

EMMAUS PRESTON

England & Wales · Charity number 1073677

Details

Other names EMMAUS LANCASHIRE, Emmaus Lancashire

Status Registered

Legal form Charitable company

Company number [03643570](#)

Registered 1999-01-29

Register [View on the Charity Commission register](#)

Contact

Address The Birches
165 Ribbleton Lane
Preston
PR1 5ST

Phone 01772796622

Email shop@emmauspreston.org.uk

Website emmauspreston.org.uk

Activities

Objects: 3.1 THE ALLEVIATION AND RELIEF OF POVERTY, HARDSHIP AND DISTRESS ARISING THEREFROM TO THOSE IN NEED WITHOUT DISTINCTION, AND IN FURTHERANCE OF THOSE OBJECTS BUT NOT OTHERWISE; 3.2 TO PROVIDE ACCOMMODATION, OR ASSISTANCE IN SUCH PROVISION, COMMUNITY AND EMPLOYMENT FOR THE POOR AND HOMELESS IN LANCASHIRE AND SUCH OTHER PLACES AS MAY SEEM APPROPRIATE FROM TIME TO TIME. 3.3 TO ADOPT AND ABIDE BY THOSE PRINCIPLES OF THE EMMAUS MOVEMENT AS PUBLISHED IN THE UNIVERSAL MANIFESTO OF THE EMMAUS MOVEMENT AND FROM TIME TO TIME BY EMMAUS AS ARE FROM TIME TO TIME RECOGNISED BY ENGLISH LAW AS BEING CHARITABLE. 3.4 TO PROVIDE EDUCATION AND TRAINING AND EMPLOYMENT TRAINING FOR THE BENEFICIARIES OF THE CHARITY AS APPROPRIATE AND RELEVANT TO THEIR RESPECTIVE NEEDS AND AS THE CHARITY MAY FROM TIME TO TIME DECIDE APPROPRIATE OR EXPEDIENT WITH THE PURPOSE INTER ALIA OF DEVELOPING SKILLS TO ENABLE THEM TO GAIN EMPLOYMENT. 3.5 TO EDUCATE THE PUBLIC IN THE NEEDS OF POOR AND MARGINALISED PEOPLE THROUGH WHATEVER MEANS OF PUBLICITY OR EDUCATION THE CHARITY DEEMS FIT. 3.6 TO SUPPORT THE WORK OF OTHER EMMAUS COMMUNITIES OR OTHER AGENCIES IN THE RELIEF OF POVERTY AND HOMELESSNESS WHETHER IN THE UNITED KINGDOM OR ELSEWHERE IN THE WORLD AND IN PARTICULAR (BUT WITHOUT LIMITATION) BY THE EXCHANGE OF RESOURCES, INFORMATION AND EXPERTISE WITH OTHER EMMAUS COMMUNITIES WORLDWIDE. 3.7 TO RECRUIT AND TRAIN WORKERS TO SUPPORT THE FURTHERANCE OF THE OBJECTS. 3.8 TO FULFIL 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.

Activities: Establishment of an Emmaus Community for Homeless People at The Birches Ribbleson Lane Preston purchased by the Charity in January 2007. Warehouses and shops are operated by the Community to help fund the costs.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, The Prevention Or Relief Of Poverty, Accommodation/housing, Economic/community Development/employment
- **Who:** People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** THE UNITED KINGDOM OR ELSEWHERE IN THE WORLD AND IN PARTICULAR, LANCASHIRE
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£964,167	£1,022,517	£909,838	8
2024-06-30	£865,085	£1,079,180	£964,689	12
2023-06-30	£1,146,731	£1,324,328	£1,153,236	14
2022-06-30	£678,626	£711,739	£1,331,539	7
2021-06-30	£630,041	£616,390	£1,895,708	7

Trustees

Name	Role	Appointed
JOHN ROBERT DEAN	Chair	
Anthony Dalby		2026-02-26
Dorothy Jennifer Mein		2018-01-25
James ARTHUR CALDWELL		
Jeremy John Bruce Rawkins		2018-04-25
KATHERINE CAROLL DERBYSHIRE JP		
MICHAEL Gerard CONLON		
Nicholas John Edwards		2020-09-24
Patsy Conlon		2025-10-09
SIMON PARKER		2016-06-23

EMMAUS PRESTON

England & Wales - Charity number 1073677

Accounts

Charity registration number 1073677

Company registration number 03643570 (England and Wales)

Emmaus Preston

Annual Report and Unaudited Financial Statements

For The Year Ended 30 June 2025

EMMAUS PRESTON

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

John R Dean
Nicholas J Edwards
James A Caldwell
Michael G Conlon
Kathleen C Derbyshire
Philip R Leeming
Dorothy J Main
Simon Parker
Jeremy J B Rawkins
John Swindells
Patsy Conlon (Appointed 9 October 2025)

Secretary

Nicholas J Edwards

Charity number

1073677

Company number

03643570

Registered office

The Birches
165 Ribbleson Lane
Preston
Lancashire
United Kingdom
PR1 5ST

Independent examiner

Azets
Floor 1, Capital House
8 Pittman Court, Pittman Way
Fulwood
Preston
Lancashire
United Kingdom
PR2 9ZG

EMMAUS PRESTON

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EMMAUS PRESTON

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 financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply 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).

Objectives and activities

Objectives and aims

Emmaus Preston provides a home, work experience, training and development and move on for people who have been homeless or socially excluded.

People who become homeless do so for a variety of complex reasons. Many of the community members have slept rough. Emmaus offers stability, companionship, support and security for people to rebuild their lives. Accommodation is available for up to 50 people in the two Community Homes in Preston and Burnley.

The Community is fully inclusive. Companions are encouraged to play an active role in the day to day running of the Community.

Public benefit

Emmaus Preston works for the public benefit through its work delivering a range of education, enablement and support services for people who have been homeless or socially excluded.

The Trustees have complied with their duty to note and pay due regard to public benefit guidance published by The Charity Commission. The Trustees are committed to ensuring the Charity remains responsive to, and respectful of, the diverse needs of those they help and the local community, enabling Companions to pursue ordinary lives and achieve their full potential.

EMMAUS PRESTON

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

Achievements and performance

Emmaus in Lancashire

Another rollercoaster year for Emmaus in Lancashire, one which started with lows as we had to make staff redundancies as our income levels in smaller shops was not supporting the staffing level we had previously, but ending with one of our biggest and proudest social enterprise highs!

We made the tough decision to reduce our staff team for two key reasons. Firstly, reducing costs, but whilst money was a consideration it was not the main one. We were happy to and had been, utilising our reserves, in particular to cover support staff salaries, to ensure we could offer a higher level of service to our companions. The second and main issue was falling companion numbers. With such high levels of support, we almost became a victim of our own success as we moved more people out than we could move in and it meant we didn't require the same staffing levels. Fortunately, although we made a small number of staff cuts in July 2024, all our staff looking for work found employment before leaving and I thank them for the time with us.

Companions

We have up to 50 ensuite rooms' available in our two houses in Preston and Burnley for people who were formerly homeless. Companions sign off work-based benefits and support the community by selling items in our shops, collecting and delivering items on our vans, working within the community to keep the building functioning and answering our phones to customers. The income from the shops supports our communities directly and pays towards their support and training, food, energy bills and more. The roles Companions play give them a sense of belonging, training, work experience and most of all structure and a sense of achievement.

This has been another great year of companion training and success, in particular seeing some of our people who had been with us for some time move on in to paid employment locally. We have supported 76 Companions during the year and had 34 in residence when we reached the end of June 2025.

Whilst there is no time limit for a stay in Emmaus our average stay is between 9 and 18 months. Not having a time limit for people to stay, but instead a bed as long as someone needs it, is very important as some of our Companions need to access external support services too which may have long waiting lists and this delays their move on. We feel here it is far more important to support people through all their issues before working with them to gain employment or their own home, than to move them out as they've reached a time limit. The success for us then is seeing people not return and lead more successful lives.

Training achievements this year included Fork Lift Truck, White Goods Installation, City and Guilds Customer Service Level 2, Food Hygiene Level 2, SIA Door Supervisor, Merchandising, First Aid, Employability Skills, Level 2 English and Maths as well as many IHasco courses online. Training and the experience built running stores enables Companions to build a stronger C.V. ready for applying for new job roles.

