their duty under Section 17/5 of the Charities Act 2011 having regard to the guidance on public benefit issued by the Charity Commission.

Financial Review

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

Reserves Policy

The trustees review of the reserves of the charity encompassed the nature of the income and expenditure streams, the need to match variable income with fixed commitments, and the nature of the reserves. The review concluded that to allow the charity to be managed efficiently, there is a requirement for £300,000 of working capital. In addition, the trustees want to ensure that companions have sufficient time in case of a severe issue and look to provide a buffer for uninterrupted services, a general reserve, equating to around three months' expenditure (£300,000), held in unrestricted funds, and not committed or invested in tangible fixed assets.

The charity's total unrestricted reserves as of 31 August 2024 are £1,410,372 (2023: £1,260,430).

The balance of the unrestricted reserves is allocated to its long-term project to provide further 'move-on' accommodation for Companions who are ready for more independence. This is estimated to require an investment of approximately £900,000, and so the charity is actively seeking further funding for 'move-on' accommodation while retaining its contingency reserve and working capital.

Investment Approach

Emmaus Oxford's investment policy sets out the trustees' approach to investing. It is a framework for making investment decisions, managing our financial resources, and meeting our governance responsibilities. The trustees will review the investment policy annually to ensure that it continues to align with the charitable mission and objectives.

Emmaus Oxford will invest in a diversified range of asset classes and regions. The trustees will consider investment in stocks, bonds, property, and other investment vehicles that are not inconsistent with our charitable mission.

The charity's investment objectives are to achieve growth and income. The trustees aim to generate sustainable returns that allow the charity to achieve its charitable objectives while protecting the capital value of its investments. The trustees recognize that every investment carries risk and will manage these risks to ensure that they are commensurate with the charity's objectives and the financial resources available. The risk appetite is determined to be moderate, but the trustees are willing to accept fluctuations in the value of the assets in pursuit of the investment objectives.

The trustees will manage Emmaus Oxford's financial resources in line with its objectives, risk appetite, and investment policy. The amount available for investment will be reviewed annually, and the trustees will adjust the investment strategy as necessary to ensure that the charity continues to meet its objectives. The trustees will ensure that the charity has sufficient liquidity to meet its financial commitments; it will invest in liquid assets and maintain an appropriate level of cash reserves to ensure that it can have access to money when needed.

The trustees have a legal obligation to secure the best financial return, within the appropriate level of risk, to be spent on the charity's aims. They have a duty to consider investment suitability and diversification, to take advice unless there is good reason for not doing so, and to review the investments periodically.

Trustees' Responsibilities

The trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with any 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This Report has been prepared in accordance with the small companies' regime under the Companies Act 2006.



Approved by the trustees on the 24th February 2025

Andrew Morgan-Giles
Chair of Emmaus Oxford

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMMAUS OXFORD

We have audited the financial statements of Emmaus Oxford (the "Charity") for the year ended 31 August 2024 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement [set out on page 5], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity;

We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
 - making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
 - considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'G Pready', written over a horizontal line.

Gary Pready (Senior Statutory Auditor)

For and on behalf of Gravita Audit Oxford LLP (Statutory Auditor)
Park Central, 40-41 Park End Street, Oxford, OX1 1JD

Date: 18 March 2025

EMMAUS OXFORD

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 August, 2024

	Note	Unrestricted £	Restricted £	Total 2024 £	Unrestricted £	Restricted £	Total 2023 £
Income							
Donations & Legacies		156,487	171,398	327,885	597,975	93,915	691,890
Other trading activities		2,710	-	2,710	-	-	-
Investment income	3	42,235	-	42,235	34,559	-	34,559
Charitable activities - Furniture store		613,475	-	613,475	668,521	-	668,521
Housing benefit for Companions		267,002	-	267,002	257,302	-	257,302
Other income - Gift Aid		42,317	-	42,317	54,342	-	54,342
Total income		1,124,225	171,398	1,295,624	1,612,699	93,915	1,706,613
Expenditure							
Raising funds	8	74,864	-	74,864	67,187	-	67,187
Events costs		3,103	-	3,103	2,926	-	2,926
Charitable activities	4	947,575	130,902	1,078,477	880,235	94,939	975,173
Total expenditure		1,025,542	130,902	1,156,444	950,347	94,939	1,045,286
Net gains/(losses) on investments		46,666	-	46,666	2,092	-	2,092
Net income (expenditure) for the year before transfers		145,349	40,497	185,846	664,444	(1,024)	663,420
Transfer of funds from restricted to unrestrict	17	-	-	-	-	-	-
Fund balances							
Net movement in funds		145,349	40,497	185,846	664,444	(1,024)	663,420
Brought forward at 1 September, 2023		2,493,234	12,662	2,505,897	1,828,791	13,686	1,842,477
Carried forward at 31 August, 2024		2,638,584	53,159	2,691,743	2,493,234	12,662	2,505,897

