

EMMAUS GLOUCESTERSHIRE

England & Wales · Charity number 1067483

Details

Status	Registered
Legal form	Charitable company
Company number	03489376
Registered	1998-01-16
Register	View on the Charity Commission register

Contact

Address	Emmaus Gloucestershire Chequers Road Workshop Chequers Road Gloucester GL4 6PN
Phone	01452687052
Email	LORRAINE@EMMAUSGLOS.ORG.UK
Website	www.emmaus.org.uk/gloucestershire

Activities

Objects: SHALL BE THE ALLEVIATION AND RELIEF OF POVERTY AND HARDSHIP AND DISTRESS ARISING THEREFROM TO THOSE IN NEED WITHOUT DISTINCTION

Activities: The charity provides homeless and unemployed people with the security and companionship of living in a Community home, the dignity of working for the Community and for other disadvantaged people, and the chance of recovering the ability to live a successful, independent life outside the Community should they choose to do so.

Classification

- **How:** Provides Human Resources, Provides Services, Other Charitable Activities
- **What:** Accommodation/housing, Economic/community Development/employment
- **Who:** Other Defined Groups

Geography

- Gloucestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£1,172,463	£849,198	£3,253,594	14
2024-06-30	£1,046,848	£782,132	£2,930,329	13
2023-06-30	£913,354	£760,503	£2,665,613	13
2022-06-30	£939,557	£747,217	£2,512,762	13
2021-06-30	£831,863	£796,366	£2,183,422	14

Trustees

Name	Role	Appointed
Clive Thomas	Chair	2017-07-25
Alison Ruth Halliday		2024-02-01
Darren Knight		2025-03-01
Matthew Robb Watson		2024-03-01
Neil Mantle		2017-07-25
Russell Aldridge		2025-10-28

Accounts

Company registration number 03489376 (England and Wales)

Charity registration number 1067483 (England and Wales)

EMMAUS GLOUCESTERSHIRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

EMMAUS GLOUCESTERSHIRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr N. Mantle Mr C. Thomas Mrs A. Halliday Mr M. Watson Mrs I. Fraser Mr D. Knight	(Appointed 1 March 2025) (Appointed 1 March 2025)
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Secretary	Ms L. Watson
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Country of incorporation	United Kingdom (England and Wales)	03489376
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Charity registration	England and Wales	1067483
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Principal address	Chequers Road Gloucester GL4 6PN
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Auditor	Pitt Godden & Taylor LLP Unit 3 Ambrose House Meteor Court Barnett Way Barnwood Gloucester GL4 3GG
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Bankers	Lloyds TSB Bank plc High Street Cheltenham GL50 1EW
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CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
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EMMAUS GLOUCESTERSHIRE

CONTENTS

	Page
Trustees' report	1 - 3
Statement of trustees' responsibilities	4
Independent auditor's report	5 - 7
Statement of financial activities	8
Balance sheet	9
Statement of cash flows	10
Notes to the financial statements	11 - 20

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 JUNE 2025

The trustees present their annual report and financial statements for the year ended 30 June 2025.

The Trustees confirm the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Our Vision and Mission

Our Vision is a world in which everyone has a home and a sense of belonging.

Our Mission is to work together to overcome homelessness and social exclusion while using our voice to achieve social change.

Objectives and activities

In setting objectives and planning for activities, the Trustees have given due consideration to guidance published by the Charity Commission relating to public benefit, and in particular to its supplementary public benefit guidance.

The objects of the charity are the alleviation of homelessness and relief of poverty, hardship and the distress they cause to those in need. The objects are specifically restricted to the alleviation and relief of poverty, hardship and distress arising therefrom, in conformance with the principles of the Emmaus Movement as published from time to time by Emmaus UK, to those in need without distinction by:

- The provision of accommodation, or assistance in such provision, for homeless people in the Gloucestershire area and such other places as may seem appropriate from time to time (the beneficiaries).
- The rehabilitation of the beneficiaries as appropriate and the provision of education, training (including, without limitation, employment training) and work opportunities and satisfaction for the beneficiaries with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.
- The support of the work of other Emmaus Communities and Emmaus Groups or other agencies in the relief of poverty and homelessness whether in the United Kingdom or elsewhere in the world and in particular (without limitation) by the exchange of resources, information and expertise with other Emmaus Movement projects worldwide.
- The fulfilling of such other purposes as may from time to time be recognised by English Law as being charitable and which the Charity shall from time to time determine.

Approach to achieving Charitable objects

Emmaus Gloucestershire provides a home, 40 hours of meaningful activity in our social enterprise each week, training and support for previously homeless or socially excluded individuals, known as 'Emmaus companions'. An unemployed, homeless or vulnerably housed person becomes a companion upon joining Emmaus Gloucestershire as a resident. Companions work together with volunteers and employees collecting, upcycling and selling donated goods in our five retail outlets. All companions have the opportunity to gain new skills and experiences in a working enterprise and, most importantly, regain self-respect, esteem and purpose whilst working to support others in greater need than themselves.

Emmaus Gloucestershire currently offers 26 bed spaces for companions. Companions sign off primary benefits and receive accommodation, food, clothing, a weekly allowance, resettlement support and access to structured support and personal development.

Opportunities are provided to gain new skills, undergo training and work as part of a team to achieve personal goals, contribute to the success of the business activities and provide assistance to others who are in need.

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

Achievements and performance

The 2024-2025 financial year was exceptional in many ways, with good levels of quality donations, very healthy demand and sales in our shops. The opening of our new shop in Cheltenham made a good contribution to these results.

Financially, our strategic aim is to diversify our income streams over time and, where possible, increase the range of skills and activities available to companions.

The development of 'Frenchic' upcycling of furniture in the People Shed is a good example of this.

Operational Performance

Emmaus Gloucestershire generated 74% of its income through its social enterprise business in 2024-2025. The remainder 15% came from Housing benefit and nearly 8% from general donations.

During the year 6,935 daily bed spaces were provided, 821 daily bed spaces were allocated on a solidarity basis (for which no housing benefit was granted).

We also donated £8,188 of furniture, shop items and sleeping bags, etc., to individuals and other charities on a solidarity basis.

Solidarity

The Emmaus Movement was founded on the concept of 'Solidarity' this means helping and working for others who are less fortunate than ourselves. Solidarity works at three levels: local, national, and international. Emmaus Gloucestershire contributes at each of these levels with companions, volunteers, staff and trustees all being involved. These contributions are not only financial but also include sharing, expertise, experience, moral support and encouragement.

Financial review

The total income for the year ending 30 June 2025 was £1,172,463, which was £125,615 more than for the previous year.

The total expenditure for the year ending 30 June 2025 was £849,198, which was £88,695 more than the previous year.

The net surplus for the year ending 30 June 2025 was £323,265, which was £58,549 more than the previous year. The surplus represents a 27.6% of total income.

Reserves

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a minimum of three months' expenditure. (At current levels, this equates to £205,000).

Following the withdrawal of business continuity insurance (which included pandemic insurance up to £250,000) we were advised that this was withdrawn. The trustees took the decision to self-insure and set aside £250,000 designated for this purpose.

Risk management

Trustees have in place risk management procedures, policies and a risk register which aims to manage and mitigate foreseeable risks that the charity might face.

The risk register is used as a dynamic tool by the management team. It is reviewed regularly by all Committees and the Board of Trustees. The chief executive has overall responsibility for monitoring the risks and ensuring appropriate and timely mitigations are put in place.

Good risk management is not about paperwork and expansive risk registers it is about a contemporary thorough knowledge of the business and wider environment it operates in. Early identification of the threats and timely responses are crucial to mitigating or avoiding threats.

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

Future Plans

We purchased a property in Bath Road Cheltenham and have completed phase one in turning the Ground floor into a Charity Shop, with phase two in the future being office accommodation.

Structure, governance and management

The Board is responsible for the strategic direction and policy of the charity. The board meets at least quarterly and is underpinned by a committee structure. The Business and Finance Committee, HR Committee, Policy and Practice Committee and External Affairs Committee met at least quarterly to review performance and to agree priorities for the quarter ahead.

The Board of Trustees has adopted the NCVO Code of Good Governance, and reviews the structures and workings accordingly.

The HR Committee meets annually to agree the remuneration of the Chief Executive and all employees, so as to reward and motivate employees to an affordable extent.

A delegation framework is in place, with the day to day responsibility for the operations of the charity resting with the Chief Executive. The Chief Executive is responsible for ensuring that the charity delivers the activities specified in an annual operational plan and that key performance indicators are met.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr N. Mantle

Mr C. Thomas

Mrs A. Halliday

Mr M. Watson

Mrs I. Fraser

(Appointed 1 March 2025)

Mr D. Knight

(Appointed 1 March 2025)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

An annual skills audit of the Board of Trustees identifies gaps, and an open recruitment process for new Trustees takes place. This involves advertisement on Emmaus websites, and through specialist volunteering websites such as Volunteering Glos, Trustees Unlimited and REACH. An application and interview process takes place. Proposed appointments of new trustees must be approved by the Board of Trustees; following a successful application references and a DBS check are taken up.

The trustees' report was approved by the Board of Trustees and signed on their behalf by:

Mr C. Thomas

Trustee

Dated: 28 January 2026

EMMAUS GLOUCESTERSHIRE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 30 JUNE 2025

The trustees, who are also the directors of Emmaus Gloucestershire for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

Opinion

We have audited the financial statements of Emmaus Gloucestershire (the 'charity') for the year ended 30 June 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 30 June 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 twelve 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 the trustees 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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 engagement partner ensured that the engagement team collectively has the appropriate competence, skills and ability to identify any non-compliance with laws and regulations.
- We identified the laws and regulations applicable to the academy via discussions with the management and from our own knowledge of the sector in which the client operates. We focused on the laws which we considered were of particular significance to the charity operations, which included the Companies Act 2006, the Charities Act 2011, health & safety regulations, safeguarding, employment law and data protection.
- We assessed the extent of the compliance with the laws and regulations identified through enquiries with management and also detailed testing of the systems and controls.

We assess the susceptibility of the charity 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 and whether they have any knowledge of any actual, suspected or alleged fraud; and
- we documented, assessed and tested the internal controls in place to reduce the likelihood of any incidences of fraud or non-compliance.

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

- performed analytical review procedures;
- reviewed and sample tested journal entries to confirm that they were genuine transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- reviewed a sample of expenditure transactions from the charity records for appropriate authorisation.

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 the disclosures in the financial statements to underlying documentation;
- reviewing the minutes of those charged with governance;
- enquiring of management as to actual potential claims and liabilities; and
- reviewing legal and professional costs incurred in the period.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

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 directors and other management and the inspection of any relevant regulatory correspondence.

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: <https://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 trustees, as a body, in accordance with section 144* of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Nicholas Bishop FCCA ACA (Senior Statutory Auditor)

For and on behalf of Pitt Godden & Taylor LLP, Statutory Auditor

Chartered Accountants

Unit 3 Ambrose House

Meteor Court

Barnett Way

Barnwood

Gloucester

GL4 3GG

28 January 2026

Pitt Godden & Taylor LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EMMAUS GLOUCESTERSHIRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2025

Current financial year		Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £	Total 2024 £
	Notes					
Income and endowments from:						
Donations and legacies	3	91,216	-	-	91,216	66,968
Charitable activities	4	178,096	-	-	178,096	168,599
Other trading activities	5	875,064	-	-	875,064	790,534
Investments	6	16,481	-	-	16,481	20,747
Other income	7	11,606	-	-	11,606	-
Total income		1,172,463	-	-	1,172,463	1,046,848
Charitable activities	8	849,198	-	-	849,198	782,132
Net income and movement in funds		323,265	-	-	323,265	264,716
Reconciliation of funds:						
Fund balances at 1 July 2024		2,687,129	40,700	202,500	2,930,329	2,665,613
Fund balances at 30 June 2025		3,010,394	40,700	202,500	3,253,594	2,930,329

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

Prior financial year		Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £
	Notes				
Income and endowments from:					
Donations and legacies	3	66,968	-	-	66,968
Charitable activities	4	168,599	-	-	168,599
Other trading activities	5	790,534	-	-	790,534
Investments	6	20,747	-	-	20,747
Total income		1,046,848	-	-	1,046,848
Charitable activities	8	782,132	-	-	782,132
Net income and movement in funds		264,716	-	-	264,716
Reconciliation of funds:					
Fund balances at 1 July 2023		2,422,413	40,700	202,500	2,665,613
Fund balances at 30 June 2024		2,687,129	40,700	202,500	2,930,329

EMMAUS GLOUCESTERSHIRE

BALANCE SHEET

AS AT 30 JUNE 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	13	2,260,023		1,968,373	
Investment property	14	280,000		280,000	
			<u>2,540,023</u>		<u>2,248,373</u>
Current assets					
Debtors	16	61,991		90,806	
Cash at bank and in hand		696,344		678,785	
			<u>758,335</u>		<u>769,591</u>
Creditors: amounts falling due within one year	17	(44,764)		(87,635)	
			<u></u>		<u></u>
Net current assets			<u>713,571</u>		<u>681,956</u>
Total assets less current liabilities			<u>3,253,594</u>		<u>2,930,329</u>
The funds of the charity					
Endowment funds	18	202,500		202,500	
Restricted income funds	19	40,700		40,700	
Unrestricted funds	20	3,010,394		2,687,129	
			<u>3,253,594</u>		<u>2,930,329</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2025.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 28 January 2026

Mr C. Thomas
Trustee

EMMAUS GLOUCESTERSHIRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	23		313,344		280,788
Investing activities					
Purchase of tangible fixed assets		(315,684)		(740,636)	
Proceeds on disposal of tangible fixed assets		3,418		953	
Interest received		16,481		20,747	
Net cash used in investing activities			(295,785)		(718,936)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			17,559		(438,148)
Cash and cash equivalents at beginning of year			678,785		1,116,933
Cash and cash equivalents at end of year			696,344		678,785

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting policies

Charity information

Emmaus Gloucestershire is a private company limited by guarantee incorporated in England and Wales. The registered office is Chequers Warehouse, Chequers Road, Gloucester, GL4 6PN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Resources expended are accounted for on an accruals basis.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the statement of financial activities. Items costing less than £1,000 are written off as an expense as acquired.