EMMAUS PRESTON

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

Social Enterprise

In 2024 the trade in our four shops, three in Preston and one in Rochdale, were still not hitting the heights of our former B and Q store. The new store near the Iceland in Preston continued to suffer from poor access due to construction of the cinema complex and this meant continued falling income. The two smaller high street stores in Preston sales increased from the previous year but not enough to counteract the lower sales from our store adjacent to Iceland. Trading in our Rochdale Department Store in massively reduced space, trading from just one floor and instead of three, was very difficult with no large vehicle access and also less income with less space and footfall. Many people previously had used our escalators in our Rochdale Department Store to transverse from ground floor town centre through our shop either into the arcade on the middle floor or even to the car park on the top floor and so losing the ground floor when it was sold and escalators being removed meant this was no longer possible and we lost the casual shoppers passing through. The hunt for a new large shop had started in January 2023 when we were given notice to quit the former B and Q (our Megastore) on North Road in Preston, but we had not managed to convert any of our enquiries into a new store.

Finally, towards the end of 2024, a premise we had been interested in for some time was kindly offered to us by The Martin Property Group who had supported Emmaus in Rochdale too before they had sold their interest there in 2023. This was the former Debenhams Department Store in Fishergate Centre Preston standing at 120,000 square feet over three floors but it had been closed nearly 5 years! We knew this was going to be a gargantuan task, not least as it would be the largest store run by any charity in the UK, but knowing it was full of redundant fixtures and fittings, a lot of which were no use for furniture and white goods display. Added to that problem whilst the shop itself was in great condition we had lifts and escalators that needed a great deal of service and repair. We received the keys in early 2025 and started to move the vast number of fixtures and fittings, many of which were fastened in to the floor. Preston retail stores shut in January 2025 and by February 2025 all our stores were closed which meant no retail income for Emmaus. These closures were necessary to empty stores, move items in to the new Emmaus Department Store in Preston and ensure we could open there as quickly as possible. Companions, volunteers and staff worked exceptionally hard to see us open to the public with fantastic press support on the 14th March 2025. To enable us to create many departments within the store we have ventured into more products including children's toys, bedding, homewares, vintage clothing and much more. Business wise the store is trading well and we hope to drive income forward here whilst still being open to new opportunities whenever they should arise.

Finally

A challenging start but a pleasing end to the year for everyone at Emmaus Preston. Thanks to my fellow Trustees, the staff team, our volunteers, and our companions who make the two houses across Lancashire one Community.

Thanks to our supporters from local schools, businesses, people donating money and items, fellow Emmaus across the north west who help when called and to all our customers who spend their money with us when they purchase items for their home. Our companions are amazing and I continue to be proud of their achievements whilst with us, we provide the space, the challenge some need and the support. Emmaus really can change people's lives.

Financial review

Financial position

Income from the retail outlets was consistent at £440,239 (2024: £440,970).

The furnishing scheme assisted a larger number of local people, and income increased to £132,472 (2024: £114,399).

Housing benefit payments increased to £337,569 (2024: £262,490) which reflects both the increase in Companion numbers and an increase in the level of housing benefit.

Grants received totalled £2,924 (2024: £1,812) and donations and gifts received totalled £33,184 (2024: £30,890).

The net movement in funds was a deficit of £54,851 (2024: £188,547), and total funds at 30 June 2025 were £909,838 (2024: £964,689).

EMMAUS PRESTON

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

Reserves policy

The reserve policy is kept under review by trustees.

In line with advice from Emmaus UK we hold at least the equivalent of three months costs in reserves to cover overheads in event of closure.

The free reserves of the charity are £555,705.

Structure, governance and management

Governing document

The Charity was incorporated as a company limited by guarantee on 2 October 1998. The company's Memorandum of Association established its objectives and powers and it is governed under its Articles of Association. The directors of Emmaus Preston are also the Trustees for the purpose of Charity law. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Induction and training of new trustees

Each new Trustee is briefed about the Community, their legal responsibilities and ethical responsibilities and an induction programme is in place which includes visiting other communities and attending an Emmaus UK Federation induction day. Periodic appraisals are undertaken of trustee's skills and suitable training is offered.

Related parties

Emmaus Preston is a member of the Emmaus Federation in the UK. Emmaus UK is a federation of all the Emmaus Groups and Communities in the UK.

Emmaus Preston's Chair, a Director and the Community manager participate in Federation peer group meetings where best practice is shared. Emmaus Preston receives support from the Federation staff on recruitment, training, publicity, policy development, best practice and fund raising.

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:

John R Dean	
Nicholas J Edwards	
James A Caldwell	
Michael G Conlon	
Kathleen C Derbyshire	
Philip R Leeming	
Dorothy J Main	
Simon Parker	
Jeremy J B Rawkins	
John Swindells	
Keith H Widdicks	(Resigned 22 April 2025)
Patsy Conlon	(Appointed 9 October 2025)

The trustees' report was approved by the Board of Trustees.

John R Dean

Trustee

29 January 2026

EMMAUS PRESTON

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EMMAUS PRESTON

I report to the trustees on my examination of the financial statements of Emmaus Preston (the charity) for the year ended 30 June 2025.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Julie Flintoff BA (Hons) FCA
Floor 1, Capital House
8 Pittman Court, Pittman Way
Fulwood
Preston
Lancashire
PR2 9ZG
United Kingdom

Dated: 3 February 2026

EMMAUS PRESTON

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	3	33,184	2,924	36,108	25,450	7,252	32,702
Charitable activities	4	337,569	-	337,569	262,490	-	262,490
Other trading activities	5	572,711	-	572,711	555,369	-	555,369
Investments	6	17,779	-	17,779	14,524	-	14,524
Total income		961,243	2,924	964,167	857,833	7,252	865,085
Expenditure on:							
Raising funds	7	414,004	3,050	417,054	397,723	6,042	403,765
Charitable activities	8	605,463	-	605,463	675,415	-	675,415
Total expenditure		1,019,467	3,050	1,022,517	1,073,138	6,042	1,079,180
Net gains/(losses) on investments	11	3,499	-	3,499	25,548	-	25,548
Net expenditure and movement in funds		(54,725)	(126)	(54,851)	(189,757)	1,210	(188,547)
Reconciliation of funds:							
Fund balances at 1 July 2024		610,430	354,259	964,689	800,187	353,049	1,153,236
Fund balances at 30 June 2025		555,705	354,133	909,838	610,430	354,259	964,689

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

EMMAUS PRESTON

BALANCE SHEET

AS AT 30 JUNE 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	14		373,234		379,102
Investments	13		338,969		335,470
			<u>712,203</u>		<u>714,572</u>
Current assets					
Stocks	15	207,799		107,611	
Debtors	16	122,012		130,686	
Cash at bank and in hand		43,371		218,682	
		<u>373,182</u>		<u>456,979</u>	
Creditors: amounts falling due within one year	17	(175,547)		(206,862)	
Net current assets			197,635		250,117
Total assets less current liabilities			<u>909,838</u>		<u>964,689</u>
The funds of the charity					
Restricted income funds	18		354,133		354,259
Unrestricted funds	19		555,705		610,430
			<u>909,838</u>		<u>964,689</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 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 29 January 2026

John R Dean
Trustee

Company registration number 03643570 (England and Wales)

EMMAUS PRESTON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash absorbed by operations	23		(182,188)		(265,626)
Investing activities					
Purchase of tangible fixed assets		(10,902)		(29,770)	
Investment income received		17,779		14,525	
Net cash generated from/(used in) investing activities			6,877		(15,245)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(175,311)		(280,871)
Cash and cash equivalents at beginning of year			218,682		499,553
Cash and cash equivalents at end of year			43,371		218,682

EMMAUS PRESTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting policies

Charity information

Emmaus Preston is a private company limited by guarantee incorporated in England and Wales. The registered office is The Birches, 165 Ribbleson Lane, Preston, Lancashire, PR1 5ST, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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. 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.

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.