EMMAUS OXFORD (Co number 3422350)**BALANCE SHEET**

31st August 2024

	Notes	2024 £	2023 £
Fixed Assets			
Leasehold Property	10	537,264	541,856
Freehold Property	10	690,948	690,948
Equipment	10	12,517	2,674
Motor Vehicles	10	16,189	28,253
		-----	-----
Tangible assets		1,256,918	1,263,731
Investments	3 & 11	478,845	432,178
Intangible assets	10	-	-
		-----	-----
Total fixed assets		1,735,763	1,695,909
Current assets			
Cash at Bank		978,617	820,161
Debtors	12	64,780	53,164
		-----	-----
		1,043,396	873,326
Creditors			
due within one year	13	(87,416)	(63,338)
		-----	-----
Net current assets		955,980	809,988
Total assets less current liabilities		2,691,743	2,505,897
		-----	-----
Creditors			
due after more than one year: (see note 14)		-	-
		-----	-----
Net assets		2,691,743	2,505,897
		-----	-----
Funds			
Restricted funds	16	53,159	12,662
Unrestricted funds (designated)	16, 17 & 18	1,228,212	1,232,804
Unrestricted funds (other)	16	1,410,372	1,260,430
		-----	-----
Total charity funds		2,691,743	2,505,897
		-----	-----

These accounts were approved and authorised for issue by the directors on the 24 February 2025



Andrew Morgan-Giles
Chair of Emmaus Oxford

EMMAUS OXFORD
CASH FLOW STATEMENT
For the year ended 31 August, 2024

	2024 £	2023 £		
Cash flows from operating activities:				
Net cash provided by (used in) operating activities	130,235	207,471		
Cash flows from investing activities:				
Dividends, interest and rents from investments	42,235	34,353		
Proceeds from the sale of property	-	-		
Proceeds from the sale of plant and equipment	-	-		
Purchase of property	-	-		
Purchase of plant and equipment	(14,015)	(2,675)		
Proceeds from sale of investments	-	-		
Purchase of investments	-	-		
Net cash provided by (used in) investing activities	28,220	31,678		
Resultant cash flow	158,455	239,149		
Reconciliation of net income/(expenditure) to net cash flow				
Cash and cash equivalents at the beginning of the Reporting Period	820,161	581,012		
Cash and cash equivalents at the end of the Reporting Period	978,617	820,161		
Net cash inflows/(outflows)	158,455	239,149		
Reconciliation of income to cash flows				
Operating cash flow	130,235	207,471		
interest	42,235	34,353		
depreciation charges	(20,828)	(20,574)		
donated investments	-	430,086		
gains/(losses) on investments	46,666	2,092		
profit/(loss) on the sale of fixed assets	-	-		
Increase/(decrease) in stocks	-	-		
Increase/(decrease) in debtors	11,616	2,022		
(Increase)/decrease in creditors	(24,079)	7,970		
Income given in Statement of Financial Activities	185,845	663,420		
Analysis of cash and cash equivalents				
Cash in hand	978,617	820,161		
Notice deposits (less than 3 months)	-	-		
Overdraft facility repayable on demand	-	-		
Total cash and cash equivalents	978,617	820,161		
Analysis of changes in net debt	at start of year	cash flows	other non-cash changes	at end of year
	£	£	£	£
Cash	820,161	158,455	-	978,616
Loans falling due within one year			-	-
Loans falling due after one year	-	-	-	-
Total	820,161	158,455	-	978,616

EMMAUS OXFORD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August, 2024

1. ACCOUNTING POLICIES

a. Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard 102, the Companies Act 2006 and follow the recommendations in "Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102)". Emmaus Oxford is a charitable company limited by guarantee. The charity is a public benefit entity. The registered address is 171 Oxford Road, Cowley, Oxford, OX4 2ES.

b. Going Concern

The accounts have been drawn up on a going concern basis. The charity meets its day to day capital requirements through positive cash balances held on deposit. There are no material uncertainties related to events or conditions which cast significant doubt on the charity's ability to continue as a going concern.

c. Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the trustees in furtherance of the general charitable objectives. Restricted funds are amounts for specific purposes as defined by the donor. The charity does not currently have any endowment funds or capital funds which have been transferred from restricted funds.

d. Income

Incoming resources represent the total income receivable during the year comprising sales from the second-hand furniture store, housing benefit for companions living in the Emmaus Community in Oxford, grants, donations and gifts, investment income and gifts in kind. All incoming resources are recognised at the point of receipt of monies except where earlier recognition is prudent, for example, investment income and monies from grants made in respect of the accounting period. Incoming resources are deferred where the conditions for receipt are not met at the end of the accounting period.

Income from donated goods is recognised when those goods are sold because it is impractical to assess their value on donation.

e. Expenditure

Those costs which are directly attributable to different functions of the charity are allocated as such. The trustees apportion aggregated costs in proportions which they consider to be a fair estimate of their functional division. Support costs are allocated to the charitable activities of operating the Emmaus Community in Oxford and the second-hand furniture store, based on an estimate of time spent by the staff concerned.

f. Depreciation of fixed assets and amortisation of goodwill

Depreciation is provided to write off the cost of fixed assets over their estimated useful lives using the following rates:

Freehold land and buildings	NIL
Leasehold buildings	straight line - over the lifetime of the lease
Fixtures, fittings and equipment	25% straight line
Motor vehicles	20% straight line

Assets are not capitalised unless the purchase cost or value assessed at acquisition is greater than £2,000.

Depreciation will be provided for the leasehold superstore in Barns Road commencing in 2016-17, on a straight-line basis, £574,000 over 125 years.

g. Pension costs

Emmaus Oxford operates a defined contribution pension scheme and contributions are charged to the Statement of Financial Activities as they become payable.

h. Investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised as other gains or losses and are included in net income/expenditure for the year.

Transaction costs are expensed as incurred.