Tangible fixed assets are included in the Balance Sheet at cost less accumulated depreciation, or at estimated value at the date of donation less the associated accumulated depreciation.

Depreciation is calculated to write off the cost or valuation of fixed assets, less their estimated residual values, over their estimated useful economic lives, at the following rates :-

Land and buildings	Freehold is depreciated by nil. Leasehold is depreciated over the term of the lease.
Plant and machinery	25% straight line
Fixtures, fittings & equipment	10/20% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Shop stock comprises of donated items, some of which have been refurbished for sale by companions. As these items are donated, they are not held at any value on the financial statements.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting policies

(Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	91,216	66,968

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Housing benefit	178,096	168,599

5 Other trading activities

	2025 £	2024 £
Shop income	872,242	790,534
Fundraising events	2,822	-
Other trading activities	875,064	790,534

6 Investment income

	2025 £	2024 £
Rental income	10,771	10,180
Interest receivable	5,710	10,567
	16,481	20,747

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

7 Other income

	2025	2024
	£	£
Net gain on disposal of tangible fixed assets	3,418	-
Other income	-	316
Solidarity donations	8,188	-
Insurance received	-	46,992
	<u>11,606</u>	<u>47,308</u>

Donations above of £8,188 relate to items (e.g. tents, sleeping bags etc) that were donated to the charity for sale, that were then donated onwards to those in greater need of them.

8 Expenditure on charitable activities

	2025	2024
	£	£
Direct costs		
Staff costs	452,365	387,050
Depreciation and impairment	24,034	17,389
Other costs	366,949	372,539
Audit and bookkeeping fees	5,850	5,154
	<u>849,198</u>	<u>782,132</u>
Analysis by fund		
Unrestricted funds	<u>849,198</u>	<u>782,132</u>

9 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	5,850	5,000
Depreciation of owned tangible fixed assets	24,034	17,389
Profit on disposal of tangible fixed assets	<u>(3,418)</u>	<u>-</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Trustees travel expenses of £25 (2024- £645) have been met by the charity.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Shop/warehouse	7	6
Office/admin	5	5
Companion support	2	2
	<u>14</u>	<u>13</u>

Employment costs

	2025 £	2024 £
Wages and salaries	<u>452,365</u>	<u>387,050</u>

There were no employees whose annual remuneration was £60,000 or more.

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 July 2024	1,974,755	7,081	94,304	91,190	2,167,330
Additions	252,951	5,660	1,278	55,795	315,684
Disposals	-	-	-	(48,675)	(48,675)
At 30 June 2025	<u>2,227,706</u>	<u>12,741</u>	<u>95,582</u>	<u>98,310</u>	<u>2,434,339</u>
Depreciation and impairment					
At 1 July 2024	31,297	7,081	70,745	89,834	198,957
Depreciation charged in the year	1,804	849	10,186	11,195	24,034
Eliminated in respect of disposals	-	-	-	(48,675)	(48,675)
At 30 June 2025	<u>33,101</u>	<u>7,930</u>	<u>80,931</u>	<u>52,354</u>	<u>174,316</u>
Carrying amount					
At 30 June 2025	<u>2,194,605</u>	<u>4,811</u>	<u>14,651</u>	<u>45,956</u>	<u>2,260,023</u>
At 30 June 2024	<u>1,943,458</u>	<u>-</u>	<u>23,559</u>	<u>1,356</u>	<u>1,968,373</u>

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

13 Tangible fixed assets

(Continued)

The Nailsworth leasehold included in land and buildings is depreciated over its lease term which expires in 2115.

14 Investment property

2025

£

Fair value

At 1 July 2024 and 30 June 2025

280,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out in June 2024 by the trustees. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties in the area.

	2025 £	2024 £
Freehold	280,000	280,000

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

15 Financial instruments	2025	2024
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	21,283	20,595
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	35,665	80,569
	<u> </u>	<u> </u>
16 Debtors	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	21,283	20,595
Other debtors	4,276	13,364
Prepayments and accrued income	36,432	56,847
	<u> </u>	<u> </u>
	61,991	90,806
	<u> </u>	<u> </u>
17 Creditors: amounts falling due within one year	2025	2024
	£	£
Other taxation and social security	9,099	7,066
Trade creditors	20,060	65,366
Accruals and deferred income	15,605	15,203
	<u> </u>	<u> </u>
	44,764	87,635
	<u> </u>	<u> </u>

18 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 July 2024	At 30 June 2025
	£	£
Permanent endowments		
48 Lower Street, Stroud	202,500	202,500
	<u> </u>	<u> </u>
Previous year:	At 1 July 2023	At 30 June 2024
	£	£
Permanent endowments		
48 Lower Street, Stroud	202,500	202,500
	<u> </u>	<u> </u>

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

19 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Balance at 1 July 2024 £	Movement in funds		Balance at 30 June 2025 £
		Incoming resources £	Resources expended £	
The Peoples Shed	40,700	-	-	40,700
	<u>40,700</u>	<u>-</u>	<u>-</u>	<u>40,700</u>

20 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 July 2024 £	Incoming resources £	Resources expended £	Transfers £	At 30 June 2025 £
Continuity Fund	250,000	-	-	-	250,000
Hucclecote Renovation Fund	600	-	-	480	1,080
General funds	2,436,529	1,172,463	(849,198)	(480)	2,759,314
	<u>2,687,129</u>	<u>1,172,463</u>	<u>(849,198)</u>	<u>-</u>	<u>3,010,394</u>

Previous year:	At 1 July 2023 £	Incoming resources £	Resources expended £	Transfers £	At 30 June 2024 £
Continuity Fund	250,000	-	-	-	250,000
Hucclecote Renovation Fund	120	-	-	480	600
General funds	2,172,293	1,046,848	(782,132)	(480)	2,436,529
	<u>2,422,413</u>	<u>1,046,848</u>	<u>(782,132)</u>	<u>-</u>	<u>2,687,129</u>

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2025

21 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
At 30 June 2025:				
Tangible assets	2,016,823	40,700	202,500	2,260,023
Investment properties	280,000	-	-	280,000
Current assets/(liabilities)	713,571	-	-	713,571
	<u>3,010,394</u>	<u>40,700</u>	<u>202,500</u>	<u>3,253,594</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £
At 30 June 2024:				
Tangible assets	1,725,173	40,700	202,500	1,968,373
Investment properties	280,000	-	-	280,000
Current assets/(liabilities)	681,956	-	-	681,956
	<u>2,687,129</u>	<u>40,700</u>	<u>202,500</u>	<u>2,930,329</u>

22 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

23 Cash generated from operations

	2025 £	2024 £
Surplus for the year	323,265	264,716
Adjustments for:		
Investment income recognised in statement of financial activities	(16,481)	(20,747)
Gain on disposal of tangible fixed assets	(3,418)	-
Depreciation and impairment of tangible fixed assets	24,034	17,389
Movements in working capital:		
Decrease/(increase) in debtors	28,815	(23,368)
(Decrease)/increase in creditors	(42,871)	42,798
Cash generated from operations	<u>313,344</u>	<u>280,788</u>

Accounts

SIGNED ACCA
P&T COPY

Charity registration number 1067483 (England and Wales)

Company registration number 03489376

EMMAUS GLOUCESTERSHIRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

EMMAUS GLOUCESTERSHIRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr N. Mantle Mr C. Thomas Mrs A. Halliday Mr M. Watson	(Appointed 1 February 2024) (Appointed 1 March 2024)
Secretary	Ms L. Watson	
Charity number (England and Wales)	1067483	
Company number	03489376	
Principal address	Chequers Road Gloucester GL4 6PN	
Auditor	Pitt Godden & Taylor LLP Unit 3 Ambrose House Meteor Court Barnett Way Barnwood Gloucester GL4 3GG	
Bankers	Lloyds TSB Bank plc High Street Cheltenham GL50 1EW CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	

EMMAUS GLOUCESTERSHIRE

CONTENTS

	Page
Trustees' report	1 - 3
Statement of trustees' responsibilities	4
Independent auditor's report	5 - 7
Statement of financial activities	8
Balance sheet	9
Statement of cash flows	10
Notes to the financial statements	11 - 20

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 JUNE 2024

The trustees present their annual report and financial statements for the year ended 30 June 2024.

The Trustees confirm the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Our Vision and Mission

Our Vision is a world in which everyone has a home and a sense of belonging.

Our Mission is to work together to overcome homelessness and social exclusion while using our voice to achieve social change.

Objectives and activities

In setting objectives and planning for activities, the Trustees have given due consideration to guidance published by the Charity Commission relating to public benefit, and in particular to its supplementary public benefit guidance.

The objects of the charity are the alleviation of homelessness and relief of poverty, hardship and the distress they cause to those in need. The objects are specifically restricted to the alleviation and relief of poverty, hardship and distress arising therefrom, in conformance with the principles of the Emmaus Movement as published from time to time by Emmaus UK, to those in need without distinction by:

- The provision of accommodation, or assistance in such provision, for homeless people in the Gloucestershire area and such other places as may seem appropriate from time to time (the beneficiaries).
- The rehabilitation of the beneficiaries as appropriate and the provision of education, training (including, without limitation, employment training) and work opportunities and satisfaction for the beneficiaries with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.
- The support of the work of other Emmaus Communities and Emmaus Groups or other agencies in the relief of poverty and homelessness whether in the United Kingdom or elsewhere in the world and in particular (without limitation) by the exchange of resources, information and expertise with other Emmaus Movement projects worldwide.
- The fulfilling of such other purposes as may from time to time be recognised by English Law as being charitable and which the Charity shall from time to time determine.

Approach to achieving Charitable objects

Emmaus Gloucestershire provides a home, 40 hours of meaningful activity in our social enterprise each week, training and support for previously homeless or socially excluded individuals, known as 'Emmaus companions'. An unemployed, homeless or vulnerably housed person becomes a companion upon joining Emmaus Gloucestershire as a resident. Companions work together with volunteers and employees collecting, upcycling and selling donated goods in our five retail outlets. All companions have the opportunity to gain new skills and experiences in a working enterprise and, most importantly, regain self-respect, esteem and purpose whilst working to support others in greater need than themselves.

Emmaus Gloucestershire currently offers 26 bed spaces for companions. Companions sign off primary benefits and receive accommodation, food, clothing, a weekly allowance, resettlement support and access to structured support and personal development.

Opportunities are provided to gain new skills, undergo training and work as part of a team to achieve personal goals, contribute to the success of the business activities and provide assistance to others who are in need.

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Achievements and performance

The 2023-2024 financial year continued its upturn in sales. Charity shops enjoyed the combination of good levels of items being donated and healthy demand and sales.

Our strategic aim is to continue to diversify our income streams over time and increase the range of skills and activities to companions.

Operational Performance

Emmaus Gloucestershire generated 76% of its income through its social enterprise business in 2023-2024. The remainder 16% came from Housing benefit and 6% from general donations, grants and legacies and 2% from investments.

During the year 6,670 daily bed spaces were provided 1,095 daily bed spaces were set aside on a solidarity basis (for which no housing benefit was granted).

Solidarity

The Emmaus Movement established by Abbe Pierre was founded on the concept of 'Solidarity' this means helping and working for others who are less fortunate than ourselves. Solidarity works at three levels: local, national, and international. Emmaus Gloucestershire contributes at each of these levels with companions, volunteers, staff and trustees all being involved. These contributions are not only financial but also include sharing, expertise, experience, moral support and encouragement.

Financial review

The total income for the year ending 30 June 2024 was £1,046,848 which was £133,494 more than the income for the previous year.

The total expenditure for the year ending 30 June 2024 was £782,132 which was £21,629 more than the expenditure of the previous year.

The net surplus for the year to 30 June 2024 was £264,716 which was £111,865 more than the previous year. The surplus represents 25.2% of total income.

Reserves

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a minimum of three months expenditure (at current expenditure levels this equates to £180,500).

At the renewal of our business continuity insurance (which included pandemic insurance up to £250,000) we were advised this was withdrawn. Trustees took a decision to self-insure and set aside £250,000 designated for this purpose.

While the level of reserves held currently exceeds this level the purchase of new retail premises at Cheltenham and ongoing maintenance on one property will reduce this amount over the next financial year.

Risk management

Trustees have in place risk management procedures, policies and a risk register which aims to manage and mitigate foreseeable risks that the charity might face.

The risk register is used as a dynamic tool by the management team. It is reviewed regularly by all Committees and the Board of Trustees. The chief executive has overall responsibility for monitoring the risks and ensuring appropriate and timely mitigations are put in place.

Good risk management is not about paperwork and expansive risk registers it is about a contemporary thorough knowledge of the business and wider environment it operates in. Early identification of the threats and timely responses are crucial to mitigating or avoiding threats.

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Plans for future periods

Emmaus Gloucestershire's ten-year strategy is to diversify sources of income and improve the accommodation offered to companions.

The board completed the purchase of a freehold retail premises in Bath Road Cheltenham.