EMMAUS PRESTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold Land & Buildings	2% Straight Line
Plant & Equipment	25% Straight Line
Fixtures, Fittings & Equipment	25% Straight Line
Computer Equipment	25% Straight Line
Motor Vehicles	33% Straight Line

Freehold land is not depreciated.

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 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible 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

Stocks are stated at the lower of cost and net realisable value.

Stocks are comprised of bought in goods. Donated goods are held at nil value.

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 PRESTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

1 Accounting policies

(Continued)

1.11 Financial instruments

The charity only has financial assets (debtors, cash and bank balances) and liabilities (creditors and accruals) of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.13 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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Depreciation and residual values

Property, plant and equipment are depreciated over their useful economic lives to their estimated residual values. Both the estimated useful life and the residual value are reviewed at least at each financial period end.

EMMAUS PRESTON

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

3 Donations and legacies	Unrestricted funds		Restricted funds		Total		Unrestricted funds		Restricted funds		Total	
	2025	2025	2025	2025	2025	2025	2024	2024	2024	2024	2024	2024
	£	£	£	£	£	£	£	£	£	£	£	£
Donations and gifts	33,184	-	-	-	33,184	30,890	25,450	5,440	5,440	30,890	30,890	30,890
Grants	-	2,924	2,924	2,924	2,924	1,812	-	1,812	1,812	1,812	1,812	1,812
	33,184	2,924	2,924	2,924	36,108	32,702	25,450	7,252	7,252	32,702	32,702	32,702

EMMAUS PRESTON

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

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Emmaus Community - Rents and housing benefits received	337,569	262,490

5 Other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Shop and other sundry income	440,239	440,970
Furnishing scheme	132,472	114,399
	572,711	555,369

6 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	17,779	14,524

EMMAUS PRESTON

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

7 Raising funds	Unrestricted funds		Restricted funds		Total		Unrestricted funds		Restricted funds		Total	
	2025	2025	2025	2025	2025	2025	2024	2024	2024	2024	2024	2024
	£	£	£	£	£	£	£	£	£	£	£	£
Fundraising and publicity	410,776	3,050	413,826	397,497	403,539							
Operating costs	3,228	-	3,228	226	226							
Bad debts												
	414,004	3,050	417,054	397,723	403,765							

EMMAUS PRESTON

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

8 Charitable activities

	2025 £	2024 £
Staff costs	240,887	315,658
Companion housekeeping and sundries	53,900	57,887
Companion allowances	83,018	88,900
Companion move on funds	19,903	17,090
Maintenance and utility costs	147,032	135,973
Recruitment expenses	357	53
Other overheads	36,846	37,524
Depreciation	16,770	13,513
Loss on disposal of tangible fixed assets	-	3,817
	<u>598,713</u>	<u>670,415</u>
Governance costs	6,750	5,000
	<u>605,463</u>	<u>675,415</u>

Included within governance costs are independent examiner fees of £6,750 (2024: £5,000).

9 Trustees

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

EMMAUS PRESTON

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

10 Employees

The average monthly number of employees during the year was:

2025 Number	2024 Number
8	12
=====	=====

Employment costs

2025 £	2024 £
-----------	-----------

Wages and salaries

240,887	315,658
=====	=====

The number of employees whose annual remuneration was more than £60,000 is as follows:

2025 Number	2024 Number
£60,001 to £70,000	-
=====	=====

11 Gains and losses on investments

Unrestricted funds 2025 £	Unrestricted funds 2024 £
Gains/(losses) arising on:	
Revaluation of investments	3,499
=====	=====

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

EMMAUS PRESTON

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

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 July 2024 & 30 June 2025	336,620
Impairment	
At 1 July 2024	1,150
Revaluation	(3,499)
At 30 June 2025	(2,349)
Carrying amount	
At 30 June 2025	338,969
At 30 June 2024	335,470

14 Tangible fixed assets

	Freehold Land & Buildings	Plant & Equipment	Fixtures, Fittings & Equipment	Computer Equipment	Motor Vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 July 2024	1,761,574	6,123	-	14,918	79,825	1,862,440
Additions	-	-	10,297	605	-	10,902
At 30 June 2025	1,761,574	6,123	10,297	15,523	79,825	1,873,342
Depreciation and impairment						
At 1 July 2024	1,418,500	5,372	-	6,420	53,046	1,483,338
Depreciation charged in the year	-	225	890	3,730	11,925	16,770
At 30 June 2025	1,418,500	5,597	890	10,150	64,971	1,500,108
Carrying amount						
At 30 June 2025	343,074	526	9,407	5,373	14,854	373,234
At 30 June 2024	343,074	751	-	8,498	26,779	379,102

15 Stocks

	2025 £	2024 £
Stock	207,799	107,611

EMMAUS PRESTON

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

16 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	34,856	50,099
Other debtors	42,983	28,245
Prepayments and accrued income	44,173	52,342
	<u>122,012</u>	<u>130,686</u>

17 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	4,995	11,234
Trade creditors	114,382	89,766
Other creditors	21,291	19,409
Accruals and deferred income	34,879	86,453
	<u>175,547</u>	<u>206,862</u>

EMMAUS PRESTON

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

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 1 July 2024 £	Movement in funds		Balance at 30 June 2025 £
		Incoming resources £	Resources expended £		Incoming resources £	Resources expended £	
Preston Property	150,000	-	-	150,000	-	-	150,000
Burnley Property	193,074	-	-	193,074	-	-	193,074
Free Streets	9,975	-	-	9,975	-	-	9,975
Rochdale Store	-	5,440	(5,440)	-	-	-	-
Other Miscellaneous Grants	-	1,812	(602)	1,210	2,924	(3,050)	1,084
	353,049	7,252	(6,042)	354,259	2,924	(3,050)	354,133

Preston Property - This relates to the purchase and development of The Birches property which was used to create an Emmaus community in Preston.

Burnley Property - This relates to the Burnley Emmaus House property which was used to create the Emmaus Community in Burnley.

Free Streets - This relates to the homeless outreach project in Burnley.

Rochdale Store - This relates to utility and repairs costs in Rochdale.

EMMAUS PRESTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2025

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 2024	Incoming resources	Resources expended	Transfers	Gains and losses	At 30 June 2025
	£	£	£	£	£	£
Securing premises	100,000	-	-	-	-	100,000
General funds	510,430	961,243	(1,019,467)	-	3,499	455,705
	<u>610,430</u>	<u>961,243</u>	<u>(1,019,467)</u>	<u>-</u>	<u>3,499</u>	<u>555,705</u>
	<u>610,430</u>	<u>961,243</u>	<u>(1,019,467)</u>	<u>-</u>	<u>3,499</u>	<u>555,705</u>
Previous year: At 1 July 2023	£	£	£	£	£	At 30 June 2024
Securing premises	-	-	-	100,000	-	100,000
General funds	800,187	857,833	(1,073,138)	(100,000)	25,548	510,430
	<u>800,187</u>	<u>857,833</u>	<u>(1,073,138)</u>	<u>-</u>	<u>25,548</u>	<u>610,430</u>
	<u>800,187</u>	<u>857,833</u>	<u>(1,073,138)</u>	<u>-</u>	<u>25,548</u>	<u>610,430</u>

Securing premises - This designated fund represents the amount set aside for securing future retail & commercial premises for trade.

20 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	2025	2025	2025
	£	£	£
At 30 June 2025:			
Tangible assets	30,160	343,074	373,234
Investments	338,969	-	338,969
Current assets/(liabilities)	186,576	11,059	197,635
	<u>555,705</u>	<u>354,133</u>	<u>909,838</u>
	<u>555,705</u>	<u>354,133</u>	<u>909,838</u>

EMMAUS PRESTON

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

20 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 30 June 2024:			
Tangible assets	36,028	343,074	379,102
Investments	335,470	-	335,470
Current assets/(liabilities)	238,932	11,185	250,117
	<u>610,430</u>	<u>354,259</u>	<u>964,689</u>

21 Contingent liabilities

Grants received from the Emmaus UK Solidarity Fund between 2001 and 2021 totalled £295,000. These would become repayable in the event that Emmaus Preston ceased to be a member of the Emmaus UK Federation to the extent that donations to Emmaus UK Federation did not equal this sum.