2. CRITICAL ACCOUNTING ESTIMATES

In the process of applying the charity's accounting policies, the trustees make judgements and estimates. These judgements and estimates are evaluated regularly and are based on historical experience and other factors including expectations of future events. The trustees consider there are no significant accounting judgments or estimates to report in this period.

3. INVESTMENT INCOME

	2024	2023
	£	£
Bank interest	12,076	7,286
Dividends receivable	30,159	27,273
Investment income total	42,235	34,559

Bank Interest has been earned on bank accounts held within the United Kingdom.

4. CHARITABLE ACTIVITIES

	Emmaus Community £	Furniture Store £	Total 2024 £	Emmaus Community £	Furniture Store £	Total 2023 £
Costs of activities undertaken directly	190,790	252,457	443,247	175,851	237,915	413,767
Indirect support costs	464,925	170,305	635,230	390,456	170,951	561,407
Totals	655,715	422,762	1,078,477	566,307	408,866	975,173

	Emmaus Community £	Furniture Store £	Total 2024 £	Emmaus Community £	Furniture Store £	Total 2023 £
Activities undertaken directly represent:						
Salaries & wages – Note 8	-	175,108	175,108	-	185,203	185,203
Materials	-	13,144	13,144	-	13,233	13,233
Vehicle running costs	355	51,196	51,551	1,897	32,934	34,830
Expenses for Companions	190,435	13,008	203,443	173,955	6,546	180,501
Totals	190,790	252,457	443,247	175,851	237,915	413,767

5. SUPPORT COSTS

	Emmaus Community	Furniture Store	Total 2024	Emmaus Community	Furniture Store	Total 2023
	£	£	£	£	£	£
Salaries & wages – Note 8	224,593	58,369	282,963	201,560	61,734	263,294
Expenses for volunteers	-	352	352	7	120	127
Recruitment Advertising	985	1,462	2,447	2,178	396	2,574
Marketing	2,633	10,062	12,695	2,500	9,218	11,718
IT	1,936	4,784	6,720	1,458	4,619	6,077
Travelling expenses	1,882	4	1,886	2,040	642	2,682
Telephone	4,433	5,466	9,899	3,832	4,380	8,212
Rent, rates & water	108,311	5,606	113,917	98,158	6,525	104,683
Light & heat	36,049	13,611	49,660	23,152	10,094	33,246
Printing, postage & stationery	3,583	3,030	6,613	3,877	3,549	7,426
Other office costs	4,396	19,267	23,662	17,216	22,054	39,271
Maintenance and repairs	126	2,555	2,681	503	1,699	2,202
Other premises costs	26,383	12,436	38,819	15,416	12,738	28,153
Insurance	4,548	14,130	18,678	2,253	13,242	15,496
Professional Fees	22,748	960	23,708	9,246	1,265	10,511
Governance costs - Note 6	2,250	2,250	4,500	2,250	2,250	4,500
Bank charges	327	263	590	215	442	657
Depreciation	5,261	15,567	20,828	4,592	15,982	20,574
Amortisation	-	-	-	-	-	-
Miscellaneous	14,481	132	14,613	3	-	3
Totals	464,925	170,305	635,230	390,456	170,951	561,407

6. GOVERNANCE COSTS

	2024	2023
	£	£
Auditors' remuneration	4,500	4,500
Auditors' accountancy fees	-	-
	4,500	4,500

7. NET MOVEMENT IN FUNDS

	2024	2023
	£	£
The net movement in funds is stated after charging:		
depreciation of tangible fixed assets owned by the charity	20,828	20,574

8. EMPLOYEES AND STAFF COSTS

					No.	No.
The aggregate FTE number of full and part time persons employed during the year was:					14	14
Staff costs were as follows:						
	Cost of Generating Funds	Direct costs Furniture Store	Support Costs Community	Support Costs Furniture Store	Total 2024	Total 2023
	£	£	£	£	£	£
Salaries & Wages	67,160	158,659	201,480	52,886	480,185	464,891
National Insurance	5,050	11,390	15,151	3,797	35,389	33,582
Pension contributions	2,654	5,058	7,963	1,686	17,361	17,212
Totals: 2024	74,864	175,108	224,593	58,369	532,935	515,684
Totals: 2023	67,187	185,203	201,560	61,734		

No employee earned more than £60,000 in the year.

9. REMUNERATION OF TRUSTEES AND KEY MANAGEMENT

In aggregate the trustees and key management received remuneration of £60,866 for their services (£58,104 in 2022-23).

10. FIXED ASSETS

	Leasehold asset	Freehold	Fixtures Fittings & Equipment	Motor Vehicles	Total
	£	£	£	£	£
Cost					
As at 1 September, 2023	574,000	690,948	10,987	88,827	1,364,762
Additions	-	-	14,015		14,015
Disposals	-	-	-		-
As at 31 August, 2024	574,000	690,948	25,002	88,827	1,378,777
Depreciation					
As at 1 September, 2023	32,144	-	8,313	60,574	101,031
Charge for the year	4,592	-	4,172	12,064	20,828
Disposals	-	-	-		-
As at 31 August, 2024	36,736	-	12,485	72,638	121,859
Net Book Value					
As at 31 August, 2024	537,264	690,948	12,517	16,189	1,256,918
As at 31 August, 2023	541,856	690,948	2,674	28,253	1,263,731
Intangible assets					
Goodwill					15,800
Amortisation					15,800
Net book value as at 31 August, 2024					-
Net book value as at 31 August, 2023					-

Emmaus Oxford has granted a leasehold interest in the property at 171 Oxford Road to Dominion Housing Group for 125 years. In return, Dominion Housing Group assisted in funding construction of the Community property on the site.