The property will be upgraded and adapted to provide a new charity shop in an excellent location in Cheltenham and in the future, office accommodation above.

Structure, governance and management

The Board is responsible for the strategic direction and policy of the charity. The board meets at least quarterly and is underpinned by a committee structure. The Business and Finance Committee, HR Committee, Policy and Practice Committee and External Affairs Committee met at least quarterly to review performance and to agree priorities for the quarter ahead.

The Board of Trustees has adopted the NCVO Code of Good Governance, and reviews the structures and workings accordingly.

The HR Committee meets annually to agree the remuneration of the Chief Executive and all employees, so as to reward and motivate employees to an affordable extent.

A delegation framework is in place, with the day to day responsibility for the operations of the charity resting with the Chief Executive. The Chief Executive is responsible for ensuring that the charity delivers the activities specified in an annual operational plan and that key performance indicators are met.

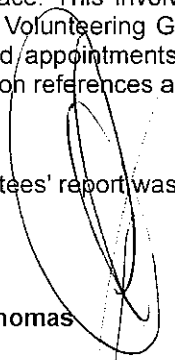
The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr M. Heap	(Resigned 1 August 2023)
Mr M. Hudson	(Resigned 7 March 2024)
Ms A. Beddoes	(Resigned 1 August 2023)
Mr N. Mantle	
Mr C. Thomas	
Mrs M. Cheeseman	(Resigned 11 April 2024)
Mrs A. Halliday	(Appointed 1 February 2024)
Mr M. Watson	(Appointed 1 March 2024)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

An annual skills audit of the Board of Trustees identifies gaps, and an open recruitment process for new Trustees takes place. This involves advertisement on Emmaus websites, and through specialist volunteering websites such as Volunteering Glos, Trustees Unlimited and REACH. An application and interview process takes place. Proposed appointments of new trustees must be approved by the Board of Trustees; following a successful application references and a DBS check are taken up.

The trustees' report was approved by the Board of Trustees and signed on their behalf by:


Mr C. Thomas
Trustee
Dated: 28 January 2025

EMMAUS GLOUCESTERSHIRE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 30 JUNE 2024

The trustees, who are also the directors of Emmaus Gloucestershire for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

Opinion

We have audited the financial statements of Emmaus Gloucestershire (the 'charity') for the year ended 30 June 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 30 June 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 twelve 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 the trustees 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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 engagement partner ensured that the engagement team collectively has the appropriate competence, skills and ability to identify any non-compliance with laws and regulations.
- We identified the laws and regulations applicable to the academy via discussions with the management and from our own knowledge of the sector in which the client operates. We focused on the laws which we considered were of particular significance to the charity operations, which included the Companies Act 2006, the Charities Act 2011, health & safety regulations, safeguarding, employment law and data protection.
- We assessed the extent of the compliance with the laws and regulations identified through enquiries with management and also detailed testing of the systems and controls.

We assess the susceptibility of the charity 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 and whether they have any knowledge of any actual, suspected or alleged fraud; and
- we documented, assessed and tested the internal controls in place to reduce the likelihood of any incidences of fraud or non-compliance.

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

- performed analytical review procedures;
- reviewed and sample tested journal entries to confirm that they were genuine transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- reviewed a sample of expenditure transactions from the charity records for appropriate authorisation.

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 the disclosures in the financial statements to underlying documentation;
- reviewing the minutes of those charged with governance;
- enquiring of management as to actual potential claims and liabilities; and
- reviewing legal and professional costs incurred in the period.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

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 directors and other management and the inspection of any relevant regulatory correspondence.

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: <https://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 trustees, as a body, in accordance with section 144* of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Nicholas Bishop FCCA ACA (Senior Statutory Auditor)

For and on behalf of Pitt Godden & Taylor LLP, Statutory Auditor

Chartered Accountants

Unit 3 Ambrose House

Meteor Court

Barnett Way

Barnwood

Gloucester

GL4 3GG

28 January 2025

Pitt Godden & Taylor LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EMMAUS GLOUCESTERSHIRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2024

Current financial year		Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £	Total 2023 £
	Notes					
Income from:						
Donations and legacies	3	66,968	-	-	66,968	61,324
Charitable activities	4	168,599	-	-	168,599	106,126
Other trading activities	5	790,534	-	-	790,534	731,329
Investments	6	20,747	-	-	20,747	14,575
Total income		1,046,848	-	-	1,046,848	913,354
Charitable activities	7	782,132	-	-	782,132	760,503
Net income and movement in funds		264,716	-	-	264,716	152,851
Reconciliation of funds:						
Fund balances at 1 July 2023		2,422,413	40,700	202,500	2,665,613	2,512,762
Fund balances at 30 June 2024		2,687,129	40,700	202,500	2,930,329	2,665,613

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

Prior financial year		Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
	Notes				
Income from:					
Donations and legacies	3	61,324	-	-	61,324
Charitable activities	4	106,126	-	-	106,126
Other trading activities	5	731,329	-	-	731,329
Investments	6	14,575	-	-	14,575
Total income		913,354	-	-	913,354
Charitable activities	7	760,503	-	-	760,503
Net income and movement in funds		152,851	-	-	152,851
Reconciliation of funds:					
Fund balances at 1 July 2022		2,269,562	40,700	202,500	2,512,762
Fund balances at 30 June 2023		2,422,413	40,700	202,500	2,665,613

EMMAUS GLOUCESTERSHIRE

BALANCE SHEET

AS AT 30 JUNE 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	12	1,968,373		1,246,079	
Investment property	13	280,000		280,000	
		<u>2,248,373</u>		<u>1,526,079</u>	
Current assets					
Debtors	15	90,806		67,438	
Cash at bank and in hand		678,785		1,116,933	
		<u>769,591</u>		<u>1,184,371</u>	
Creditors: amounts falling due within one year	16	<u>(87,635)</u>		<u>(44,837)</u>	
Net current assets			681,956		1,139,534
Total assets less current liabilities			<u>2,930,329</u>		<u>2,665,613</u>
The funds of the charity					
Endowment funds	17	202,500		202,500	
Restricted income funds	18	40,700		40,700	
Unrestricted funds	19	2,687,129		2,422,413	
		<u>2,930,329</u>		<u>2,665,613</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 28 January 2025

Mr C. Thomas
Trustee

Company registration number 03489376 (England and Wales)

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

Charity information

Emmaus Gloucestershire is a private company limited by guarantee incorporated in England and Wales. The registered office is Chequers Warehouse, Chequers Road, Gloucester, GL4 6PN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Resources expended are accounted for on an accruals basis.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the statement of financial activities. Items costing less than £1,000 are written off as an expense as acquired.

Tangible fixed assets are included in the Balance Sheet at cost less accumulated depreciation, or at estimated value at the date of donation less the associated accumulated depreciation.

Depreciation is calculated to write off the cost or valuation of fixed assets, less their estimated residual values, over their estimated useful economic lives, at the following rates :-

Land and buildings	Freehold is depreciated by nil. Leasehold is depreciated over the term of the lease.
Plant and machinery	25% straight line
Fixtures, fittings & equipment	10/20% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Shop stock comprises of donated items, some of which have been refurbished for sale by companions. As these items are donated, they are not held at any value on the financial statements.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	66,968	61,324

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Sale of goods	168,599	106,126

5 Other trading activities

	2024 £	2023 £
Shop income	790,534	731,329

6 Investment income

	2024 £	2023 £
Rental income	10,180	9,525
Interest receivable	10,567	5,050
	20,747	14,575

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

7 Expenditure on charitable activities

	Heading #ac982 2024 £	Heading #ac982 2023 £
Direct costs		
Staff costs	387,050	364,449
Depreciation and impairment	17,389	22,893
Other costs	372,539	366,862
Audit and bookkeeping fees	5,154	6,299
	<u>782,132</u>	<u>760,503</u>
Analysis by fund		
Unrestricted funds	<u>782,132</u>	<u>760,503</u>

8 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	5,000	4,000
Depreciation of owned tangible fixed assets	<u>17,389</u>	<u>22,893</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Trustees travel expenses of £645 (2023- £66) have been met by the charity.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Shop/warehouse	6	6
Office/admin	5	5
Companion support	2	2
	13	13

Employment costs

	2024 £	2023 £
Wages and salaries	387,050	364,449

There were no employees whose annual remuneration was £60,000 or more.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 July 2023	1,241,628	7,081	86,795	93,367	1,428,871
Additions	733,127	-	7,509	-	740,636
Disposals	-	-	-	(2,177)	(2,177)
At 30 June 2024	1,974,755	7,081	94,304	91,190	2,167,330
Depreciation and impairment					
At 1 July 2023	29,493	7,081	59,590	86,628	182,792
Depreciation charged in the year	1,804	-	11,155	4,430	17,389
Eliminated in respect of disposals	-	-	-	(1,224)	(1,224)
At 30 June 2024	31,297	7,081	70,745	89,834	198,957
Carrying amount					
At 30 June 2024	1,943,458	-	23,559	1,356	1,968,373
At 30 June 2023	1,212,135	-	27,205	6,739	1,246,079

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

12 Tangible fixed assets (Continued)

The Nailsworth leasehold included in land and buildings is depreciated over its lease term which expires in 2115.

13 Investment property	2024
	£
Fair value	
At 1 July 2023 and 30 June 2024	280,000
	<u> </u>

The fair value of the investment property has been arrived at on the basis of a valuation carried out in June 24 by the trustees. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties in the area.

	2024	2023
	£	£
Freehold	280,000	280,000
	<u> </u>	<u> </u>

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

14	Financial instruments	2024	2023
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	20,595	27,667
		<u> </u>	<u> </u>
	Carrying amount of financial liabilities		
	Measured at amortised cost	80,569	37,870
		<u> </u>	<u> </u>
15	Debtors	2024	2023
		£	£
	Amounts falling due within one year:		
	Trade debtors	20,595	27,342
	Other debtors	13,364	9,849
	Prepayments and accrued income	56,847	30,247
		<u> </u>	<u> </u>
		90,806	67,438
		<u> </u>	<u> </u>
16	Creditors: amounts falling due within one year	2024	2023
		£	£
	Other taxation and social security	7,066	6,967
	Trade creditors	65,366	18,007
	Accruals and deferred income	15,203	19,863
		<u> </u>	<u> </u>
		87,635	44,837
		<u> </u>	<u> </u>
17	Endowment funds		
	Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.		
		At 1 July 2023	At 30 June 2024
		£	£
	Permanent endowments		
	48 Lower Street, Stroud	202,500	202,500
		<u> </u>	<u> </u>
	Previous year:	At 1 July 2022	At 30 June 2023
		£	£
	Permanent endowments		
	48 Lower Street, Stroud	202,500	202,500
		<u> </u>	<u> </u>

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Balance at 1 July 2023 £	Movement in funds		Balance at 30 June 2024 £
		Incoming resources £	Resources expended £	
The Peoples Shed	40,700	-	-	40,700
	<u>40,700</u>	<u>-</u>	<u>-</u>	<u>40,700</u>

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 July 2023 £	Incoming resources £	Resources expended £	Transfers £	At 30 June 2024 £
Continuity Fund	250,000	-	-	-	250,000
Hucclecote Renovation Fund	120	-	-	480	600
General funds	2,172,293	1,046,848	(782,132)	(480)	2,436,529
	<u>2,422,413</u>	<u>1,046,848</u>	<u>(782,132)</u>	<u>-</u>	<u>2,687,129</u>
Previous year:	At 1 July 2022	Incoming resources	Resources expended	Transfers	At 30 June 2023
	£	£	£	£	£
Continuity Fund	250,000	-	-	-	250,000
Hucclecote Renovation Fund	-	-	-	120	120
General funds	2,019,562	913,354	(760,503)	(120)	2,172,293
	<u>2,269,562</u>	<u>913,354</u>	<u>(760,503)</u>	<u>-</u>	<u>2,422,413</u>

During the previous year the board decided the the Property and Development Fund was no longer required. Instead, in light of the pandemic, a Continuity Fund was been deemed more appropriate.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

20 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Endowment funds 2024 £	Total 2024 £
At 30 June 2024:				
Tangible assets	1,725,173	40,700	202,500	1,968,373
Investment properties	280,000	-	-	280,000
Current assets/(liabilities)	681,956	-	-	681,956
	<u>2,687,129</u>	<u>40,700</u>	<u>202,500</u>	<u>2,930,329</u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £
At 30 June 2023:				
Tangible assets	1,002,879	40,700	202,500	1,246,079
Investment properties	280,000	-	-	280,000
Current assets/(liabilities)	1,139,534	-	-	1,139,534
	<u>2,422,413</u>	<u>40,700</u>	<u>202,500</u>	<u>2,665,613</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

22 Cash generated from operations

	2024 £	2023 £
Surplus for the year	264,716	152,851
Adjustments for:		
Investment income recognised in statement of financial activities	(20,747)	(14,575)
Depreciation and impairment of tangible fixed assets	17,389	22,893
Movements in working capital:		
(Increase) in debtors	(23,368)	(3,251)
Increase in creditors	42,798	12,578
Cash generated from operations	<u>280,788</u>	<u>170,496</u>