On 30 April 2022 Emmaus Preston and Emmaus Burnley merged. The contingent liability from Burnley of £145,000 was added to the contingent liability of Emmaus Preston, along with the £224,000 loan from Emmaus UK to Burnley.

The total contingent liability in Emmaus Preston now stands at £664,000 (2024: £664,000).

22 Related party transactions

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

23 Cash generated from operations

	2025 £	2024 £
Deficit for the year	(54,851)	(188,547)
Adjustments for:		
Investment income recognised in statement of financial activities	(17,779)	(14,524)
(Gain)/loss on disposal of tangible fixed assets	-	3,817
Fair value gains and losses on investments	(3,499)	(25,548)
Depreciation and impairment of tangible fixed assets	16,770	13,513
Movements in working capital:		
(Increase) in stocks	(100,188)	(572)
Decrease/(increase) in debtors	8,674	(32,236)
(Decrease) in creditors	(31,315)	(21,529)
Cash absorbed by operations	<u>(182,188)</u>	<u>(265,626)</u>

24 Analysis of changes in net funds

The charity had no material debt during the year.

EMMAUS PRESTON

England & Wales - Charity number 1073677

Accounts

Charity registration number 1073677

Company registration number 03643570 (England and Wales)

Emmaus Preston

Annual Report and Unaudited Financial Statements

For The Year Ended 30 June 2024

EMMAUS PRESTON

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

John J R Dean
Nicholas N J Edwards
James J A Caldwell
Michael M G Conlon
Kathleen K C Derbyshire
Philip P R Leeming
Dorothy D J Mein
Simon S Parker
Jeremy J J Rawkins
John J Swindells
K H Widdicks
S Buchanan

Secretary

J R Dean
N J Edwards

Charity number

1073677

Company number

03643570

Registered office

The Birches
165 Ribbleton Lane
Preston
Lancashire
United Kingdom
PR1 5ST

Independent examiner

Azets
Floor 1, Capital House
8 Pittman Court, Pittman Way
Fulwood
Preston
Lancashire
United Kingdom
PR2 9ZG

EMMAUS PRESTON

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EMMAUS PRESTON

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 financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply 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).

Objectives and activities

Objectives and aims

Emmaus Preston provides a home, work training and development for people who have been homeless or socially excluded.

People who become homeless do so for a variety of complex reasons. Many of the community members have slept rough. Emmaus offers stability, companionship, support and security for people to rebuild their lives. Accommodation is available for up to 50 people in the two Community Homes in Preston and Burnley.

The Community is fully inclusive. Companions are encouraged to play an active role in the day to day running of the Community.

Public benefit

Emmaus Preston works for the public benefit through its work delivering a range of education, enablement and support services for people who have been homeless or socially excluded.

The Trustees have complied with their duty to note and pay due regard to public benefit guidance published by The Charity Commission. The Trustees are committed to ensuring the Charity remains responsive to, and respectful of, the diverse needs of those they help and the local community, enabling Companions to pursue ordinary lives and achieve their full potential.

Achievements and performance

Emmaus in Lancashire

No two years in Emmaus are ever the same and this has been a year of highs, lows, change and lots and lots of hard work by the whole Community.

This was a year of Companion success with the most Companions we have moved on positively since we opened but coupled with five months of very high energy costs which we were already aware of in our contract and new shops and changing retail spaces not being able to generate the level of income of the previous shops and spaces, it has been a challenging year financially.

Companions

We have up to 50 ensuite rooms' available in our two premises in Preston and Burnley for people who were formerly homeless. Companions sign off work-based benefits and support the community by selling items in our shops, collecting and delivering items on our vans, working within the community to keep the building functioning and answering our phones to customers. The income from the shops supports our communities directly and pays towards their support and training, food, energy bills and more. The roles Companions play give them a sense of belonging, training, work experience and most of all structure and a sense of achievement.

This year the Companions and staff have worked harder than ever, not just with the day to day running of their community and shops but moving shops – three times in under a year!

Training has continued to be a big part of daily life in our communities with Companions having driving lessons, gaining City and Guilds qualifications in house as well as external training and even attending College a few days weekly over the year and into the next to do an Electricians course. For some these are the first formal qualifications they have ever had and for others this is the pathway into employment and move on.

EMMAUS PRESTON

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

FOR THE YEAR ENDED 30 JUNE 2024

This year we have seen lots of positive Companion move on including people who had been with us over two years. Some of these were reunited with family members, or met a new partner, some into their own supported living, some into their own homes and many of those into paid employment. In fact in the twelve months seventeen Companions have moved on into employment and their own home which is fantastic and testament to the work done by the skilled support team in Preston and Burnley headed by Karen Wallis. We had over 200 hours per week of support with five paid staff which meant we could offer far more to our Companions. One Companion moving on who needed extra daily help was supported, in conjunction with Social Services, to get funding and employ a personal assistant to help with some daily tasks allowing her to live independently.

A big part of our support offer is basing our Companion Development Workers within our stores and seeing the work Companions do on a daily basis. Supporting them on the shop floor breaks down barriers and increases trust which can never be gained sat across a desk in an office typing at a computer. The downside, as we have mentioned previously, of moving so many people on is low Companion numbers within the two buildings. This impacts on running stores, income from housing benefit and indeed moral at times when people are covering others roles. The measure of success is not how full you are in your houses but how many you can support positively and see move on wherever possible. Our levels of support were high but at times we were so low on numbers, after moving people on, that we could almost offer seven to ten hours a week direct support to each Companion. Whilst this level support was fantastic and we made a conscious choice to use some financial reserves to sustain this level of support this year, our income levels with new shops not reaching the incomes of previous shops and low occupancy due to success of moving people on thus low housing benefit income, means this level of support will be unsustainable in the long term.

Business

We left our big 47,000 square foot Megastore, former B and Q, in Preston which had been our home since July 2016 at the end of June 2023 and began a new retail story in the former shoe store in Lowthian House Preston alongside Iceland. Unfortunately, as we knew last year it did not match our desires for size, location, and car parking. The issues with the store were compounded when the link alleyway between the main shopping area and Ringway, where the buses stop, was closed for safety reasons. This closure came in a week before we were due to open and meant no access to our side doors for customers and no footfall through the alleyway into town. This closure will be in place until November 2024 and has impacted both ourselves and Iceland's trading. We had predicted trading to be two thirds of the old B and Q but in fact it has only been a third. We have searched hard for more suitable premises and met with Landlords and Agents but due to various factors we haven't secured a better deal. We have seen a slight increase in trade in our two other stores in Preston town centre but nowhere near enough to meet the shortfall left from our Megastore.

In Rochdale we had even more work to do and genuinely the team performed miracles! In September we found out that the ground floor of our three floor 63,000 square foot Department Store had been sold and that the escalators between ground and first floor would need to be removed and we would have to vacate. Fortunately, our Landlords in Rochdale, The Martin Property Group, had kindly offered us a single floor former Boots and whilst not the same trading size space, still a very large single trading floor and large warehouse unit. The issue we had is we had just one week to move over and restart in the new store. This meant Companions from both Preston and Burnley getting stuck in daily and nightly till late on two shifts to move a gargantuan amount of furniture, white goods, small electricals, and lots of other items. The move was tough but the new store looked great and we started to trade ok into Christmas, albeit this is always our low trading point as people buy presents not furniture. On return after Christmas at the beginning January 2024, we knew the Rochdale Exchange had once again been sold and our new Landlord gave us notice on this former Boots store, we had just moved into a few months previous. We managed to negotiate a move back into the middle and upper floors of our old Department Store, but with ground floor, warehouse including vehicle access sold off it meant we had to use the upper floor for warehousing and to get our deliveries in and out, to make matters worse the only vehicle we could use was a medium high van which we didn't have. So once again for the second time in four months and the third time in under a year we had to move an entire huge furniture and white goods store and once again within just a week and buy a suitable van.

Whilst we have lost trading weeks with moves, the largest issue is the reduction in floor trading space as we have moved from 122,000 square feet of trading floor space across all stores in Preston and Rochdale to just 42,000 square feet across all stores. Space means more stock, means more choice and the ability to match customer needs and more chance of a sale. We need to find additional or larger units, look at other income streams and ensure we manage our costs to meet our new level of income.