11. INVESTMENTS

Investment Portfolio		
M & G Equities Investment Fund for Charities	Initial valuation	£430,086
Investment Summary		
	Brought forward	£432,179
	Additions	
	Disposals	-
	Revaluation	£46,667
	Carried forward	£478,845

12. DEBTORS

	2024	2023
	£	£
Accrued interest on deposits	10,966	7,618
VAT repayment	6,292	545
Gift aid reclaimed from HM Revenue & Customs	7,480	7,265
Sundry debtors and prepayments	29,095	25,924
Housing benefit from Oxford City Council	10,947	11,812
Donations	-	-
	<u>64,780</u>	<u>53,164</u>

13. CREDITORS DUE WITHIN ONE YEAR

	2024	2023
	£	£
Taxes and social security	-	-
Companion funds	23,217	25,751
Trade creditors and accruals	64,199	37,587
	<u>87,416</u>	<u>63,338</u>

14. CREDITORS DUE AFTER ONE YEAR

None

15. SHARE CAPITAL

Emmaus Oxford is a company limited by guarantee with no share capital. The liability of each member is limited to £1.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	Total
	£	£	£
Fixed assets	1,735,763	-	1,735,763
Net current assets	902,821	53,159	955,980
	<u>2,638,584</u>	<u>53,159</u>	<u>2,691,743</u>
Creditors due after more than one year	-	-	-
Net assets: 2024	<u>2,638,584</u>	<u>53,159</u>	<u>2,691,743</u>
Net assets: 2023	<u>2,493,234</u>	<u>12,662</u>	<u>2,505,897</u>

In the year 2023-24, restricted donations were given to Emmaus Oxford to the value of £171,398. A further £53,159 has been carried forward to year 2024-25 from 2023-24, mainly related to facilities. Restricted funds amounting to a total of £12,662 were carried forward at the end of 2022-23 (see note 17)

In the year 2013-14, £289,000 was paid to Greensquare Group for the purchase and construction of the new furniture store, and a further £285,000 was paid in 2015-16, amounting to £574,000 in total.

17. ANALYSIS OF CHARITABLE FUNDS

Analysis of Movement in Restricted Funds

	Balance 1 Sept 2023	Income	Expenditure	Transfers	Funds 31 August 2024
	£	£	£	£	£
Facilities fund	5,500	49,709	3,990	-	51,219
Companion wellbeing fund	7,162	121,689	126,911	-	1,940
	12,662	171,398	130,901	-	53,159

18. DESIGNATED FUNDS

Designated funds are unrestricted funds which the trustees have set aside for particular purposes. The trustees have set up a designated fund equal to the net book value of the charity's freehold and leasehold property.

19. COMMITMENTS

On 21st February, 2008 Emmaus Oxford entered into a management agreement with Dominion Housing Group in relation for a 125 year lease of 171 Oxford Road under which Emmaus Oxford has to pay for the use of the building. The amount currently payable is £74,300 per annum. The lease can be terminated by Emmaus Oxford by giving two years' notice.

On 15 April, 2013 Emmaus Oxford entered into an Agreement for Lease with Oxford City Housing Association Limited and Greensquare Group Limited for the grant of a lease to Emmaus Oxford of property at Barns Road, Oxford for a term of 125 years in consideration of a premium of £574,000. (see Leasehold Asset in note 9)

20. TRUSTEES

Trustees were not reimbursed for expenses during the period and received no remuneration.

Donations to the value of £120 were received from trustees and related parties in 2023-24 (£120 in 2022-23). No related party transactions took place in the year.

21. OTHER NOTES - PRIOR YEARS

Grants from Emmaus UK to Emmaus Oxford, received in previous years, which amount to £140,000 in total, will be immediately refundable if Emmaus Oxford ceases, for whatever reason, to be a Member of the Federation of Emmaus in the UK.

The purchase of the freehold property at 167, Oxford Road was completed on 3rd February 2022 for a total consideration of £490,000.

22. OTHER NOTES - CURRENT YEAR

None

EMMAUS OXFORD ADDITIONAL INFORMATION

For the year ended 31 August 2024

	2024	2023
	£	£
Charitable activities		
Overall costs		
Wages, salaries, Employer's NI & Pension Contributions	458,071	448,497
Materials	13,144	13,233
Vehicle running costs	51,551	34,830
Companions' allowances & food costs	203,443	180,501
Volunteer expenses & training	352	127
Recruitment Advertising	2,447	2,574
Marketing	12,695	11,718
IT	6,720	6,077
Travelling expenses	1,886	2,682
Telephone	9,899	8,212
Rent, rates & water	113,917	104,683
Light & heat	49,660	33,246
Printing, postage & stationery	6,613	7,426
Other office costs	23,662	39,271
Maintenance and repairs	2,681	2,202
Other premises costs	38,819	28,153
Insurance	18,678	15,496
Professional Fees	23,708	10,511
Bank charges	590	657
Depreciation	20,828	20,574
Amortisation	-	-
Miscellaneous	14,613	3
	<u>1,073,977</u>	<u>970,673</u>
Cost of generating funds		
Fund-raising costs		
Salaries and Employer's National Insurance	74,864	67,187
Event charges	3,103	2,926
	<u>77,967</u>	<u>70,112</u>
Governance costs		
Audit and accountancy fees	<u>4,500</u>	<u>4,500</u>

Management letter to the Board of Trustees of Emmaus Oxford

Year ended 31 August 2024

Gravita Audit Oxford LLP
First Floor
Park Central
40-41 Park End Street
Oxford
OX1 1JD

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Introduction

Purpose of the document

In accordance with our normal practice and the International Standards on Auditing (UK) 260, we are writing to draw your attention to various matters which arose during the course of our audit of your financial statements for the year ended 31 August 2024.