EMMAUS GLOUCESTERSHIRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2024

	Barnwood Road	Hucclecote Road	Restore Lower St. & Central Road	Chequers Cheltenham Road	Nailsworth	Stroud	Esales	Corporate	Total 2024	Total 2023
	£	£	£	£	£	£	£	£	£	£
Income										
Trading income			30,364	271,668	218,566	185,992	42,100	-	748,690	699,309
Rental income	580	9,600	-	-	-	-	-	-	10,180	10,180
Housing benefit	168,599		-	-	-	-	-	-	168,599	106,126
Donations	(1)		-	12,820	10,526	8,170	422	35,032	66,969	61,332
Recycling credits	-		-	3,386	-	5,104	-	34,135	42,625	32,012
Fundraising	-		-	-	-	-	-	-	-	-
Grants & misc.	-		-	-	-	-	-	9,785	9,785	5,050
	169,178	9,600	30,364	287,874	229,092	199,266	42,522	78,952	1,046,848	914,009
Cost of sales										
Retail shop costs	399	-	70	9,236	8,294	6,029	353	670	25,132	22,893
W-shop supplies	-		-	-	-	-	-	-	-	-
Small tools and misc.	-		-	-	-	-	-	-	-	-
Ebay costs	-		-	-	-	-	2,439	-	2,439	14,325
	399	-	70	9,236	8,294	6,029	2,792	670	27,571	37,218
Publicity										
Newsletter	-		-	-	-	-	-	-	-	-
Marketing/PR	-		-	-	-	-	-	2,500	2,500	2,292
Anniversary	-		-	-	-	-	-	-	-	-
Celebration	-		-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	2,500	2,500	2,292

EMMAUS GLOUCESTERSHIRE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2024

	Barnwood Road £	Hucclecote Road £	Restore £	Central Road £	Chequers Road £	Lower Street £	Nailsworth £	Stroud £	Esales £	Corporate £	Total 2024 £	Total 2023 £
Vehicles and travel												
Travel & subsistence	337	-	-	-	5	11	-	-	169	708	1,230	1,953
Companion travel	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	5,045	-	716	-	14,304	-	2,686	4,412	-	451	27,614	27,155
Vehicles insurance	720	-	141	-	3,248	-	650	1,148	-	-	5,907	10,917
	<u>6,102</u>	<u>-</u>	<u>857</u>	<u>-</u>	<u>17,557</u>	<u>11</u>	<u>3,336</u>	<u>5,560</u>	<u>169</u>	<u>1,159</u>	<u>34,751</u>	<u>40,025</u>
Staff costs												
Wages, NI & pens	69,913	-	8,370	-	66,491	31	33,759	36,997	18,410	155,125	389,096	364,449
Recruit/agency costs	3,443	-	-	-	-	-	-	-	24	234	3,701	18,666
Volunteer costs	33	-	-	-	607	-	124	532	-	274	1,570	1,865
	<u>73,389</u>	<u>-</u>	<u>8,370</u>	<u>-</u>	<u>67,098</u>	<u>31</u>	<u>33,883</u>	<u>37,529</u>	<u>18,434</u>	<u>155,633</u>	<u>394,367</u>	<u>384,980</u>

EMMAUS GLOUCESTERSHIRE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2024

	Barnwood Road £	Hucclecote Road £	Restore £	Central Road £	Chequers Road £	Lower Street £	Nailsworth £	Stroud £	Esales £	Corporate £	Total 2024 £	Total 2023 £
Costs of supporting companions												
Allowances	48,446	-	-	-	-	-	-	-	-	-	48,446	43,505
Exps, food, clothing	21,502	-	-	-	42	-	70	-	-	548	22,162	18,611
Entertainment	620	-	-	-	-	-	-	8	-	825	1,453	202
Holidays	10,429	-	-	-	-	-	-	-	-	-	10,429	8,973
Property media	4,019	-	-	-	-	-	-	-	-	-	4,019	4,240
	<u>85,016</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42</u>	<u>-</u>	<u>70</u>	<u>8</u>	<u>-</u>	<u>1,373</u>	<u>86,509</u>	<u>75,531</u>
Training & development												
Companion training	2,602	-	-	-	-	-	-	-	-	286	2,888	787
Staff/trustee/ training	236	-	-	-	-	-	325	-	-	645	1,206	717
Conferences	-	-	-	-	-	-	-	-	-	-	-	-
	<u>2,838</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>325</u>	<u>-</u>	<u>-</u>	<u>931</u>	<u>4,094</u>	<u>1,504</u>

EMMAUS GLOUCESTERSHIRE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2024

	Barnwood Road £	Hucclecote Road £	Restore £	Central Road £	Chequers Road £	Lower Street £	Nailsworth £	Stroud £	Esales £	Corporate £	Total 2024 £	Total 2023 £
Premises												
Rent	-	-	9,480	-	-	1,375	-	27,048	-	-	37,903	43,078
Water, elec. & gas	18,746	-	1,077	1,358	17,723	1,064	2,533	5,631	-	-	48,132	39,673
Rates	1,722	-	101	5,261	1,068	-	282	533	-	-	8,967	6,584
Insurance	2,878	454	1,025	380	5,898	3,004	4,186	3,593	-	1,903	23,321	18,367
Telephone	2,684	-	-	-	1,079	-	1,006	828	137	2,328	8,062	7,039
Comp. & stationery	467	-	-	-	215	124	-	19	7,369	9,470	17,664	9,115
Prem maint/cleaning	18,192	240	240	346	11,375	130	9,160	2,144	220	3,270	45,317	41,820
Repairs & renewals	133	-	-	-	514	-	111	27	-	659	1,444	1,747
Loss on disposal	-	-	-	-	-	-	-	-	-	266	266	-
Deprec & lease w/d	2,946	-	318	-	6,143	-	1,882	2,906	203	2,991	17,389	22,893
Damages - Breach of lease	-	-	-	-	-	-	-	-	-	-	-	-
	47,768	694	12,241	7,345	44,015	5,697	19,160	42,729	7,929	20,887	208,465	190,316
Professional fees												
Audit & prof fees	142	480	-	539	-	8,280	-	-	-	5,396	14,837	15,689
Subscriptions	117	-	-	-	-	-	-	-	-	160	277	1,345
EUK Subs recalculated	-	-	-	-	-	-	-	-	-	-	-	-
	259	480	-	539	-	8,280	-	-	-	5,556	15,114	17,034

EMMAUS GLOUCESTERSHIRE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2024

	Barnwood Road £	Hucclecote Road £	Restore £	Central Road £	Chequers Road £	Lower Street £	Nailsworth £	Cheltenham & Stroud £	Esales £	Corporate £	Total 2024 £	Total 2023 £
Financial costs												
Loan interest	-	-	-	-	-	-	-	-	-	-	-	-
Bank charges	10	-	-	-	-	-	-	-	-	479	489	225
	10	-	-	-	-	-	-	-	-	479	489	225
Solidarity												
Emmaus Int. subs	-	-	-	-	-	-	-	-	-	9,053	9,053	9,478
Solidarity donations	-	-	-	-	-	-	-	-	-	(781)	(781)	1,900
Solidarity exps	-	-	-	-	-	-	-	-	-	-	-	-
Solidarity wages	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	8,272	8,272	11,378
Total costs	215,781	1,174	21,538	7,884	137,948	14,100	65,068	91,855	29,324	197,460	782,132	760,503
Net surplus	(46,603)	8,426	8,826	(7,884)	149,926	(14,100)	164,024	107,411	13,198	(118,508)	264,716	153,506

Accounts

Charity registration number 1067483

Company registration number 03489376 (England and Wales)

EMMAUS GLOUCESTERSHIRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

EMMAUS GLOUCESTERSHIRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr N. Mantle	
	Mr C. Thomas	
	Mrs M. Cheeseman	
	Mrs A. Halliday	(Appointed 1 February 2024)
	Mr M. Watson	(Appointed 1 March 2024)
Secretary	Ms L. Watson	
Charity number	1067483	
Company number	03489376	
Principal address	Chequers Road Gloucester GL4 6PN	
Auditor	Pitt Godden & Taylor LLP Unit 3 Ambrose House Meteor Court Barnett Way Barnwood Gloucester GL4 3GG	
Bankers	Lloyds TSB Bank plc High Street Cheltenham GL50 1EW	
	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	

EMMAUS GLOUCESTERSHIRE

CONTENTS

	Page
Trustees' report	1 - 3
Statement of trustees' responsibilities	4
Independent auditor's report	5 - 7
Statement of financial activities	8 - 9
Summary income and expenditure account	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 22

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 JUNE 2023

The trustees present their annual report and financial statements for the year ended 30 June 2023.

The Trustees confirm the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Our Vision and Mission

Our Vision is a world in which everyone has a home and a sense of belonging.

Our Mission is to work together to overcome homelessness and social exclusion while using our voice to achieve social change.

Objectives and activities

In setting objectives and planning for activities, the Trustees have given due consideration to guidance published by the Charity Commission relating to public benefit, and in particular to its supplementary public benefit guidance.

The objects of the charity are the alleviation of homelessness and relief of poverty, hardship and the distress they cause to those in need. The objects are specifically restricted to the alleviation and relief of poverty, hardship and distress arising therefrom, in conformance with the principles of the Emmaus Movement as published from time to time by Emmaus UK, to those in need without distinction by:

- The provision of accommodation, or assistance in such provision, for homeless people in the Gloucestershire area and such other places as may seem appropriate from time to time (the beneficiaries).
- The rehabilitation of the beneficiaries as appropriate and the provision of education, training (including, without limitation, employment training) and work opportunities and satisfaction for the beneficiaries with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.
- The support of the work of other Emmaus Communities and Emmaus Groups or other agencies in the relief of poverty and homelessness whether in the United Kingdom or elsewhere in the world and in particular (without limitation) by the exchange of resources, information and expertise with other Emmaus Movement projects worldwide.
- The fulfilling of such other purposes as may from time to time be recognised by English Law as being charitable and which the Charity shall from time to time determine.

Approach to achieving Charitable objects

Emmaus Gloucestershire provides a home, 40 hours of meaningful activity in our social enterprise each week, training and support for previously homeless or socially excluded individuals, known as 'Emmaus companions'. An unemployed, homeless or vulnerably housed person becomes a companion upon joining Emmaus Gloucestershire as a resident. Companions work together with volunteers and employees collecting, upcycling and selling donated goods in our five retail outlets. All companions have the opportunity to gain new skills and experiences in a working enterprise and, most importantly, regain self-respect, esteem and purpose whilst working to support others in greater need than themselves.

Emmaus Gloucestershire currently offers 26 bed spaces for companions. Companions sign off primary benefits and receive accommodation, food, clothing, a weekly allowance, resettlement support and access to structured support and personal development.

Opportunities are provided to gain new skills, undergo training and work as part of a team to achieve personal goals, contribute to the success of the business activities and provide assistance to others who are in need.

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

Achievements and performance

The 2022-2023 financial year saw a significant upturn in sales from the previous years. Charity shops enjoyed the combination of good levels of items being donated and healthy demand and sales.

Our strategic aim is to diversify our income streams over time and increase the range of skills and activities to companions.

The external independent review of the employee roles and salaries was completed and implemented ensuring our pay is in line with comparable market roles.

Operational Performance

Emmaus Gloucestershire generated 81% of its income through its social enterprise business in 2022-2023. The remainder 12% came from Housing benefit and 7% from general donations, grants and legacies.

During the year 9,469 daily bed spaces were provided 1,460 daily bed spaces were set aside on a solidarity basis (for which no housing benefit was granted).

Solidarity

The Emmaus Movement established by Abbe Pierre was founded on the concept of 'Solidarity' this means helping and working for others who are less fortunate than ourselves. Solidarity works at three levels: local, national, and international. Emmaus Gloucestershire contributes at each of these levels with companions, volunteers, staff and trustees all being involved. These contributions are not only financial but also include sharing, expertise, experience, moral support and encouragement.

Financial review

The total income for the year ending 30 June 2023 was £913,354 which was £176,297 more than the income for the previous year.

The total expenditure for the year ending 30 June 2023 was £760,503 which was £14,218 more than the expenditure for the previous year.

The net surplus for the year to 30 June 2023 was £152,851 which was £163,011 more than previous years small deficit. This surplus represents 16.7% of total income.

Reserves

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a minimum of three months expenditure (at current expenditure levels this equates to £190,125).

At the renewal of our business continuity insurance (which included pandemic insurance up to £250,000) we were advised this was withdrawn. Trustees took a decision to self-insure and set aside £250,000 designated for this purpose.

While the level of reserves held currently exceeds this level the purchase of new retail premises at Cheltenham and ongoing maintenance on one property will significantly reduce this amount over the next financial year.

Risk management

Trustees have in place risk management procedures, policies and a risk register which aims to manage and mitigate foreseeable risks that the charity might face.

The risk register is used as a dynamic tool by the management team. It is reviewed regularly by all Committees and the Board of Trustees. The chief executive has overall responsibility for monitoring the risks and ensuring appropriate and timely mitigations are put in place.

Good risk management is not about paperwork and expansive risk registers it is about a contemporary thorough knowledge of the business and wider environment it operates in. Early identification of the threats and timely responses are crucial to mitigating or avoiding threats.

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

Emmaus Gloucestershire's ten-year strategy is to diversify sources of income and improve the accommodation offered to companions.

The board has had an offer accepted for the purchase of a freehold retail premises in Bath Road Cheltenham.

Following completion, of the sale the property will be upgraded and adapted to provide a new charity shop in an excellent location in Cheltenham and in the future, office accommodation above.

Structure, governance and management

The Board is responsible for the strategic direction and policy of the charity. The board meets at least quarterly and is underpinned by a committee structure. The Business and Finance Committee, HR Committee, Policy and Practice Committee and External Affairs Committee met at least quarterly to review performance and to agree priorities for the quarter ahead.

The Board of Trustees has adopted the NCVO Code of Good Governance, and reviews the structures and workings accordingly.

The HR Committee meets annually to agree the remuneration of the Chief Executive and all employees, so as to reward and motivate employees to an affordable extent.