EMMAUS PRESTON

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

FOR THE YEAR ENDED 30 JUNE 2024

Finally

A challenging year but one where everyone has given even more to Emmaus. Thanks to my fellow Trustees, the Staff team, our Volunteers, and our Companions who make the two houses across Lancashire one Community.

Thanks to our supporters who support us weekly, as you make a huge difference from fundraising within businesses or individually, to donating food, donating furniture and indeed choosing to buy off us. I hope reading this will let you see just what a change you make to people who are formerly homeless and help to be part of giving people a home. I must especially mention Paul Clarke at Cadent Gas who has fundraised with Cadent in many ways including being on the Turf Sleepout but also brought his team out with us on our Outreach at night supporting rough sleepers and the team to tidy up the rooms and gardens at Emmaus House. We need Businesses to support us now more than ever.

The Companions ARE the community, and whilst we as a Board with the staff have made decisions to reduce our costs, we will always ensure they are at the forefront of our minds in all decision making.

Financial review

Financial position

Income from the retail outlets has decreased to £440,970 (2023: £687,155).

The furnishing scheme assisted a smaller number of companions, and income decreased to £114,399 (2023: £152,524).

Housing benefit payments increased to £262,490 (2023: £252,414) which reflects both the increase in Companion numbers and an increase in the level of housing benefit.

Grants received totalled £1,812 (2023: £7,160) and donations and gifts received totalled £30,890 (2023: £37,941).

The net movement in funds was a reduction of £188,547 (2023: £178,303), and total funds at 30 June 2024 were £964,689 (2023: £1,153,236).

Reserves policy

The reserve policy is kept under review by trustees.

In line with advice from Emmaus UK we hold at least the equivalent of three months costs in reserves to cover overheads in event of closure.

The free reserves of the charity are £474,402.

EMMAUS PRESTON

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

FOR THE YEAR ENDED 30 JUNE 2024

Structure, governance and management

Governing document

The Charity was incorporated as a company limited by guarantee on 2 October 1998. The company's Memorandum of Association established its objectives and powers and it is governed under its Articles of Association. The directors of Emmaus Preston are also the Trustees for the purpose of Charity law. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Induction and training of new trustees

Each new Trustee is briefed about the Community, their legal responsibilities and ethical responsibilities and an induction programme is in place which includes visiting other communities and attending an Emmaus UK Federation induction day. Periodic appraisals are undertaken of trustee's skills and suitable training is offered.

Related parties

Emmaus Preston is a member of the Emmaus Federation in the UK. Emmaus UK is a federation of all the Emmaus Groups and Communities in the UK.

Emmaus Preston's Chair, a Director and the Community manager participate in Federation peer group meetings where best practice is shared. Emmaus Preston receives support from the Federation staff on recruitment, training, publicity, policy development, best practice and fund raising.

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:

J R Dean
N J Edwards
J A Caldwell
M G Conlon
K C Derbyshire
P R Leeming
D J Mein
S Parker
J J B Rawkins
J Swindells
K H Widdicks

The trustees' report was approved by the Board of Trustees.



.....
J R Dean
Trustee

Date: 23/1/25

EMMAUS PRESTON

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EMMAUS PRESTON

I report to the trustees on my examination of the financial statements of Emmaus Preston (the charity) for the year ended 30 June 2024.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Julie Flintoff BA (Hons) FCA
Floor 1, Capital House
8 Pittman Court, Pittman Way
Fulwood
Preston
Lancashire
PR2 9ZG
United Kingdom

Dated: 4/2/25

EMMAUS PRESTON

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:							
Donations and legacies	3	25,450	7,252	32,702	45,101	-	45,101
Charitable activities	4	262,490	-	262,490	252,414	-	252,414
Other trading activities	5	555,369	-	555,369	839,679	-	839,679
Investments	6	14,524	-	14,524	9,537	-	9,537
Total income		857,833	7,252	865,085	1,146,731	-	1,146,731
Expenditure on:							
Raising funds	7	397,723	6,042	403,765	566,745	-	566,745
Charitable activities	8	675,415	-	675,415	728,891	28,692	757,583
Total expenditure		1,073,138	6,042	1,079,180	1,295,636	28,692	1,324,328
Net gains/(losses) on investments	11	25,548	-	25,548	(706)	-	(706)
Net movement in funds		(189,757)	1,210	(188,547)	(149,611)	(28,692)	(178,303)
Fund balances at 1 July 2023		800,187	353,049	1,153,236	949,798	381,741	1,331,539
Fund balances at 30 June 2024		610,430	354,259	964,689	800,187	353,049	1,153,236

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 PRESTON

BALANCE SHEET

AS AT 30 JUNE 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	14		379,102		366,663
Investments	13		335,470		309,922
			<u>714,572</u>		<u>676,585</u>
Current assets					
Stocks	15	107,611		107,039	
Debtors	16	130,686		98,450	
Cash at bank and in hand		218,682		499,553	
		<u>456,979</u>		<u>705,042</u>	
Creditors: amounts falling due within one year	17	(206,862)		(228,391)	
Net current assets			<u>250,117</u>		<u>476,651</u>
Total assets less current liabilities			<u>964,689</u>		<u>1,153,236</u>
Income funds					
Restricted funds	19		354,259		353,049
<u>Unrestricted funds</u>					
Designated funds	20	100,000		-	
General unrestricted funds		<u>510,430</u>		<u>800,187</u>	
			<u>610,430</u>		<u>800,187</u>
			<u>964,689</u>		<u>1,153,236</u>

EMMAUS PRESTON

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2024

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 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 27/1/25



J R Dean
Trustee

Company registration number 03643570

EMMAUS PRESTON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	24		(265,626)		(15,917)
Investing activities					
Purchase of tangible fixed assets		(29,770)		(15,282)	
Proceeds from disposal of tangible fixed assets		-		8,501	
Investment income received		14,525		9,537	
Net cash (used in)/generated from investing activities			(15,245)		2,756
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(280,871)		(13,161)
Cash and cash equivalents at beginning of year			499,553		512,714
Cash and cash equivalents at end of year			218,682		499,553

EMMAUS PRESTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

Charity information

Emmaus Preston is a private company limited by guarantee incorporated in England and Wales. The registered office is The Birches, 165 Ribbleson Lane, Preston, Lancashire, PR1 5ST, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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. 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.

EMMAUS PRESTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold Land & Buildings	2% Straight Line
Plant & Equipment	25% Straight Line
Fixtures, Fittings & Equipment	25% Straight Line
Computer Equipment	25% Straight Line
Motor Vehicles	33% Straight Line

Freehold land is not depreciated.

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 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible 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

Stocks are stated at the lower of cost and net realisable value.

Stocks are comprised of bought in goods. Donated goods are held at nil value.

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 PRESTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

1.11 Financial instruments

The charity only has financial assets (debtors, cash and bank balances) and liabilities (creditors and accruals) of a kind that qualify as basic financial instruments. They are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.13 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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Depreciation and residual values

Property, plant and equipment are depreciated over their useful economic lives to their estimated residual values. Both the estimated useful life and the residual value are reviewed at least at each financial period end.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023
	£	£	£	£	£
Donations and gifts	25,450	5,440	30,890	37,941	37,941
Grants	-	1,812	1,812	7,160	7,160
	<u>25,450</u>	<u>7,252</u>	<u>32,702</u>	<u>45,101</u>	<u>45,101</u>

EMMAUS PRESTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

4 Charitable activities

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Emmaus Community - Rents and housing benefits received	262,490	252,414

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Shop and other sundry income	440,970	687,155
Furnishing scheme	114,399	152,524
	555,369	839,679

6 Investments

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Interest receivable	14,524	9,537

7 Raising funds

	Unrestricted funds	Restricted funds	Total Unrestricted funds	
	2024	2024	2024	2023
	£	£	£	£
Fundraising and publicity				
Operating costs	397,497	6,042	403,539	566,470
Bad debts	226	-	226	275
	397,723	6,042	403,765	566,745

EMMAUS PRESTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

8 Charitable activities

	2024 £	2023 £
Staff costs	315,658	322,892
Companion housekeeping and sundries	57,887	63,160
Companion allowances	88,900	86,362
Companion move on funds	17,090	15,643
Maintenance and utility costs	135,973	194,528
Recruitment expenses	53	1,085
Other overheads	37,524	26,126
Friends of Fishwick & St Matthews costs	-	20,285
Free Street costs	-	8,407
Depreciation	13,513	8,736
Loss on disposal of tangible fixed assets	3,817	1,633
	<u>670,415</u>	<u>748,857</u>
Governance costs	5,000	8,726
	<u>675,415</u>	<u>757,583</u>
Analysis by fund		
Unrestricted funds	675,415	728,891
Restricted funds	-	28,692
	<u>675,415</u>	<u>757,583</u>

Included within governance costs are independent examiner fees of £5,000. In the previous year, governance costs of £8,726 related to auditors remuneration.