This letter includes an executive summary of the key findings below which are supported by the detailed sections thereafter.

The purpose of the audit is to enable us to express an opinion on the financial statements. Our audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal controls. The matters reported are limited to those deficiencies that the auditor has identified during the audit and that the auditor has concluded are of sufficient importance to merit being reported to those charged with governance.

Our audit included obtaining sufficient and appropriate audit evidence to support our opinion. We use a variety of audit techniques to obtain audit evidence, including tests of design of controls; analytical review; verification of specific transactions and balances; and third party verification. We also assessed the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Our audit involved a risk-based approach and included an examination of evidence on a sample basis. Because of the sample nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, there is an unavoidable risk that some errors and material misstatements may remain undiscovered. Any errors and irregularity identified have been included within this report.

Acknowledgements

We would also like to take this opportunity of expressing our thanks to your staff for their assistance during the course of our audit. A substantial amount of preparation work was required in order to be fully ready for the audit and we appreciate the efforts of David, Eddie and Jeanne.

Limitations

Please note that this report has been prepared for the sole use of Emmaus Oxford and it must not be disclosed to third parties, quoted or referred to, without our prior written consent. No responsibility is assumed by us to any other person or entity.

Executive Summary

We are pleased to attach our report and our key findings are summarised below.

- Audit report outcome – unmodified. Page 11.
- The number of audit adjustments identified and their impact. Page 7.
- The number of potential control weaknesses identified and their significance. Page 8.
- Any audit matters still outstanding with potential impact. Page 5.
- Any specific points within the proposed letter of representation. Page 10.

Further assistance

Should Members of the Board of Trustees or management wish to ask any questions regarding the matters raised in this letter or if we can be of any further assistance, please contact Gary Pready.



Gary Pready
Responsible Individual

Gary.Pready@gravita.com

01865 261132

Audit Status

Our audit is substantially complete. There have been no significant changes to our audit plan, dated 19 February 2024.

The following matters are outstanding to be resolved prior to issuing our audit opinion:

	Outstanding matter	Details
1.	None	

Areas of Audit Focus

As detailed in our audit plan, dated 15 January 2025, we identified the following significant risk areas during our audit planning and have included a brief summary of the work carried out and our findings below.

	Focus area	Work carried out	Conclusion
1.	Completeness of Furniture Store income/cash sales	A sample of transactions were vouched from supporting documentation (daily till reports) to the nominal ledger, with checks for any significant cash discrepancies.	No issues noted on the completeness of income.
2.	Ensuring restricted income and expenditure are allocated to the correct fund	A sample of income and expenditure items were vouched to documentation to ensure that conditions have been recognised.	Recognition accounted for correctly and no issues noted during testing.
3.	Related Party Transactions	The related party transactions were discussed, and the declarations of interest and nominal ledger transactions were reviewed for any related party transactions.	No undisclosed related party transactions identified.
4.	Potential Management override of controls (required focus area for all audits)	The controls in place at Emmaus Oxford were discussed and documented. A sample of transactions tested during the audit to ensure there was no management override. We also reviewed the significant judgements and estimates made by management.	No management override of controls identified from testing.

Our audit procedures go beyond the above higher risk areas to cover material areas of the financial statements. No issues were noted during the procedures.

Audit differences

In the normal course of an audit, we can identify misstatements in the financial data provided to us at the start of the audit. Where individual errors or their aggregation exceed our materiality level of £32,000 we are required to modify our audit report if they are not adjusted in the final financial statements. For the interest of board of trustees and management, we have summarised both the errors that have been corrected and those that have not.

In accordance with ICAEW guidance on triviality limits for audit, we report all items exceeding 5% of the materiality, which for this year is £1,600.

Summary of adjusted differences from draft numbers provided by management

No.	Description of error		Impact on SOFA (£)	Impact on Balance sheet (£)
1	Additional investment income accrued	Accrued interest income		3,265
		Investment income	3,265	
2	Investment valuation adjustment	Investment value		6,743
		Revaluation gain	6,743	
3	Rental charge accrual	Accruals		(12,383)
		Rent expense	(12,383)	
4	Presentational adjustments	Bank interest	10,749	
		Dividend income	(10,749)	
		Trade creditors		1,926
		Companion funds		(1,926)
TOTAL			(2,375)	(2,375)

Summary of unadjusted differences in the final financial statements for approval

No.	Description of error		Impact on SOFA (£)	Impact on Balance sheet (£)	Reason for not amending
1	Presentational Adjustment	Bank		7,939	Presentation only; immaterial Management does not wish to adjust, immaterial
		Other creditors – Barclaycard		(7,939)	
2	Costs of assets not capitalised	Premises expenses	4,427		
		Fixed asset additions		4,427	
TOTAL			4.427	4.427	

Potential Control Weaknesses

Your management is responsible for identification, assessment and monitoring of risk, and for developing, operating and monitoring the systems of internal control. Our audit procedures are designed primarily for the purpose of expressing an opinion on the financial statements and therefore do not constitute a full and detailed review of all aspects of the systems and controls and therefore cannot be relied upon to identify all actual and potential weaknesses. We have included a summary of the issues that we have identified below.