A delegation framework is in place, with the day to day responsibility for the operations of the charity resting with the Chief Executive. The Chief Executive is responsible for ensuring that the charity delivers the activities specified in an annual operational plan and that key performance indicators are met.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr M. Heap	(Resigned 1 August 2023)
Mr M. Hudson	(Resigned 7 March 2024)
Ms A. Beddoes	(Resigned 1 August 2023)
Mr N. Mantle	
Mr C. Thomas	
Mrs M. Cheeseman	
Mrs A. Halliday	(Appointed 1 February 2024)
Mr M. Watson	(Appointed 1 March 2024)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

An annual skills audit of the Board of Trustees identifies gaps, and an open recruitment process for new Trustees takes place. This involves advertisement on Emmaus websites, and through specialist volunteering websites such as Volunteering Glos, Trustees Unlimited and REACH. An application and interview process takes place. Proposed appointments of new trustees must be approved by the Board of Trustees; following a successful application references and a DBS check are taken up.

The trustees' report was approved by the Board of Trustees and signed on their behalf by:

Mr C. Thomas

Trustee

Dated: 25 March 2024

EMMAUS GLOUCESTERSHIRE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 30 JUNE 2023

The trustees, who are also the directors of Emmaus Gloucestershire for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

Opinion

We have audited the financial statements of Emmaus Gloucestershire (the 'charity') for the year ended 30 June 2023 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 30 June 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 twelve 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 the trustees 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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 engagement partner ensured that the engagement team collectively has the appropriate competence, skills and ability to identify any non-compliance with laws and regulations.
- We identified the laws and regulations applicable to the academy via discussions with the management and from our own knowledge of the sector in which the client operates. We focused on the laws which we considered were of particular significance to the charity operations, which included the Companies Act 2006, the Charities Act 2011, health & safety regulations, safeguarding, employment law and data protection.
- We assessed the extent of the compliance with the laws and regulations identified through enquiries with management and also detailed testing of the systems and controls.

We assess the susceptibility of the charity 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 and whether they have any knowledge of any actual, suspected or alleged fraud; and
- we documented, assessed and tested the internal controls in place to reduce the likelihood of any incidences of fraud or non-compliance.

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

- performed analytical review procedures;
- reviewed and sample tested journal entries to confirm that they were genuine transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- reviewed a sample of expenditure transactions from the charity records for appropriate authorisation.

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 the disclosures in the financial statements to underlying documentation;
- reviewing the minutes of those charged with governance;
- enquiring of management as to actual potential claims and liabilities; and
- reviewing legal and professional costs incurred in the period.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

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 directors and other management and the inspection of any relevant regulatory correspondence.

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: <https://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 trustees, as a body, in accordance with section 144* of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Pitt Godden & Taylor LLP

25 March 2024

**Chartered Accountants
Statutory Auditor**

Unit 3 Ambrose House
Meteor Court
Barnett Way
Barnwood
Gloucester
GL4 3GG

Pitt Godden & Taylor LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EMMAUS GLOUCESTERSHIRE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2023

Current financial year		Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
Income and endowments from:						
Donations and legacies	3	61,324	-	-	61,324	252,698
Charitable activities	4	106,126	-	-	106,126	90,216
Other trading activities	5	731,329	-	-	731,329	585,979
Investments	6	14,575	-	-	14,575	9,693
Other income	7	-	-	-	-	971
Total income and endowments		913,354	-	-	913,354	939,557
Charitable activities	8	760,503	-	-	760,503	747,217
Net gains on investments	11	-	-	-	-	137,000
Net income and movement in funds		152,851	-	-	152,851	329,340
Reconciliation of funds:						
Fund balances at 1 July 2022		2,269,562	40,700	202,500	2,512,762	2,183,422
Fund balances at 30 June 2023		2,422,413	40,700	202,500	2,665,613	2,512,762

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

EMMAUS GLOUCESTERSHIRE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

Prior financial year		Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
	Notes				
Income and endowments from:					
Donations and legacies	3	50,198	-	202,500	252,698
Charitable activities	4	90,216	-	-	90,216
Other trading activities	5	585,979	-	-	585,979
Investments	6	9,693	-	-	9,693
Other income	7	971	-	-	971
Total income and endowments		737,057	-	202,500	939,557
Charitable activities	8	747,217	-	-	747,217
Net gains on investments	11	137,000	-	-	137,000
Net income and movement in funds		126,840	-	202,500	329,340
Reconciliation of funds:					
Fund balances at 1 July 2021		2,142,722	40,700	-	2,183,422
Fund balances at 30 June 2022		2,269,562	40,700	202,500	2,512,762

EMMAUS GLOUCESTERSHIRE

SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2023

	All income funds	
	2023	2022
	£	£
Gross income	913,354	737,057
(Losses)/gains on investments	-	137,000
Total income in the reporting period	913,354	874,057
Total expenditure from income funds	760,503	747,217
Net income for the year	152,851	126,840

EMMAUS GLOUCESTERSHIRE

BALANCE SHEET

AS AT 30 JUNE 2023

		2023	2022
	Notes	£	£
Fixed assets			
Tangible assets	13	1,246,079	1,237,534
Investment property	14	280,000	280,000
		<u>1,526,079</u>	<u>1,517,534</u>
Current assets			
Debtors	16	67,438	64,187
Cash at bank and in hand		1,116,933	963,300
		<u>1,184,371</u>	<u>1,027,487</u>
Creditors: amounts falling due within one year	17	44,837	32,259
		<u></u>	<u></u>
Net current assets		1,139,534	995,228
Total assets less current liabilities		<u>2,665,613</u>	<u>2,512,762</u>
The funds of the charity			
Endowment funds	18	202,500	202,500
Restricted income funds	19	40,700	40,700
Unrestricted funds		2,422,413	2,269,562
		<u>2,665,613</u>	<u>2,512,762</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 25 March 2024

Mr C. Thomas
Trustee

Company registration number 03489376 (England and Wales)

EMMAUS GLOUCESTERSHIRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	23		170,496		187,206
Investing activities					
Purchase of tangible fixed assets		(31,438)		(224,104)	
Proceeds on disposal of tangible fixed assets		-		4,290	
Interest received		14,575		9,693	
Net cash used in investing activities			(16,863)		(210,121)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			153,633		(22,915)
Cash and cash equivalents at beginning of year			963,300		986,215
Cash and cash equivalents at end of year			1,116,933		963,300

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

Charity information

Emmaus Gloucestershire is a private company limited by guarantee incorporated in England and Wales. The registered office is Chequers Warehouse, Chequers Road, Gloucester, GL4 6PN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Resources expended are accounted for on an accruals basis.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the statement of financial activities. Items costing less than £1,000 are written off as an expense as acquired.

Tangible fixed assets are included in the Balance Sheet at cost less accumulated depreciation, or at estimated value at the date of donation less the associated accumulated depreciation.

Depreciation is calculated to write off the cost or valuation of fixed assets, less their estimated residual values, over their estimated useful economic lives, at the following rates :-

Land and buildings	Freehold is depreciated by nil. Leasehold is depreciated over the term of the lease.
Plant and machinery	25% straight line
Fixtures, fittings & equipment	10/20% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Shop stock comprises of donated items, some of which have been refurbished for sale by companions. As these items are donated, they are not held at any value on the financial statements.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations

	Unrestricted funds £	Endowment funds general £	Total 2023 £	Total 2022 £
Donations and gifts	61,324	-	61,324	252,698
For the year ended 30 June 2022	50,198	202,500		252,698
Donations and gifts				
Other	61,324	-	61,324	252,698
	61,324	-	61,324	252,698
Grants receivable for core activities				
	-	-	-	-

4 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Heading #ac989		
Housing benefit	106,126	90,216

5 Other trading activities

	2023 £	2022 £
Shop income	731,329	585,979

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

6 Investment income

	2023 £	2022 £
Rental income	9,525	9,300
Interest receivable	5,050	393
	<u>14,575</u>	<u>9,693</u>

7 Other income

	2023 £	2022 £
Other income	-	316
Insurance received	-	46,992
	<u>-</u>	<u>971</u>

8 Charitable activities

	2023 £	2022 £
Staff costs	364,449	349,930
Depreciation and impairment	22,893	21,513
Other costs	366,862	369,441
Audit and bookkeeping fees	6,299	6,333
	<u>760,503</u>	<u>747,217</u>

Included in audit and bookkeeping fees is auditors remuneration of £4,000 (2022: £4,000)

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Trustees indemnity insurance was purchased during the year at a cost of £nil (2022- £434).

Trustees travel expenses of £66 (2022- £54) have been met by the charity.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Shop/warehouse	6	6
Office/admin	5	5
Companion support	2	2
	<u>13</u>	<u>13</u>

Employment costs

	2023 £	2022 £
Wages and salaries	364,449	349,930
	<u>364,449</u>	<u>349,930</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Gains and losses on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Revaluation of investment properties	-	137,000
	<u>-</u>	<u>137,000</u>

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

13 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 July 2022	1,210,563	7,081	86,422	99,317	1,403,383
Additions	31,065	-	373	-	31,438
Disposals	-	-	-	(5,950)	(5,950)
At 30 June 2023	1,241,628	7,081	86,795	93,367	1,428,871
Depreciation and impairment					
At 1 July 2022	27,689	7,081	46,836	84,243	165,849
Depreciation charged in the year	1,804	-	12,754	8,335	22,893
Eliminated in respect of disposals	-	-	-	(5,950)	(5,950)
At 30 June 2023	29,493	7,081	59,590	86,628	182,792
Carrying amount					
At 30 June 2023	1,212,135	-	27,205	6,739	1,246,079
At 30 June 2022	1,182,874	-	39,586	15,074	1,237,534

The Nailsworth leasehold included in land and buildings is depreciated over its lease term which expires in 2115.

14 Investment property

	2023 £
Fair value	
At 1 July 2022 and 30 June 2023	280,000

The fair value of the investment property has been arrived at on the basis of a valuation carried out in March 2021 by B. Sawers of Farr and Farr, who are not connected with the charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

	2023 £	2022 £
Freehold	280,000	280,000

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

15 Financial instruments	2023	2022
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	27,667	5,484
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	37,870	24,910
	<u> </u>	<u> </u>
16 Debtors	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	27,342	6,270
Other debtors	9,849	8,535
Prepayments and accrued income	30,247	49,382
	<u> </u>	<u> </u>
	67,438	64,187
	<u> </u>	<u> </u>
17 Creditors: amounts falling due within one year	2023	2022
	£	£
Other taxation and social security	6,967	7,349
Trade creditors	18,007	11,515
Other creditors	-	2,834
Accruals and deferred income	19,863	10,561
	<u> </u>	<u> </u>
	44,837	32,259
	<u> </u>	<u> </u>

18 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 July 2022	Incoming resources	At 30 June 2023
	£	£	£
Permanent endowments			
48 Lower Street, Stroud	202,500	-	202,500
	<u> </u>	<u> </u>	<u> </u>

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

18 Endowment funds

(Continued)

Previous year:	At 1 July 2021	Incoming resources	At 30 June 2022
	£	£	£
Permanent endowments			
48 Lower Street, Stroud	-	202,500	202,500

19 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Balance at 1 July 2022	Movement in funds		Balance at 30 June 2023
	£	Incoming resources	Resources expended	£
		£	£	
The Peoples Shed	40,700	-	-	40,700
	40,700	-	-	40,700

20 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	Total
	2023	2023	2023	2023
	£	£	£	£
Fund balances at 30 June 2023 are represented by:				
Tangible assets	1,002,879	40,700	202,500	1,246,079
Investment properties	280,000	-	-	280,000
Current assets/(liabilities)	1,139,534	-	-	1,139,534
	2,422,413	40,700	202,500	2,665,613

	Unrestricted funds	Restricted funds	Endowment funds	Total
	2022	2022	2022	2022
	£	£	£	£
Fund balances at 30 June 2022 are represented by:				
Tangible assets	994,334	40,700	202,500	1,237,534
Investment properties	280,000	-	-	280,000
Current assets/(liabilities)	995,228	-	-	995,228
	2,269,562	40,700	202,500	2,512,762

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

21 Designated funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Movement in funds			
	Balance at 1 July 2021	Incoming resources	Balance at 1 July 2022	Transfers
	£	£	£	£
Continuity Fund	250,000	-	250,000	-
Hucclecote Renovation Fund	-	-	-	120
	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>120</u>
	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>120</u>

During the previous year the board decided the the Property and Development Fund was no longer required. Instead, in light of the pandemic, a Continuity Fund was been deemed more appropriate.

22 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

23 Cash generated from operations

	2023 £	2022 £
Surplus for the year	152,851	329,340
Adjustments for:		
Investment income recognised in statement of financial activities	(14,575)	(9,693)
Fair value gains and losses on investment properties	-	(137,000)
Depreciation and impairment of tangible fixed assets	22,893	21,513
Movements in working capital:		
(Increase) in debtors	(3,251)	(4,575)
Increase/(decrease) in creditors	12,578	(12,379)
Cash generated from operations	<u>170,496</u>	<u>187,206</u>

Accounts

Charity registration number 1067483

Company registration number 03489376 (England and Wales)

EMMAUS GLOUCESTERSHIRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

EMMAUS GLOUCESTERSHIRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr M. Heap Mr M. Hudson Ms A. Beddoes Mr N. Mantle Mr C. Thomas Mrs M. Cheeseman
Secretary	Mr J. Feeley
Charity number	1067483
Company number	03489376
Principal address	Chequers Road Gloucester GL4 6PN
Auditor	Pitt Godden & Taylor LLP Unit 3 Ambrose House Meteor Court Barnett Way Barnwood Gloucester GL4 3GG
Bankers	Lloyds TSB Bank plc High Street Cheltenham GL50 1EW CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

EMMAUS GLOUCESTERSHIRE

CONTENTS

	Page
Trustees' report	1 - 4
Statement of trustees' responsibilities	5
Independent auditor's report	6 - 8
Statement of financial activities	9 - 10
Summary income and expenditure account	11
Balance sheet	12 - 13
Statement of cash flows	14
Notes to the financial statements	15 - 26

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 30 JUNE 2022

The trustees present their annual report and financial statements for the year ended 30 June 2022.