9 Trustees

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

EMMAUS PRESTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

10 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	12	14

Employment costs

	2024 £	2023 £
Wages and salaries	315,658	322,892

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

11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2024 £	2023 £
Revaluation of investments	25,548	(706)

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 July 2023 & 30 June 2024	336,620
Impairment	
At 1 July 2023	26,698
Revaluation	(25,548)
At 30 June 2024	1,150
Carrying amount	
At 30 June 2024	335,470
At 30 June 2023	309,922

EMMAUS PRESTON

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

14 Tangible fixed assets	Freehold Land & Buildings		Plant & Equipment		Fixtures, Fittings & Equipment		Computer Motor Vehicles		Total	
	£	£	£	£	£	£	£	£	£	£
Cost										
At 1 July 2023	1,761,574		5,223		70,947		14,598		51,275	1,903,617
Additions	-		900		-		320		28,550	29,770
Disposals	-		-		(70,947)		-		-	(70,947)
At 30 June 2024	1,761,574		6,123		-		14,918		79,825	1,862,440
Depreciation and impairment										
At 1 July 2023	1,418,500		5,222		64,524		2,737		45,972	1,536,955
Depreciation charged in the year	-		150		2,606		3,683		7,074	13,513
Eliminated in respect of disposals	-		-		(67,130)		-		-	(67,130)
At 30 June 2024	1,418,500		5,372		-		6,420		53,046	1,483,338
Carrying amount										
At 30 June 2024	343,074		751		-		8,498		26,779	379,102
At 30 June 2023	343,074		1		6,423		11,861		5,304	366,663

EMMAUS PRESTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

15 Stocks

2024	2023
£	£

Stock	107,611	107,039
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16 Debtors

2024	2023
£	£

Amounts falling due within one year:

Trade debtors	50,099	41,345
Other debtors	28,245	14,848
Prepayments and accrued income	52,342	42,257
	130,686	98,450

17 Creditors: amounts falling due within one year

2024	2023
£	£

Other taxation and social security	11,234	5,641
Trade creditors	89,766	56,993
Other creditors	19,409	21,467
Accruals and deferred income	86,453	144,290
	206,862	228,391

18 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

EMMAUS PRESTON

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

19 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:

	Movement in funds			Movement in funds			Movement in funds		
	Balance at 1 July 2022	Incoming resources	Resources expended	Balance at 1 July 2023	Incoming resources	Resources expended	Incoming resources	Resources expended	Balance at 30 June 2024
	£	£	£	£	£	£	£	£	£
Preston Property	150,000	-	-	150,000	-	-	-	-	150,000
Burnley Property	193,074	-	-	193,074	-	-	-	-	193,074
Free Streets	18,382	-	(8,407)	9,975	-	-	-	-	9,975
Friends of Fishwick and St Matthews	20,285	-	(20,285)	-	-	-	-	-	-
Rochdale Store	-	-	-	-	5,440	(5,440)	5,440	(5,440)	-
Other Miscellaneous Grants	-	-	-	-	1,812	(602)	1,812	(602)	1,210
	381,741	-	(28,692)	353,049	7,252	(6,042)	7,252	(6,042)	354,259

Preston Property - This relates to the purchase and development of The Birches property which was used to create an Emmaus community in Preston.

Burnley Property - This relates to the Burnley Emmaus House property which was used to create the Emmaus Community in Burnley.

Free Streets - This relates to the homeless outreach project in Burnley.

Rochdale Store - This relates to utility and repairs costs in Rochdale.

EMMAUS PRESTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

20 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			
	Incoming resources £	Balance at 1 July 2023 £	Transfers £	Balance at 30 June 2024 £
Securing premises	-	-	100,000	100,000
	-	-	100,000	100,000

Securing premises - This designated fund represents the amount set aside for securing future retail & commercial premises for trade.

21 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total Unrestricted funds 2024 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 30 June 2024 are represented by:					
Tangible assets	36,028	343,074	379,102	23,589	366,663
Investments	335,470	-	335,470	309,922	309,922
Current assets/(liabilities)	238,932	11,185	250,117	466,676	476,651
	610,430	354,259	964,689	800,187	1,153,236

22 Contingent liabilities

Grants received from the Emmaus UK Solidarity Fund between 2001 and 2021 totalled £295,000. These would become repayable in the event that Emmaus Preston ceased to be a member of the Emmaus UK Federation to the extent that donations to Emmaus UK Federation did not equal this sum.

On 30 April 2022 Emmaus Preston and Emmaus Burnley merged. The contingent liability from Burnley of £145,000 was added to the contingent liability of Emmaus Preston, along with the £224,000 loan from Emmaus UK to Burnley.

The total contingent liability in Emmaus Preston now stands at £664,000 (2023: £664,000).

23 Related party transactions

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

EMMAUS PRESTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

24	Cash generated from operations	2024 £	2023 £
	Deficit for the year	(188,547)	(178,303)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(14,524)	(9,537)
	Loss on disposal of tangible fixed assets	3,817	1,633
	Fair value gains and losses on investments	(25,548)	706
	Depreciation and impairment of tangible fixed assets	13,513	8,736
	Movements in working capital:		
	(Increase) in stocks	(572)	(39,300)
	(Increase)/decrease in debtors	(32,236)	36,402
	(Decrease)/increase in creditors	(21,529)	163,746
	Cash absorbed by operations	(265,626)	(15,917)
25	Analysis of changes in net funds		
	The charity had no debt during the year.		

EMMAUS PRESTON

England & Wales - Charity number 1073677

Accounts

Emmaus Preston
(A Company Limited by Guarantee)
Report of the Trustees and
Financial Statements
for the Year Ended 30 June 2023

McMillan & Co LLP
Chartered Accountants and
Statutory Auditor
28 Eaton Avenue
Matrix Office Park
Buckshaw Village
Chorley
Lancashire
PR7 7NA

Emmaus Preston

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Notes to the Financial Statements	15 to 24

Emmaus Preston (Registered number: 03643570)

Report of the Trustees for the year ended 30 June 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Emmaus Preston provides a home, work training and development for people who have been homeless or socially excluded.

People who become homeless do so for a variety of complex reasons. Many of the community members have slept rough. Emmaus offers stability, companionship, support and security for people to rebuild their lives. Accommodation is available for up to 50 people in the two Community Homes in Preston and Burnley.

The Community is fully inclusive. Companions are encouraged to play an active role in the day to day running of the Community.

Public benefit

Emmaus Preston works for the public benefit through its work delivering a range of education, enablement and support services for people who have been homeless or socially excluded. The Trustees have complied with their duty to note and pay due regard to public benefit guidance published by The Charity Commission. The Trustees are committed to ensuring the Charity remains responsive to, and respectful of, the diverse needs of those they help and the local community, enabling Companions to pursue ordinary lives and achieve their full potential.

Emmaus Preston (Registered number: 03643570)

Report of the Trustees

for the year ended 30 June 2023

STRATEGIC REPORT

Achievement and performance

Emmaus across Lancashire

These are the first full year's accounts since our merger with Emmaus Burnley in April 2022, after six years of working together.

Emmaus in Lancashire operates two accommodation houses for people who are formerly homeless, whom we call Companions, with space for twenty-six in Preston and a further twenty-four rooms in our Burnley house. Additionally, our Burnley house has six self-contained flats, predominately for Companions who have paid work outside the community, and a three-bedroom house we rent to a family. We trade from four retail outlets: three in Preston and a large three floor Department Store in Rochdale, where our Burnley based Companions travel to daily to operate.