Update on matters raised in previous reports

Observation	Implications & risk	Recommendation	Management response
We noted that several journals are being posted with blank descriptions.	Errors in postings or incorrect transactions may be easily missed. It is also more difficult to follow an audit trail for transactions.	We recommend all transactions posted to Sage have a description completed.	
2023 update: Still significant numbers of transactions posted with no descriptions, though most journals posted with some description. 2024 update: Whilst there were still a small number of journals with blank descriptions, and many with just slip id numbers, as these can be traced to detailed petty cash slips, the matter is considered closed			
We noted that the related party declarations do not list close family members.	There is a risk undisclosed related party transactions will be missed.	We recommend related party forms include a list of all close family members relationships of each trustee.	
2023 update: Most of the declarations provided now include a section for the activities of the close family members, except for 3 trustees, although the full list of such members is still not included. 2024 update: Updated declaration forms now cover close family members, however several declarations had not been updated recently. We note that it is important that these are updated regularly in order to ensure that potential conflicts of interest and related party interactions are acknowledged.			
We noted transactions in sage where credit card receipts for the year were not received in the bank until after year end, but these were not included as cash in transit. Whilst the values this year were not material, cut-off had not been correctly applied.	There is a risk that cut off is not correctly applied.	We recommend that a review of after-date bank transactions is completed in order to identify any debtors or cash in transit at the year end.	
2023 update: This was still noted as occurring. We reiterate this point. 2024 update: Credit card receipts for the last few days of August and received in September were included in the bank account balance for the year, this matter is considered closed.			
We noted that there is no authorisation regarding use of the credit card, and that the credit card is used, and transactions are uploaded by the same person.	This may lead to the credit card being used for purchases that are not within the charity's objects or best interests.	We recommend that credit card statements are reviewed for appropriateness when filing.	
2024 update: We noted the same point this year. Whilst the credit card transactions are reviewed, the lack of segregation of duty leads to a potential control weakness.			
We noted that a legacy was accounted for when it arrived at the bank and not when the charity was entitled to the funds.	There is a risk that the accounts don't comply with the Charities SORP recognition criteria on legacy recognition.	We recommend that legacies are recognised in the financial statements when the charity is entitled to the income, it can be reliably measured and the income is probable.	

2024 update: Whilst no similar items were identified this year, we noted that the same procedure is still followed for the recognition of legacy income so this point is still applicable			
We noted that no reconciliation is performed when producing quarterly VAT returns.	This may mean that VAT returns do not appropriately reflect the status of the charity and that amounts due to or from HMRC may be incorrect.	We would recommend that VAT reconciliations are regularly prepared.	
2024 update: We noted that there was still no VAT reconciliations so we reiterate the above point.			
We noted that one trustee who had resigned after the year end, and two trustees who had joined since the year end, had not been appropriately included/removed from the Charity Commission.	This may mean the data the commission holds on the charity may be incorrect. One of the responsibilities of trustees is to make sure the charities commission details are up to date.	We would recommend that charities commission details are updated as they happen in the future.	
2024 update: Charity Commission was appropriately updated this year, however one trustee was not removed as director on Companies House. Whilst this was likely due to the responsibility changing hands in the year, it is important that both sites are updated when changes occur.			

New matters arising in this year

Observation	Implications & risk	Recommendation	Management response
We noted that the investment valuation for the accounts was taken from the value at 30 th September rather than at the end of the year.	In order that the accounts reflect the resources available to the charity at the date of the accounts it is important that the accounts reflect the value at the correct date	We recommend that the valuation as at 31 August is used.	
We noted that the investment income for August was not accrued for in the accounts.	Whilst the amount is not material, accounting for the correct amounts in the correct period allows a clearer understanding of the performance of the investments	We recommend that when notification of income for the period August to October is received, the income for august is accrued	
We noted that no accrual was made for rental expenses not invoiced at the year end. Whilst this was due to the rent payable being disputed, an estimate should be included where possible.	If expense accruals are missing from the accounts, the accounts will not reflect the resources used during the year	Accruals should be made for known expenses, and estimates used where invoices are not available	

Proposed Letter of Representation

In accordance with standard practice for such an audit and based on the work carried out to date, we will ask the board of trustees to approve and sign the attached letter of representation to accompany the signed final financial statements. We draw your attention to the specific representations contained within point 9, otherwise the letter is routine.