The Trustees confirm the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Our Vision and Mission

Our Vision is a world in which everyone has a home and a sense of belonging.

Our Mission is to work together to overcome homelessness and social exclusion while using our voice to achieve social change.

Objectives and activities

In setting objectives and planning for activities, the Trustees have given due consideration to guidance published by the Charity Commission relating to public benefit, and in particular to its supplementary public benefit guidance.

The objects of the charity are the alleviation of homelessness and relief of poverty, hardship and the distress they cause to those in need. The objects are specifically restricted to the alleviation and relief of poverty, hardship and distress arising therefrom, in conformance with the principles of the Emmaus Movement as published from time to time by Emmaus UK, to those in need without distinction by:

- The provision of accommodation, or assistance in such provision, for homeless people in the Gloucestershire area and such other places as may seem appropriate from time to time (the beneficiaries).
- The rehabilitation of the beneficiaries as appropriate and the provision of education, training (including, without limitation, employment training) and work opportunities and satisfaction for the beneficiaries with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.
- The support of the work of other Emmaus Communities and Emmaus Groups or other agencies in the relief of poverty and homelessness whether in the United Kingdom or elsewhere in the world and in particular (without limitation) by the exchange of resources, information and expertise with other Emmaus Movement projects worldwide.
- The fulfilling of such other purposes as may from time to time be recognised by English Law as being charitable and which the Charity shall from time to time determine.

Approach to achieving Charitable objects

Emmaus Gloucestershire provides a home, 40 hours of meaningful activity in our social enterprise each week, training and support for previously homeless or socially excluded individuals, known as 'Emmaus companions'. An unemployed, homeless or vulnerably housed person becomes a companion upon joining Emmaus Gloucestershire as a resident. Companions work together with volunteers and employees collecting, upcycling and selling donated goods in our five retail outlets. All companions have the opportunity to gain new skills and experiences in a working enterprise and, most importantly, regain self-respect, esteem and purpose whilst working to support others in greater need than themselves.

Emmaus Gloucestershire currently offers 26 bed spaces for companions. Companions sign off primary benefits and receive accommodation, food, clothing, a weekly allowance, resettlement support and access to structured support and personal development.

Opportunities are provided to gain new skills, undergo training and work as part of a team to achieve personal goals, contribute to the success of the business activities and provide assistance to others who are in need.

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

Achievements and performance

In many ways the 2021-22 financial year was more financially challenging than the previous two years.

With Government Grants and donations from charities and grant giving bodies being much more restricted. In addition to this we had our first cases of Covid affecting companions and staff; this led, at times to the closure and limitations on our retail outlets and the inevitable loss of income.

Footfall to all of our retail outlets was slow to returning to pre-pandemic levels.

However, all of our companions and staff came through the pandemic without any apparent long-term health issues. Indeed, many companions secured full-time employment during this year which has been a great achievement.

Our strategic aim to diversify our income streams and increasing the range of skills and activities available to companions is still very much our priority.

Financial review

The total income for year ending 30 June 2022 was £737,057 which was £135,506 less than the income for the previous year.

The total expenditure for year ending 30 June 2022 was £747,217 which was £49,149 less than the expenditure for the previous year.

The net deficit for the year to 30 June 2022 was £10,160 which was £86,357 less than the previous year surplus. This was as a result of a £52,000 cost for dilapidations on the Cheltenham shop at the agreed termination of the lease. This was a one-off cost that caused the annual deficit.

This operational deficit represents 1.4% of total income which given the challenging year of transition, emerging from the Covid pandemic is understandable particularly as the deficit is due mainly to the one-off payment to break a lease early. All efforts are being made to return retail income to pre-Covid levels during the next financial year.

Reserves

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a minimum of three months expenditure (at current expenditure levels this equates to £186,804).

At the renewal of our business continuity insurance (which included pandemic insurance up to £250,000) we were advised this was withdrawn. Trustees took a decision to self-insure and set aside £250,000 designated for this purpose.

While the level of reserves held currently far exceeds this level, the trustees are conscious that one of their properties is going to require some major investment in the very near future and the need to diversify income to reduce the reliance on High Street retail and the surplus funds will be vital when the time arrives.

Operational performance

Emmaus Gloucestershire generated 80% of its income through its social enterprise business in 2021/22. The remainder 12% came from housing benefit, 8% from general donations, grants, and legacies.

During the year 9,490 daily bed spaces were provided. 1,460 daily bed spaces were set aside on a solidarity basis (for which no housing benefit was claimed).

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

Risk management

Trustees have in place risk management procedures, policies and a risk register which aims to manage and mitigate foreseeable risks that the charity might face.

The risk register is used as a dynamic tool by the management team. It is reviewed regularly by all Committees and the Board of Trustees. The chief executive has overall responsibility for monitoring the risks and ensuring appropriate and timely mitigations are put in place.

Good risk management is not about paperwork and expansive risk registers it is about a contemporary thorough knowledge of the business and wider environment it operates in. Early identification of the threats and timely responses are crucial to mitigating or avoiding threats.

Solidarity

The Emmaus movement established by Abbé Pierre was founded on the concept of "Solidarity" - this means helping and working for others who are less fortunate than ourselves. Solidarity works at three levels: local, national and international. Emmaus Gloucestershire contributes at each of these levels with companions, volunteers, staff and Trustees all being involved. These contributions are not only financial but also include sharing, expertise, experience, moral support and encouragement.

Future plans

Emmaus UK have agreed a revised UK 5-year strategy, we were part way through developing a new strategy when Covid-19 struck. The very important lessons from Covid-19 and the accelerated decline of the High Street retail market will inform the strategy for taking Emmaus Gloucestershire forward over the next ten years.

The Board has commissioned an external review of all employee salaries to ensure our pay is in line and comparable to the market for all roles.

Structure, governance and management

The Board is responsible for the strategic direction and policy of the charity. The board meets at least quarterly and is underpinned by a committee structure. The Business and Finance Committee, HR Committee, Policy and Practice Committee and External Affairs Committee met at least quarterly to review performance and to agree priorities for the quarter ahead.

The Board of Trustees has adopted the NCVO Code of Good Governance, and reviews the structures and workings accordingly.

The HR Committee meets annually to agree the remuneration of the Chief Executive and all employees, so as to reward and motivate employees to an affordable extent.

A delegation framework is in place, with the day to day responsibility for the operations of the charity resting with the Chief Executive. The Chief Executive is responsible for ensuring that the charity delivers the activities specified in an annual operational plan and that key performance indicators are met.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr M. Heap

Mr M. Hudson

Ms A. Beddoes

Mr N. Mantle

Mr C. Thomas

Mrs M. Cheeseman

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 30 JUNE 2022*

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

An annual skills audit of the Board of Trustees identifies gaps, and an open recruitment process for new Trustees takes place. This involves advertisement on Emmaus websites, and through specialist volunteering websites such as Volunteering Glos, Trustees Unlimited and REACH. An application and interview process takes place. Proposed appointments of new trustees must be approved by the Board of Trustees; following a successful application references and a DBS check are taken up.

The trustees' report was approved by the Board of Trustees and signed on their behalf by:

Mr C. Thomas

Trustee

Dated: 27 March 2023

EMMAUS GLOUCESTERSHIRE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 30 JUNE 2022

The trustees, who are also the directors of Emmaus Gloucestershire for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

Opinion

We have audited the financial statements of Emmaus Gloucestershire (the 'charity') for the year ended 30 June 2022 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 30 June 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 twelve 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 the trustees 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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 engagement partner ensured that the engagement team collectively has the appropriate competence, skills and ability to identify any non-compliance with laws and regulations.
- We identified the laws and regulations applicable to the academy via discussions with the management and from our own knowledge of the sector in which the client operates. We focused on the laws which we considered were of particular significance to the charity operations, which included the Companies Act 2006, the Charities Act 2011, health & safety regulations, safeguarding, employment law and data protection.
- We assessed the extent of the compliance with the laws and regulations identified through enquiries with management and also detailed testing of the systems and controls.

We assess the susceptibility of the charity 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 and whether they have any knowledge of any actual, suspected or alleged fraud; and
- we documented, assessed and tested the internal controls in place to reduce the likelihood of any incidences of fraud or non-compliance.

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

- performed analytical review procedures;
- reviewed and sample tested journal entries to confirm that they were genuine transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- reviewed a sample of expenditure transactions from the charity records for appropriate authorisation.

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 the disclosures in the financial statements to underlying documentation;
- reviewing the minutes of those charged with governance;
- enquiring of management as to actual potential claims and liabilities; and
- reviewing legal and professional costs incurred in the period.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

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 directors and other management and the inspection of any relevant regulatory correspondence.

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: <https://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 trustees, as a body, in accordance with section 144* of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Pitt Godden & Taylor LLP

27 March 2023

**Chartered Accountants
Statutory Auditor**

Unit 3 Ambrose House
Meteor Court
Barnett Way
Barnwood
Gloucester
GL4 3GG

Pitt Godden & Taylor LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EMMAUS GLOUCESTERSHIRE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 JUNE 2022

Current financial year

		Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Total 2021 £
	Notes					
<u>Income and endowments from:</u>						
Donations	3	50,198	-	202,500	252,698	333,217
Housing benefits	4	90,216	-	-	90,216	144,136
Other trading activities	5	585,979	-	-	585,979	392,112
Investment income	6	9,693	-	-	9,693	2,548
Other income	7	971	-	-	971	550
Total income and endowments		737,057	-	202,500	939,557	872,563
<u>Expenditure on:</u>						
Charitable activities	8	747,217	-	-	747,217	796,366
Net gains/(losses) on investments	11	137,000	-	-	137,000	-
Net movement in funds		126,840	-	202,500	329,340	76,197
Fund balances at 1 July 2021		2,142,722	40,700	-	2,183,422	2,107,225
Fund balances at 30 June 2022		2,269,562	40,700	202,500	2,512,762	2,183,422

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

EMMAUS GLOUCESTERSHIRE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes			
<u>Income and endowments from:</u>				
Donations	3	292,517	40,700	333,217
Housing benefits	4	144,136	-	144,136
Other trading activities	5	392,112	-	392,112
Investment income	6	2,548	-	2,548
Other income	7	550	-	550
Total income and endowments		831,863	40,700	872,563
<u>Expenditure on:</u>				
Charitable activities	8	796,366	-	796,366
Net gains/(losses) on investments	11	-	-	-
Net movement in funds		35,497	40,700	76,197
Fund balances at 1 July 2020		2,107,225	-	2,107,225
Fund balances at 30 June 2021		2,142,722	40,700	2,183,422

EMMAUS GLOUCESTERSHIRE

SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2022

	All income funds	
	2022	2021
	£	£
Gross income	737,057	872,563
Gains on investments	137,000	-
Total income in the reporting period	874,057	872,563
Total expenditure from income funds	747,217	796,366
Net income for the year	126,840	76,197

EMMAUS GLOUCESTERSHIRE

BALANCE SHEET

AS AT 30 JUNE 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12	1,237,534		1,182,233	
Investment properties	13	280,000		-	
		<u>1,517,534</u>		<u>1,182,233</u>	
Current assets					
Debtors	15	64,187		59,612	
Cash at bank and in hand		963,300		986,215	
		<u>1,027,487</u>		<u>1,045,827</u>	
Creditors: amounts falling due within one year	16	(32,259)		(44,638)	
Net current assets		<u>995,228</u>		<u>1,001,189</u>	
Total assets less current liabilities		<u>2,512,762</u>		<u>2,183,422</u>	
Capital funds					
Endowment funds - general	17	202,500		-	
Income funds					
Restricted funds	18	40,700		40,700	
<u>Unrestricted funds</u>					
Designated funds	19	250,000		250,000	
General unrestricted funds		<u>2,019,562</u>		<u>1,892,722</u>	
		<u>2,269,562</u>		<u>2,142,722</u>	
		<u>2,512,762</u>		<u>2,183,422</u>	

EMMAUS GLOUCESTERSHIRE

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2022

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 27 March 2023

Mr C. Thomas
Trustee

Company registration number 03489376

EMMAUS GLOUCESTERSHIRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	22		187,206		73,440
Investing activities					
Purchase of tangible fixed assets		(224,104)		(86,704)	
Proceeds on disposal of tangible fixed assets		4,290		(21)	
Interest received		9,693		2,548	
Net cash used in investing activities			(210,121)		(84,177)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(22,915)		(10,737)
Cash and cash equivalents at beginning of year			986,215		996,952
Cash and cash equivalents at end of year			963,300		986,215

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

Charity information

Emmaus Gloucestershire is a private company limited by guarantee incorporated in England and Wales. The registered office is Chequers Warehouse, Chequers Road, Gloucester, GL4 6PN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Resources expended are accounted for on an accruals basis.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the statement of financial activities. Items costing less than £1,000 are written off as an expense as acquired.

Tangible fixed assets are included in the Balance Sheet at cost less accumulated depreciation, or at estimated value at the date of donation less the associated accumulated depreciation.