Staffing across the communities has increased and as well as five full time support staff, we added a Volunteer Coordinator to increase and support our volunteers and added other additional ancillary support staff for the communities.

Our Free Streets project ended in its current format in January 2023 as we had to look at our own internal delivery. Whilst we feel the project had great success, we were disappointed that often there were no services to refer people into or those services were so stretched themselves that it took months to pick our people up, which usually meant their contact details had changed, they had moved on to another town, were street sleeping or for one or two they had passed away. When someone on the streets wants help, they usually need it at the time they are asking, so a week is too long with the individuals focus on survival. We will look to deliver street support in a different way next year.

Companions

Whilst Companion numbers have fluctuated across the year with a high of 41 and a low of 32 at any one time, the need of the support required for the people joining us has remained high. Whilst Emmaus as a community is not for everyone, those that want to change will have behaviours challenged and supported in equal measure in our community.

We continue to provide a high level of support to Companions with 5 paid support staff across the two sites and again have seen a number of successful move-ons in to paid work, own accommodation, back with family and even into University. Our low Companion numbers can be a product of our own success. We move people on successfully so we have less people living with us but we are about outcomes and seeing people succeed so a full Emmaus is not a measure of success we want to recognise if no one is moving on.

Companions have continued to enjoy training including City and Guilds in Cycle Maintenance and Repair, City and Guilds Portable Appliance Testing, Cooker Installation and Food Hygiene Level 2.

Business

We have been a part of Big Local in Preston for the past 5 years, supporting firstly Friends of Fishwick and St Matthew and later FAM, as a trusted organisation holding and paying funds from the Big Local to the projects they had chosen to fund. Whilst we never delivered projects we ensured those delivering were paid promptly. This year the focus for projects for FAM has changed from Environmental and we have been able to step back and pass the unused funds back to Big Local for FAM to allocate elsewhere.

The Social Enterprises we run, mainly retail, support the running costs of our Emmaus including paying for food, support, training courses, move-on and some of the accommodation costs of our Companions. The more money we can generate the more support we can offer to Companions and our Companions are proud that as a charity we do not chase grants and are predominantly self-funding through our own work. The social enterprise income is not a nice addition, it is vital for us to operate and support as many people as we can as we receive no direct government or council funding.

This financial year, whilst trading has been very good both in retail and in particular our welfare scheme (where we deliver brand new white goods, beds and this year cots, bedding, dinner sets and other homewares), the costs of energy increasing has hit us very hard.

Emmaus Preston (Registered number: 03643570)

Report of the Trustees for the year ended 30 June 2023

Over the years aligning our energy contracts has proved fruitful being able to negotiate good rates for both gas and electric with larger supply, but in 2022 this bit us back. The start of the Ukraine War saw energy prices spiral just as all our contracts were being re-negotiated. Our gas and electric contracts for most of our sites, houses and shops, ended in September 2022 and we saw our electric charges per kwh raise by 500% and our gas go up by 600%! Just to put this in context, one of our charity stores electric bill went up from just over £2,000 a month to £12,000 a month.

Whilst trading did increase, unfortunately it has nowhere near increased enough to cover the additional energy costs we have for two very large housing complexes for our companions in Preston and Burnley and in our stores themselves.

These rising costs, in a year where we had increased the staff team to offer more support to our Companions, has led to a financial loss on the year. Fortunately we had built up reserves to ensure we were as stable as could be should any issues arrive outside of our control, in particular after Covid. This has meant we have not made had to make any cuts to Companion support delivery.

We will continue to suffer from these increased energy costs until at least late 2023 when our new increased price energy contract ends and whilst we do see energy costs lowering, they will still be 300% above our 2021 prices after 2023 and so we will be in for another tough financial year next year, well into 2024.

In January 2023 we learned that the former B & Q in Preston (47,000 square foot of retail space, we have operated as our Megastore shop since July 2016) had been sold and we were given notice to leave by the end of June 2023. Firstly we must thank the local Preston family who have supported us and continue to support us with no / low rent in this site and our other stores since July 2016 and we at Emmaus Preston owe them a great debt of gratitude.

Moving store location after many years is not ideal as people know where you are and a loyal customer base has been built up over many years. Finding a new store to match the size, location, car parking and rent fee of the former B & Q in Preston has been a challenge and whilst we found premises to move in to in July 2023, unfortunately it does not match our desire for size, location and car parking and so whilst operating from it from July 2023 we must continue the search for a new Megastore.

Finally

A thank you to my fellow Board of Trustees who have continued to support me and Emmaus throughout the year ensuring governance is upheld and meetings both well attended and worthwhile. A thank you to the Companion Reps who have sat in on our Board Meetings for their insight to Companion daily life in our community and their ideas and discussion during Board meetings. Thank you to our staff team led by Stephen, Karen and Sharon, who always work very hard, are always learning themselves and do their very best for our Companions and communities daily.

I would like to say a special thanks to Lynne our Finance Manager, who left us in November 2022, for all her hard work for Emmaus over the past 10 years and wish her a happy retirement.

Thanks to our many volunteers who support us weekly, as you make a huge difference. Thanks to all our Supporters from those who give us shops to trade from, to those who donate us items to sell and those who purchase from us - buying items from our stores really does directly make a difference to the Companions we support who have been homeless.

Lastly and most importantly, I would like to personally thank all our Companions that have been with us during the year. Companions not only work hard daily in our social enterprises but they do it with good humour and a sense of togetherness. The challenges our Companions have faced in their lives and are overcoming is truly humbling. They are the reason we exist as a charity and we must always keep them at the forefront in our decision making as a Board.

Emmaus Preston (Registered number: 03643570)

Report of the Trustees for the year ended 30 June 2023

STRATEGIC REPORT

Financial review

Financial position

Income from the retail outlets has increased by over 50% to £687,155 (2022: £444,502). This is as a result of an additional unit in place for the full year and increased turnover in each outlet.

The welfare scheme assisted a larger number of companions, and income increased to £152,524 (2022: £64,204).

Housing benefit payments increased to £252,414 (2022: £138,194) which reflects both the increase in Companion numbers and an increase in the level of housing benefit.

Grants received totalled £7,160 (2022: £4,044) and donations and gifts received totalled £37,941 (2022: £19,297).

The net expenditure in the year ended 30 June 2023 was £178,303 (2022 before amortisation of goodwill and property impairment (see note 11): net expenditure £59,105; 2022 after these exceptional items: net expenditure £565,169).

The net movement in funds was a reduction of £178,303 (2022: £564,169), and total funds at 30 June 2023 were £1,153,236 (2022: £1,331,539).

Reserves policy

The reserve policy is kept under review by trustees.

In line with advice from Emmaus UK we hold at least the equivalent of three months costs in reserves to cover overheads in event of closure.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity was incorporated as a company limited by guarantee on 2 October 1998. The company's Memorandum of Association established its objectives and powers and it is governed under its Articles of Association. The directors of Emmaus Preston are also the Trustees for the purpose of Charity law. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Induction and training of new trustees

Each new Trustee is briefed about the Community, their legal responsibilities and ethical responsibilities and an induction programme is in place which includes visiting other communities and attending an Emmaus UK Federation induction day. Periodic appraisals are undertaken of trustee's skills and suitable training is offered.

Related parties

Emmaus Preston is a member of the Emmaus Federation in the UK. Emmaus UK is a federation of all the Emmaus Groups and Communities in the UK.