The following are the specific representations included:

- All restricted income has been correctly identified in the financial statements and all the other donations received in the year was for the general purposes of the charity.
- Restricted fund balances are correctly shown in the financial statements. All the restricted funds have been appropriately utilised.
- It continues to be impractical to assess the value of donated goods as at the time of the donation, consequently income from donated goods is only recognised when the goods are sold.
- The expected useful economic life of the superstore building is 125 years and this is the appropriate period over which to depreciate it.
- It is appropriate to allocate 25% of community staff costs to fundraising costs within the financial statements.
- In relation to the contingent liability in respect of the Emmaus UK grants there is no intention or expectation that Emmaus Oxford will cease to be a member of the Federation of Emmaus in the UK in the foreseeable future.
- The value of £74,300 for the yearly rent due to A2 Dominion is a reasonable estimate of the amount that will be charged
- The £200,948 on the accounts for freehold property includes the land at both 169 and 171 Oxford Road

Other audit matters

Detailed comments on the financial statements and audit opinion

Based upon our work carried out to date, and subject to no significant events occurring prior to the signing of the audit report, we anticipate issuing an unmodified audit report in your statutory financial statements.

Qualitative aspects of accounting practices

We have no comments to make concerning the qualitative aspects of the Emmaus Oxford's accounting practices and financial reporting, including accounting policies, accounting estimates and financial statement disclosures.

Judgements made by management

During the course of our audit we are required to review the main judgements or estimates made by management, which would have a material or significant impact on the financial statements. We have identified the following main judgement areas and our comments thereon.

Depreciation of fixed assets

The annual depreciation charge for fixed assets is sensitive to change in the estimated useful economic lives and residual value of assets.

Accruals

Accruals are based expected amounts due, calculated amounts using rates for companions, less amount used at the year end and managements knowledge of amounts outstanding that relate to the financial year not yet paid. These are compared to previous years accruals and unpaid invoices for completeness.

Related parties

The Charity is required to disclose all related party transactions, per the Charities SORP, within its financial statements. Other than an immaterial amount of Trustees' donations no related party transactions were identified.

Independence matters

All Gravita Audit Oxford LLP must adhere to strict regulatory, professional and internal independence requirements related to investments or business relationships with clients. All staff must confirm such compliance on an annual basis.

Serious incident reporting

All trustees are responsible for identifying and reporting, in a timely fashion, any serious incidents to the Charity Commission, in accordance with their requirements for all registered charities. Whilst our audit scope does not specifically require us to identify any such matters, we report to the members that there were no such actual or potential matters that came to our attention.

Current and future issues in the sector

We wish to draw your attention to the following items that may be of interest and we will be happy to discuss their impact on your specific situation in more detail.

Sector-wide landscape

The past couple of years have been extremely challenging for the charity sector. However, it's not all doom and gloom – charity registrations have increased together with the number of adults volunteering, and 2023 was a record year for JustGiving donations to charities. 2024 could be an interesting year, potentially a challenging one, but there is some opportunity out there too. We expect some charities will unfortunately not survive whereas others will thrive despite the threat of recession. Some donors will benefit from national insurance cuts and income tax freezes. It will be increasingly important for charities to use their resources wisely to maximise their impact. The pending general election is postponing many decisions until the political landscape is known. It is more important than ever that the charity sector speaks out about the issues it faces – many voices increase the power of the messages, especially during what could be a very pivotal year.

Accounting and reporting

Although the impact of the revisions to FRS 102 (FRED 82) will not impact charity accounts until 2026 when we expect the new SORP to be effective. We have been made aware for some time of the notable changes arising from FRED 82 in relation to revenue and operating leases. There are also numerous other minor changes from FRED 82. Two which are worthy of note for charities are:

Heritage assets - Clearer guidance on when an asset is a heritage asset plus separate disclosure for heritage assets held by a lessee as a right-of-use asset.

Related parties - Amendments the disclosures regarding related parties which would require the amount of outstanding balances and commitments to be disclosed in addition to the terms and conditions and details of any guarantees given or received. Currently, the paragraph just requires the amount of outstanding balances, terms and conditions and guarantees given or received.

Refusing a donation

In exceptional circumstances the trustees of a charity may choose not to accept a donation in the best interests of a charity, for example, if it falls outside the scope of the charity's objectives or would bring an unacceptable burden to the charity. In some circumstances trustees have a legal obligation to refuse donations such as those from illegal sources or those with illegal conditions, and therefore it is really important to know who your donations come from. Trustees must also refuse to accept donations from donors who lack the mental ability to donate or when the donor doesn't actually own what is being donated. The Charity Commission has recently updated its guidance on the topic and includes some helpful steps on what to do next the trustees need to refuse a donation. [Accepting, refusing and returning donations to your charity](#)

Making changes to your governing documents

The Charity Commission has recently updated its guidance on making changes to governing documents. Trustees must only make changes to the governing documents

- that are in the best interests of the charity

- follow the right rules to make the changes
- have received Charity Commission authority before certain changes can take effect such as changing the charity's purpose, allowing connected individuals to benefit from the charity and deciding where the charity's money or property goes on wind-up.

Trustees should also keep a record of any information or evidence they have used to make the decision and, where appropriate, consult the charity's members, beneficiaries and other stakeholders about the change being made.

Don't forget to tell Companies House/Charity Commission about all the changes you make to your governing documents.

[Charitable companies: changing your governing document](#)

What can you pay trustees for?

Trusteeships are voluntary positions and are therefore unpaid. However, trustees are entitled to claim reasonable expenses in performing the role of trustee. Only in exceptional circumstances should a trustee be paid for being a trustee. Charities can now pay trustees for the supply of goods and services providing their personal interests do not conflict with their duty to act in the interests of the charity and that the governing documents do not prohibit it.

If a charity decides to employ a trustee in a role within the charity, it must firstly ensure that the governing documents allow for this type of arrangement, and if not, the Charity Commission or the Courts should be approached.