Depreciation is calculated to write off the cost or valuation of fixed assets, less their estimated residual values, over their estimated useful economic lives, at the following rates :-

Land and buildings	Freehold is depreciated by nil. Leasehold is depreciated over the term of the lease.
Plant and machinery	25% straight line
Fixtures, fittings & equipment	10/20% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Shop stock comprises of donated items, some of which have been refurbished for sale by companions. As these items are donated, they are not held at any value on the financial statements.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations

	Unrestricted funds	Restricted funds	Endowment funds general	Total 2022	Total 2021
	£	£	£	£	£
Donations and gifts	50,198	-	202,500	252,698	69,815
Grants received	-	-	-	-	263,402
	50,198	-	202,500	252,698	333,217
For the year ended 30 June 2021	292,517	40,700	-		333,217
Donations and gifts					
Donations	-	-	-	-	48,343
Gift aid donations	-	-	-	-	21,472
Other	50,198	-	202,500	252,698	-
	50,198	-	202,500	252,698	69,815
Grants receivable for core activities					
COVID-19 support	-	-	-	-	82,261
Coronavirus Job Retention Scheme	-	-	-	-	55,441
The Julia and Hans Rausing Trust	-	-	-	-	80,000
Rayne Fund	-	-	-	-	40,700
Schroder Charity Trust	-	-	-	-	5,000
	-	-	-	-	263,402

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

4 Housing benefits

	Housing benefits 2022 £	Housing benefits 2021 £
Housing benefit	90,216	144,136

5 Other trading activities

	2022 £	2021 £
Shop income	585,979	383,401
Fundraising events	-	8,711
Other trading activities	585,979	392,112

6 Investment income

	2022 £	2021 £
Rental income	9,300	2,186
Interest receivable	393	362
	9,693	2,548

7 Other income

	2022 £	2021 £
Other income	971	316
Insurance received	-	46,992
	971	550

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

8 Charitable activities

	2022 £	2021 £
Staff costs	349,930	386,987
Depreciation and impairment	21,513	23,167
Other costs	369,441	379,932
Governance costs	6,333	6,280
	<u>747,217</u>	<u>796,366</u>

Included in governance costs is auditors remuneration of £4,000 (2020: £4,000)

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Trustees indemnity insurance was purchased during the year at a cost of £434 (2021- £433).

Trustees travel expenses of £54 (2021- £72) have been met by the charity.

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Shop/warehouse	6	6
Office/admin	5	5
Companion support	2	3
	<u>13</u>	<u>14</u>

Employment costs

	2022 £	2021 £
Wages and salaries	<u>349,930</u>	<u>386,987</u>

There were no employees whose annual remuneration was £60,000 or more.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

11 Net gains/(losses) on investments

	Unrestricted funds	Total
	2022 £	2021 £
Revaluation of investment properties	137,000	-

12 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 July 2021	1,150,031	7,081	75,413	97,140	1,329,665
Additions	203,532	-	18,395	2,177	224,104
Disposals	-	-	(7,386)	-	(7,386)
Transfer to investment property	(143,000)	-	-	-	(143,000)
At 30 June 2022	1,210,563	7,081	86,422	99,317	1,403,383
Depreciation and impairment					
At 1 July 2021	25,885	7,081	38,513	75,953	147,432
Depreciation charged in the year	1,804	-	11,419	8,290	21,513
Eliminated in respect of disposals	-	-	(3,096)	-	(3,096)
At 30 June 2022	27,689	7,081	46,836	84,243	165,849
Carrying amount					
At 30 June 2022	1,182,874	-	39,586	15,074	1,237,534
At 30 June 2021	1,124,146	-	36,900	21,187	1,182,233

The Nailsworth leasehold included in land and buildings is depreciated over its lease term which expires in 2115.

13 Investment property

	2022 £
Fair value	
At 1 July 2021	-
Transfers from owner-occupied property	143,000
Net gains or losses through fair value adjustments	137,000
At 30 June 2022	280,000

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

13 Investment property

(Continued)

The fair value of the investment property has been arrived at on the basis of a valuation carried out at Farr and Farr by B. Sawers, who are not connected with the charity. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

	2022 £	2021 £
Freehold	280,000	-
Long leasehold	-	-
Short leasehold	-	-
	<u> </u>	<u> </u>

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

14	Financial instruments	2022	2021
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	5,484	13,361
		<u></u>	<u></u>
	Carrying amount of financial liabilities		
	Measured at amortised cost	24,910	44,638
		<u></u>	<u></u>
15	Debtors	2022	2021
		£	£
	Amounts falling due within one year:		
	Trade debtors	6,270	2,361
	Other debtors	8,535	17,189
	Prepayments and accrued income	49,382	40,062
		<u></u>	<u></u>
		64,187	59,612
		<u></u>	<u></u>
16	Creditors: amounts falling due within one year	2022	2021
		£	£
	Other taxation and social security	7,349	-
	Trade creditors	11,515	20,516
	Other creditors	2,834	2,991
	Accruals and deferred income	10,561	21,131
		<u></u>	<u></u>
		32,259	44,638
		<u></u>	<u></u>
17	Endowment funds		

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Movement in funds		Movement in funds	
	Incoming resources	Balance at 1 July 2021	Incoming resources	Balance at 30 June 2022
	£	£	£	£
Permanent endowments				
48 Lower Street, Stroud	-	-	202,500	202,500
	<u></u>	<u></u>	<u></u>	<u></u>
	-	-	202,500	202,500
	<u></u>	<u></u>	<u></u>	<u></u>

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 July 2021	Movement in funds		Balance at 30 June 2022
	£	Incoming resources £	Resources expended £	£
The Peoples Shed	40,700	-	-	40,700
	<u>40,700</u>	<u>-</u>	<u>-</u>	<u>40,700</u>

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		Balance at 30 June 2022
	Balance at 1 July 2020 £	Incoming resources £	Balance at 1 July 2021 £	Incoming resources £	£
Continuity Fund	250,000	-	250,000	-	250,000
	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>

During the previous year the board decided the the Property and Development Fund was no longer required. Instead, in light of the pandemic, a Continuity Fund was been deemed more appropriate.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

20 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 30 June 2022 are represented by:							
Tangible assets	994,334	40,700	202,500	1,237,534	1,141,533	40,700	1,182,233
Investment properties	280,000	-	-	280,000	-	-	-
Current assets/(liabilities)	995,228	-	-	995,228	1,001,189	-	1,001,189
	<u>2,269,562</u>	<u>40,700</u>	<u>202,500</u>	<u>2,512,762</u>	<u>2,142,722</u>	<u>40,700</u>	<u>2,183,422</u>

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

21 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

22 Cash generated from operations	2022 £	2021 £
Surplus for the year	329,340	76,197
Adjustments for:		
Investment income recognised in statement of financial activities	(9,693)	(2,548)
Fair value gains and losses on investment properties	(137,000)	-
Depreciation and impairment of tangible fixed assets	21,513	23,167
Movements in working capital:		
(Increase) in debtors	(4,575)	(10,542)
(Decrease) in creditors	(12,379)	(12,834)
Cash generated from operations	187,206	73,440

Accounts

Charity Registration No. 1067483

Company Registration No. 03489376 (England and Wales)

EMMAUS GLOUCESTERSHIRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

EMMAUS GLOUCESTERSHIRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr M. Heap Mr M. Hudson Ms A. Beddoes Mr N. Mantle Mr C. Thomas Mrs M. Cheeseman	(Appointed 30 March 2021)
Secretary	Mr J. Feeley	
Charity number	1067483	
Company number	03489376	
Principal address	Chequers Road Gloucester GL4 6PN	
Auditor	Pitt Godden & Taylor LLP Unit 3 Ambrose House Meteor Court Barnett Way Barnwood Gloucester GL4 3GG	
Bankers	Lloyds TSB Bank plc High Street Cheltenham GL50 1EW CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	

EMMAUS GLOUCESTERSHIRE

CONTENTS

	Page
Trustees' report	1 - 4
Statement of trustees' responsibilities	5
Independent auditor's report	6 - 8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 21

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 JUNE 2021

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements of Emmaus Gloucestershire (the charity) for the year ending 30 June 2020.

The Trustees confirm the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Our Vision and Mission

Our Vision is a world in which everyone has a home and a sense of belonging.

Our Mission is to work together to overcome homelessness and social exclusion while using our voice to achieve social change.

Objectives and activities

In setting objectives and planning for activities, the Trustees have given due consideration to guidance published by the Charity Commission relating to public benefit, and in particular to its supplementary public benefit guidance.

The objects of the charity are the alleviation of homelessness and relief of poverty, hardship and the distress they cause to those in need. The objects are specifically restricted to the alleviation and relief of poverty, hardship and distress arising therefrom, in conformance with the principles of the Emmaus Movement as published from time to time by Emmaus UK, to those in need without distinction by:

The provision of accommodation, or assistance in such provision, for homeless people in the Gloucestershire area and such other places as may seem appropriate from time to time (the beneficiaries).

The rehabilitation of the beneficiaries as appropriate and the provision of education, training (including, without limitation, employment training) and work opportunities and satisfaction for the beneficiaries with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.

The support of the work of other Emmaus Communities and Emmaus Groups or other agencies in the relief of poverty and homelessness whether in the United Kingdom or elsewhere in the world and in particular (without limitation) by the exchange of resources, information and expertise with other Emmaus Movement projects worldwide.

The fulfilling of such other purposes as may from time to time be recognised by English Law as being charitable and which the Charity shall from time to time determine.

Approach to achieving Charitable objects

Emmaus Gloucestershire provides a home, 40 hours of meaningful activity in our social enterprise each week, training and support for previously homeless or socially excluded individuals, known as 'Emmaus companions'. An unemployed, homeless or vulnerably housed person becomes a companion upon joining Emmaus Gloucestershire as a resident. Companions work together with volunteers and employees collecting, upcycling and selling donated goods in our five retail outlets. All companions have the opportunity to gain new skills and experiences in a working enterprise and, most importantly, regain self-respect, esteem and purpose whilst working to support others in greater need than themselves.

Emmaus Gloucestershire currently offers 26 bed spaces for companions. Companions sign off primary benefits and receive accommodation, food, clothing, a weekly allowance, resettlement support and access to structured support and personal development.

Opportunities are provided to gain new skills, undergo training and work as part of a team to achieve personal goals, contribute to the success of the business activities and provide assistance to others who are in need.

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Achievements and performance

The ongoing Covid-19 pandemic during 2021-2 and the resulting government restrictions has made this financial year very challenging for everyone.

Firstly, and most importantly all of our companions are safe and in remarkably good spirits given their freedoms and ability to engage fully in the running of our social enterprise has been severely limited.

None of our companions have contracted Covid-19 whilst within the community.

The work of all employees, but in particular the support staff and Chief Executive made a significant contribution maintaining the well-being of all in our Community. A special acknowledgement should be made to the continued contributions made by our volunteers whose collective and individual efforts helped keep our shops trading when permitted by government regulations.

Emmaus Gloucestershire has continued to learn many lessons from Covid-19. At an operational level these have been documented and actions implemented to make improvements to the future well-being of Companions and employees as we progress through the pandemic.

At a strategic level it has emphasised the imperative to diversify our income streams away from High Street Retail and in so doing increase the range of skills and activities available to the Companions.

Financial review

The total income for year ending 30 June 2021 was £872,563 which was £251,018 less than the income for the previous year.

The total expenditure for year ending 30 June 2021 was £796,366 which was £104,885 less than the expenditure for the previous year.

The net surplus for the year to 30 June 2021 was £76,197 which was £146,133 less than the previous year.

This operational surplus represents 8.7% of total income which compares favourably with similar organisations during this period. This is an exceptional financial result given that many High Street retailers ceased trading or made losses during this period.

Reserves

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a minimum of three months expenditure (at current expenditure levels this equates to £199,092).

At the renewal of our business continuity insurance (which included pandemic insurance up to £250,000) we were advised this was withdrawn. Trustees took a decision to self-insure and set aside £250,000 designated for this purpose.

While the level of reserves held currently far exceeds this level, the trustees are conscious that one of their properties is going to require some major investment in the near future and the need to diversify income to reduce the reliance on High Street retail and the surplus funds will be vital when the time arrives. The pandemic and its economic impacts have tested the financial resilience of many businesses; our healthy reserves give us the confidence that Emmaus Gloucestershire will emerge from the pandemic in a strong financial position. This will allow us to adjust to changes needed to succeed in the changed economic environment.

Operational performance

Emmaus Gloucestershire generated 50% of its income through its social enterprise business in 2020/21. The remainder 16% came from housing benefit, 34% from general donations, grants and legacies.

During the year 9894 daily bed spaces were provided. 1460 daily bed spaces were set aside on a solidarity basis (for which no housing benefit was claimed).

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Risk management

Trustees have in place risk management procedures, policies and a risk register which aims to manage and mitigate foreseeable risks that the charity might face.

The risk register is used as a dynamic tool by the management team. It is reviewed regularly by all Committees and the Board of Trustees. The chief executive has overall responsibility for monitoring the risks and ensuring appropriate and timely mitigations are put in place.

Good risk management is not about paperwork and expansive risk registers it is about a contemporary thorough knowledge of the business and wider environment it operates in. Early identification of the threats and timely responses are crucial to mitigating or avoiding threats.

Solidarity

The Emmaus movement established by Abbé Pierre was founded on the concept of "Solidarity" - this means helping and working for others who are less fortunate than ourselves. Solidarity works at three levels: local, national and international. Emmaus Gloucestershire contributes at each of these levels with companions, volunteers, staff and Trustees all being involved. These contributions are not only financial but also include sharing, expertise, experience, moral support and encouragement.

Unfortunately Covid-19 has had a severe impact on activities in this area as restrictions locally, nationally and internationally have curtailed many activities, where possible donations to Solidarity have continued.

Financially our solidarity support for 2020/21 is set out below:

Local

Soup run in Gloucester	£3,269
Listening Post	£2,000

National

Emmaus UK Membership	£4,894
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International (including Europe)

Membership of Emmaus International and Europe	£16,039
International Sale Day	£2,041

Total Solidarity: £28,243

Future plans

The new structure for the support team is agreed and implemented apart from one post that is vacant due to the Covid-19 pandemic. The outcomes as reported by Companions are significantly improved support to them.

Emmaus UK have agreed a revised UK 5-year strategy, we were part way through developing a new strategy when Covid-19 struck. The very important lessons from Covid-19 and the accelerated decline of the High Street retail market will inform the strategy for taking Emmaus Gloucestershire forward over the next ten years.

The support team has agreed and implemented apart from one post that is vacant due to the Covid-19 pandemic. The outcomes as reported by Companions are significantly improved support to them.

Emmaus Gloucestershire were part way through developing a new strategy when Covid-19 struck. The very important lessons from Covid-19 and the accelerated decline of the High Street retail market will inform the strategy for taking Emmaus Gloucestershire forward over the next ten years. The short-term focus has been on operational continuity and ensuring the safety of companions, volunteers and staff.

EMMAUS GLOUCESTERSHIRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 30 JUNE 2021*

Structure, governance and management

The Board is responsible for the strategic direction and policy of the charity. The board meets at least quarterly and is underpinned by a committee structure. The Business and Finance Committee, HR Committee, Policy and Practice Committee and External Affairs Committee met at least quarterly to review performance and to agree priorities for the quarter ahead.

The Board of Trustees has adopted the NCVO Code of Good Governance, and reviews the structures and workings accordingly.

The HR Committee meets annually to agree the remuneration of the Chief Executive and all employees, so as to reward and motivate employees to an affordable extent.

A delegation framework is in place, with the day to day responsibility for the operations of the charity resting with the Chief Executive. The Chief Executive is responsible for ensuring that the charity delivers the activities specified in an annual operational plan and that key performance indicators are met.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr M. Heap

Mr M. Hudson

Ms A. Beddoes

Mr N. Mantle

Mr C. Thomas

Mrs M. Cheeseman

(Appointed 30 March 2021)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

An annual skills audit of the Board of Trustees identifies gaps, and an open recruitment process for new Trustees takes place. This involves advertisement on Emmaus websites, and through specialist volunteering websites such as Volunteering Glos, Trustees Unlimited and REACH. An application and interview process takes place. Proposed appointments of new trustees must be approved by the Board of Trustees; following a successful application references and a DBS check are taken up.

The trustees' report was approved by the Board of Trustees and signed on their behalf by:

Mr C. Thomas

Trustee

Dated: 16 March 2022

EMMAUS GLOUCESTERSHIRE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 30 JUNE 2021

The trustees, who are also the directors of Emmaus Gloucestershire for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

Opinion

We have audited the financial statements of Emmaus Gloucestershire (the 'charity') for the year ended 30 June 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 30 June 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 twelve 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 the trustees 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 engagement partner ensured that the engagement team collectively has the appropriate competence, skills and ability to identify any non-compliance with laws and regulations.
- We identified the laws and regulations applicable to the academy via discussions with the management and from our own knowledge of the sector in which the client operates. We focused on the laws which we considered were of particular significance to the charity operations, which included the Companies Act 2006, the Charities Act 2011, health & safety regulations, safeguarding, employment law and data protection.
- We assessed the extent of the compliance with the laws and regulations identified through enquiries with management and also detailed testing of the systems and controls.

We assess the susceptibility of the charity 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 and whether they have any knowledge of any actual, suspected or alleged fraud; and
- we documented, assessed and tested the internal controls in place to reduce the likelihood of any incidences of fraud or non-compliance.

EMMAUS GLOUCESTERSHIRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EMMAUS GLOUCESTERSHIRE

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

- performed analytical review procedures;
- reviewed and sample tested journal entries to confirm that they were genuine transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- reviewed a sample of expenditure transactions from the charity records for appropriate authorisation.

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 the disclosures in the financial statements to underlying documentation;
- reviewing the minutes of those charged with governance;
- enquiring of management as to actual potential claims and liabilities; and
- reviewing legal and professional costs incurred in the period.

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 directors and other management and the inspection of any relevant regulatory correspondence.

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: <https://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 trustees, as a body, in accordance with section 144* of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Pitt Godden & Taylor LLP

16 March 2022

**Chartered Accountants
Statutory Auditor**

Unit 3 Ambrose House
Meteor Court
Barnett Way
Barnwood
Gloucester
GL4 3GG

Pitt Godden & Taylor LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EMMAUS GLOUCESTERSHIRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Notes							
Income and endowments from:							
Donations	3	292,517	40,700	333,217	274,389	10,000	284,389
Housing benefits	4	144,136	-	144,136	168,741	-	168,741
Other trading activities	5	392,112	-	392,112	619,972	-	619,972
Investment income	6	2,548	-	2,548	2,990	-	2,990
Other income	7	550	-	550	47,489	-	47,489
Total income		831,863	40,700	872,563	1,113,581	10,000	1,123,581
Expenditure on:							
Charitable activities	8	796,366	-	796,366	891,251	10,000	901,251
Net income for the year/ Net movement in funds		35,497	40,700	76,197	222,330	-	222,330
Fund balances at 1 July 2020		2,107,225	-	2,107,225	1,884,895	-	1,884,895
Fund balances at 30 June 2021		2,142,722	40,700	2,183,422	2,107,225	-	2,107,225

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EMMAUS GLOUCESTERSHIRE

BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		1,182,233		1,118,675
Current assets					
Debtors	13	59,612		49,070	
Cash at bank and in hand		986,215		996,952	
		<u>1,045,827</u>		<u>1,046,022</u>	
Creditors: amounts falling due within one year	14	<u>(44,638)</u>		<u>(57,472)</u>	
Net current assets			1,001,189		988,550
Total assets less current liabilities			<u>2,183,422</u>		<u>2,107,225</u>
Income funds					
Restricted funds	15		40,700		-
<u>Unrestricted funds</u>					
Designated funds	16	250,000		250,000	
General unrestricted funds		<u>1,892,722</u>		<u>1,857,225</u>	
			2,142,722		2,107,225
			<u>2,183,422</u>		<u>2,107,225</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 16 March 2022

Mr C. Thomas
Trustee

Company Registration No. 03489376

EMMAUS GLOUCESTERSHIRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	19		73,440		270,110
Investing activities					
Purchase of tangible fixed assets		(86,704)		(19,355)	
Proceeds on disposal of tangible fixed assets		(21)		181	
Interest received		2,548		2,990	
Net cash used in investing activities			(84,177)		(16,184)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(10,737)		253,926
Cash and cash equivalents at beginning of year			996,952		743,026
Cash and cash equivalents at end of year			986,215		996,952

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Charity information

Emmaus Gloucestershire is a private company limited by guarantee incorporated in England and Wales. The registered office is Chequers Warehouse, Chequers Road, Gloucester, GL4 6PN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Resources expended are accounted for on an accruals basis.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the statement of financial activities. Items costing less than £1,000 are written off as an expense as acquired.

Tangible fixed assets are included in the Balance Sheet at cost less accumulated depreciation, or at estimated value at the date of donation less the associated accumulated depreciation.

Depreciation is calculated to write off the cost or valuation of fixed assets, less their estimated residual values, over their estimated useful economic lives, at the following rates :-

Land and buildings	Freehold is depreciated by nil. Leasehold is depreciated over the term of the lease.
Plant and machinery	25% straight line
Fixtures, fittings & equipment	10/20% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Shop stock comprises of donated items, some of which have been refurbished for sale by companions. As these items are donated, they are not held at any value on the financial statements.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

3 Donations

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and gifts	69,815	-	69,815	41,221
Grants received	222,702	40,700	263,402	243,168
	<u>292,517</u>	<u>40,700</u>	<u>333,217</u>	<u>284,389</u>
For the year ended 30 June 2020	<u>274,389</u>	<u>10,000</u>		<u>284,389</u>
Donations and gifts				
Donations	48,343	-	48,343	12,628
Gift aid donations	21,472	-	21,472	28,593
	<u>69,815</u>	<u>-</u>	<u>69,815</u>	<u>41,221</u>
Grants receivable for core activities				
COVID-19 support	82,261	-	82,261	90,000
Coronavirus Job Retention Scheme	55,441	-	55,441	29,056
Ebay grant	-	-	-	4,112
The Julia and Hans Rausing Trust	80,000	-	80,000	120,000
Rayne Fund	-	40,700	40,700	-
Schroder Charity Trust	5,000	-	5,000	-
	<u>222,702</u>	<u>40,700</u>	<u>263,402</u>	<u>243,168</u>

4 Housing benefits

	Housing benefits 2021	Housing benefits 2020
	£	£
Housing benefit	<u>144,136</u>	<u>168,741</u>

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

5 Other trading activities

	2021 £	2020 £
Shop income	383,401	601,252
Fundraising events	8,711	18,720
	<u> </u>	<u> </u>
Other trading activities	392,112	619,972
	<u> </u>	<u> </u>

6 Investment income

	2021 £	2020 £
Rental income	2,186	2,029
Interest receivable	362	961
	<u> </u>	<u> </u>
	2,548	2,990
	<u> </u>	<u> </u>

7 Other income

	2021 £	2020 £
Net gain on disposal of tangible fixed assets	-	181
Other income	550	316
Insurance received	-	46,992
	<u> </u>	<u> </u>
	550	47,489
	<u> </u>	<u> </u>

8 Charitable activities

	2021 £	2020 £
Staff costs	386,987	371,424
Depreciation and impairment	23,167	20,190
Other costs	379,932	502,403
Governance costs	6,280	7,234
	<u> </u>	<u> </u>
	796,366	901,251
	<u> </u>	<u> </u>

Included in governance costs is auditors remuneration of £4,000 (2020: £4,000)

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Trustees indemnity insurance was purchased during the year at a cost of £433 (2020- £413).

Trustees travel expenses of £72 (2020- £578) have been met by the charity.

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Shop/warehouse	6	6
Office/admin	5	4
Companion support	3	3
	14	13

Employment costs

	2021 £	2020 £
Wages and salaries	386,987	371,424

There were no employees whose annual remuneration was £60,000 or more.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

11 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 July 2020	1,104,524	7,081	51,241	91,167	1,254,013
Additions	45,507	-	28,202	12,995	86,704
Disposals	-	-	(4,030)	(7,022)	(11,052)
At 30 June 2021	1,150,031	7,081	75,413	97,140	1,329,665
Depreciation and impairment					
At 1 July 2020	24,081	7,081	31,735	72,441	135,338
Depreciation charged in the year	1,804	-	10,681	10,682	23,167
Eliminated in respect of disposals	-	-	(3,903)	(7,170)	(11,073)
At 30 June 2021	25,885	7,081	38,513	75,953	147,432
Carrying amount					
At 30 June 2021	1,124,146	-	36,900	21,187	1,182,233
At 30 June 2020	1,080,443	-	19,506	18,726	1,118,675

The Nailsworth leasehold included in land and buildings is depreciated over its lease term which expires in 2115.

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

12 Financial instruments	2021	2020
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	13,361	9,431
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	44,638	50,654
	<u> </u>	<u> </u>
13 Debtors	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	2,361	1,035
Other debtors	17,189	14,416
Prepayments and accrued income	40,062	33,619
	<u> </u>	<u> </u>
	59,612	49,070
	<u> </u>	<u> </u>
14 Creditors: amounts falling due within one year	2021	2020
	£	£
Other taxation and social security	-	6,818
Trade creditors	20,516	13,898
Other creditors	2,991	2,980
Accruals and deferred income	21,131	33,776
	<u> </u>	<u> </u>
	44,638	57,472
	<u> </u>	<u> </u>
15 Restricted funds		

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 July 2020	Movement in funds Incoming resources	Resources expended	Balance at 30 June 2021
	£	£	£	£
The Peoples Shed	-	40,700	-	40,700
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	-	40,700	-	40,700
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 July 2019	Transfers	Balance at 1 July 2020	Movement in funds Incoming resources	Balance at 30 June 2021
	£	£	£	£	£
Property and Development Fund	432,423	(432,423)	-	-	-
Continuity Fund	-	250,000	250,000	-	250,000
	<u>432,423</u>	<u>(182,423)</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>

During the previous year the board decided the the Property and Development Fund was no longer required. Instead, in light of the pandemic, a Continuity Fund was been deemed more appropriate.

17 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 30 June 2021 are represented by:						
Tangible assets	1,141,533	40,700	1,182,233	1,118,675	-	1,118,675
Current assets/ (liabilities)	1,001,189	-	1,001,189	988,550	-	988,550
	<u>2,142,722</u>	<u>40,700</u>	<u>2,183,422</u>	<u>2,107,225</u>	<u>-</u>	<u>2,107,225</u>

18 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

EMMAUS GLOUCESTERSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

19	Cash generated from operations	2021 £	2020 £
	Surplus for the year	76,197	222,330
	Adjustments for:		
	Investment income recognised in statement of financial activities	(2,548)	(2,990)
	Gain on disposal of tangible fixed assets	-	(181)
	Depreciation and impairment of tangible fixed assets	23,167	20,190
	Movements in working capital:		
	(Increase)/decrease in debtors	(10,542)	37,685
	(Decrease) in creditors	(12,834)	(6,924)
	Cash generated from operations	<u>73,440</u>	<u>270,110</u>