In all these decisions, the trustees should assess any potential risks, carefully manage any conflicts arising and ensure the appropriate policies are in place. It's also important for trustees to be open and transparent about such arrangements.

More information can be found at [Trustee expenses and payments](#)

Charity mergers

Merging two charities can be beneficial for many reasons including:

- cost savings
- complementary service offerings
- reduce duplication
- wider impact
- reduce administration
- increased bargaining power
- additional skill sets
- learning from each other's knowledge and experience

A merger will involve two separate legal entities combining to form one charity under one governing document and one trustee body for the future. In practical terms, one charity will transfer its assets and liabilities into the other charity which is the charity that is retained for the future.

Good planning will help you achieve a good merger. There are also a huge number of areas to consider and deal with as part of the merger. You may also need to gain the Charity Commission's permission to merge. More guidance is available at [How to merge charities](#).

Changing charity structures

As charities grow, they may want to employ staff or enter into contracts and the existing charitable structure may be a hindrance to this. Charities may consider changing their structure to accommodate this growth – typically changing from an unincorporated charity to either a CIO or incorporated charity/charitable company.

The trustees first need to decide to make the change in the best interest of the charity. It is also important to consult the Charity Commission to gain their permission. Detailed guidance is available at [Change your charity structure](#)

Charities Act 2022 changes – phase 3

On 7 March 2024 the latest Charities Act 2022 came into force. These changes cover the following area:

Guidance making it easier for unincorporated charities to change their governing documents, making it consistent with changing governing documents for other types of entities.

New rules about gifts left to charities that have merged mean gifts such as legacies will be passed onto the merged charity.

Selling, leasing and otherwise disposing of charity land provisions were due to come into force in June 2023 but have been postponed until now. These include changes about what must be included in statements and certification for both disposals and mortgages and exemptions for liquidators, receivers, and administrators from having to comply with the restrictions on dispositions and mortgages.

Charity Commission strategy 2024-2029

On 26 February 2024 the Charity Commission issued its 5 year strategy focusing on fairness, balance, independence, digital and data, and people, set within the context of its statutory remit, functions and powers.

Charities will need to be dynamic over the next 5 years to deal with an ever-changing world, and demonstrate resilience both in their leadership and in their finances. The Charity Commission is there to support this and to promote trusteeships as an attractive proposition. To add context:

- Charity sector income - £89.85 billion
- Charity sector spend - £87.53 billion
- Number of charities on the register – 169,255
- Number of trustee positions filled – 921,924
- Nearly half of the charities on its register (75,520) have an income below £10,000, equalling £188.2 million
- Two thirds of the income of the sector comes from the public, as donations, legacies, and other charitable activities - £58.4 billion

The Charity Commission has set out its priorities as

- 1) We will be fair and proportionate in our work and clear about our role.
- 2) We will support charities to get it right but take robust action where we see wrongdoing and harm.

3) We will speak with authority and credibility, free from the influence of others.

4) We will embrace technological innovation and strengthen how we use our data.

5) We will be the expert Commission - where our people are empowered and enabled to deliver excellence in regulation.

Charity Commission's new CEO

David Holdsworth has been appointed as the next Chief Executive of the Charity Commission for England and Wales and will take up his role on 1 July 2024, succeeding Helen Stephenson whose seven year's term comes to an end this summer. David returns to the Charity Commission having previously served as Deputy Chief Executive and Registrar, having led the Commissions data handling, digital capability and risk assessment.

Budget and charities

The Chancellor set out his budget on 6 March 2024, but there was little good news for charities. It is helpful that income tax hasn't been reduced for charities as this preserves the level of gift aid that can be claimed. Class 1 National Insurance will decrease from 10% to 8% which helps with household disposable income. The VAT threshold will increase from £85,000 to £90,000 which should reduce the number of charities (and their trading subsidiaries) needing to register for VAT. There was however no change to VAT partial exemption rules meaning many charities cannot reclaim their full input VAT.

Companies House reform – charitable companies

The Economic Crime and Corporate Transparency Bill received Royal Assent in October 2023 and became the Economic Crime and Corporate Transparency Act 2023 (ECCTA). Through this, the UK Government is reforming how and what companies report to Companies House.

This legislation widens the powers of the Registrar of Companies House and aims to improve the quality of data held. The legislation introduces:

- identity verification for all new and existing registered company directors, people with significant control and those who file on behalf of companies;
- wider powers for Companies House to become a more active gatekeeper over company creation and a custodian of more reliable data;
- improved financial information on the register so that the register is more reliable and accurate, reflects the latest digital advancements and enables better business decisions;
- more effective investigation and enforcement powers along with increasing the ability to share relevant information with partners; and
- enhanced protection of personal information from fraud and other harms.

Currently there is no timetable set for implementing these changes. However, it's expected that the following changes will be implemented in 2024:

- increased powers for Companies House to query information;
- more robust checks on company names;

- new rules for registered office addresses meaning all companies must have an appropriate address at all times. The use of a PO Box as their registered office address will be prohibited;
- a requirement for all companies to supply a registered email address;
- a requirement to confirm the company is being formed for a lawful purpose on incorporation and an annual confirmation that its future activities will be lawful on their confirmation statement;
- annotations on the register about potential issues with the information that has been supplied;
- taking steps to clean up the register and the use of data matching to identify and remove inaccurate information; and sharing data with other government departments and law enforcement agencies.