Emmaus Preston's Chair, a Director and the Community manager participate in Federation peer group meetings where best practice is shared. Emmaus Preston receives support from the Federation staff on recruitment, training, publicity, policy development, best practice and fund raising.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03643570 (England and Wales)

Registered Charity number

1073677

Emmaus Preston (Registered number: 03643570)

Report of the Trustees

for the year ended 30 June 2023

Registered office

The Birches
165 Ribbleson Lane
Preston
Lancashire
PR1 5ST

Trustees

JA Caldwell
MG Conlon
JR Dean
KC Derbyshire
PR Leeming
S Savage (resigned 18/11/2022)
J Swindells
S Parker
JJB Rawkins
DJ Mein
NJ Edwards
KH Widdicks (appointed 6/1/2023)

Auditors

McMillan & Co LLP
Chartered Accountants and
Statutory Auditor
28 Eaton Avenue
Matrix Office Park
Buckshaw Village
Chorley
Lancashire
PR7 7NA

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Emmaus Preston for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Emmaus Preston (Registered number: 03643570)

Report of the Trustees for the year ended 30 June 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, McMillan & Co LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 7 March 2024 and signed on the board's behalf by:

JR Dean - Trustee

Report of the Independent Auditors to the Members of Emmaus Preston

Opinion

We have audited the financial statements of Emmaus Preston (the 'charitable company') for the year ended 30 June 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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, including its income and expenditure, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

In the previous accounting period the Trustees of the charity took advantage of the audit exemptions available for small charities. Therefore, the prior period financial statements were not subject to audit.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Emmaus Preston

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 charitable company for the purposes 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 charitable company'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.

Report of the Independent Auditors to the Members of Emmaus Preston

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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 had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- performed analytical procedures to identify any unusual or unexpected relationships; and
- tested journal entries to identify unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

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 regulatory and legal correspondence, if any.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of Emmaus Preston

Use of our report

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

Neil McMillan FCA (Senior Statutory Auditor)
for and on behalf of McMillan & Co LLP
Chartered Accountants and
Statutory Auditor
28 Eaton Avenue
Matrix Office Park
Buckshaw Village
Chorley
Lancashire
PR7 7NA

7 March 2024

Emmaus Preston

Statement of Financial Activities for the year ended 30 June 2023

		Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	45,101	-	45,101	23,341
Charitable activities					
Emmaus Community	6	252,414	-	252,414	138,194
Other trading activities	4	839,679	-	839,679	508,706
Investment income	5	9,537	-	9,537	8,385
Total		1,146,731	-	1,146,731	678,626
EXPENDITURE ON					
Raising funds	7	566,745	-	566,745	311,030
Charitable activities					
Emmaus Community	8	711,962	8,407	720,369	(106,425)
Emmaus Burnley		8,203	-	8,203	-
Friends of Fishwick and St Matthew		-	20,285	20,285	-
Other		8,726	-	8,726	1,012,198
Total		1,295,636	28,692	1,324,328	1,216,803
Net gains/(losses) on investments		(706)	-	(706)	(25,992)
NET INCOME/(EXPENDITURE)		(149,611)	(28,692)	(178,303)	(564,169)
RECONCILIATION OF FUNDS					
Total funds brought forward		949,798	381,741	1,331,539	1,895,708
TOTAL FUNDS CARRIED FORWARD		800,187	353,049	1,153,236	1,331,539

The notes form part of these financial statements

Emmaus Preston (Registered number: 03643570)

Balance Sheet

30 June 2023

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	15	23,589	343,074	366,663	370,251
Investments	16	309,922	-	309,922	310,628
		<u>333,511</u>	<u>343,074</u>	<u>676,585</u>	<u>680,879</u>
CURRENT ASSETS					
Stocks	17	107,039	-	107,039	67,739
Debtors	18	98,450	-	98,450	134,852
Cash at bank and in hand		489,578	9,975	499,553	512,714
		<u>695,067</u>	<u>9,975</u>	<u>705,042</u>	<u>715,305</u>
CREDITORS					
Amounts falling due within one year	19	(228,391)	-	(228,391)	(64,645)
NET CURRENT ASSETS		<u>466,676</u>	<u>9,975</u>	<u>476,651</u>	<u>650,660</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>800,187</u>	<u>353,049</u>	<u>1,153,236</u>	<u>1,331,539</u>
NET ASSETS FUNDS	20	<u>800,187</u>	<u>353,049</u>	<u>1,153,236</u>	<u>1,331,539</u>
Unrestricted funds				800,187	949,798
Restricted funds				353,049	381,741
TOTAL FUNDS				<u>1,153,236</u>	<u>1,331,539</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 7 March 2024 and were signed on its behalf by:

JR Dean - Trustee

Emmaus Preston

Cash Flow Statement

for the year ended 30 June 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(15,917)</u>	<u>(130,233)</u>
Net cash used in operating activities		<u>(15,917)</u>	<u>(130,233)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(15,282)	(221,530)
Sale of tangible fixed assets		8,501	-
Amortisation of negative goodwill		-	503,834
Interest received		<u>9,537</u>	<u>8,385</u>
Net cash provided by investing activities		<u>2,756</u>	<u>290,689</u>
Change in cash and cash equivalents in the reporting period		(13,161)	160,456
Cash and cash equivalents at the beginning of the reporting period		<u>512,714</u>	<u>352,258</u>
Cash and cash equivalents at the end of the reporting period		<u>499,553</u>	<u>512,714</u>

The notes form part of these financial statements

Emmaus Preston

Notes to the Cash Flow Statement for the year ended 30 June 2023

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(178,303)	(564,169)
Adjustments for:		
Depreciation charges	8,736	(492,128)
Losses on investments	706	25,992
Loss on disposal of fixed assets	1,633	-
Interest received	(9,537)	(8,385)
Property Impairment	-	1,008,898
Increase in stocks	(39,300)	(19,148)
Decrease/(increase) in debtors	36,402	(68,397)
Increase/(decrease) in creditors	163,746	(12,896)
Net cash used in operations	<u>(15,917)</u>	<u>(130,233)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/22 £	Cash flow £	At 30/6/23 £
Net cash			
Cash at bank and in hand	512,714	(13,161)	499,553
	<u>512,714</u>	<u>(13,161)</u>	<u>499,553</u>
Total	<u>512,714</u>	<u>(13,161)</u>	<u>499,553</u>

Emmaus Preston

Notes to the Financial Statements for the year ended 30 June 2023

1. GENERAL INFORMATION

The charity is a registered charity in England and Wales and is incorporated. The address of the principal office is The Birches, 165 Ribbleson Lane, Preston, Lancashire, PR1 5ST.

There are no material uncertainties about the charity's ability to continue.

The presentational currency of the financial statements is the Pound Sterling (£).

The amounts in the financial statements have been rounded to the nearest £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The deficit in the year is as a result of one-off maintenance costs in the properties. A budget has been prepared for the next 12 months which shows a small deficit, and this is being kept under review by the Trustees. The charity has strong cash reserves and dedicated income streams, and therefore a going concern basis is considered appropriate.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from cash and short term deposits, income funds, dividends and rental income is accounted for on an accruals basis.

Donations, grants and gifts are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period. Income from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year-end are accounted for in income and accrued income in debtors.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Goodwill

Goodwill, being the negative goodwill arising on the transfer of Emmaus Burnley was fully amortised in the prior year.

Notes to the Financial Statements - continued for the year ended 30 June 2023

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	- not provided
Freehold buildings	- not provided
Plant and machinery	- 25% on cost
Fixtures, fittings and equipment	- 20% - 33% on cost
Motor vehicles	- 33% on cost

Freehold land is not depreciated. No depreciation is provided on the company's freehold and long leasehold buildings as the directors consider that the lives of these assets are so long and residual values, based on prices prevailing at the time of acquisition, are sufficiently high that any depreciation would be immaterial. Provision is made in the profit and loss account in the event of any permanent diminution in the value of the properties.

Fixed asset investments

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at anytime during the year, including profits and losses realised on sales of investments during the year.

Quoted securities in active markets are usually valued at the current bid price at the year end or at revaluation date nearest to the year end.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Stocks are comprised of bought in goods. Donated goods are held at nil value.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Financial instruments

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Basic financial assets, which include debtors, prepayments and bank balances, are initially measured at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the asset is measured at the present value of the future receipts discounted at a market rate of interest. Basic financial liabilities, which include creditors, accruals, bank loans and group borrowings, are initially recognised at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the liability is measured at the present value of the future obligations discounted at a market rate of interest.

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2023

2. ACCOUNTING POLICIES - continued

Financial Instruments

Government Grants

CJRS and small business local authority grants are accounted for under the accruals model. Where the grant is classed as revenue, it is recognised in income on a systematic basis over the periods in which the company recognises the related costs.

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations and gifts	37,941	19,297
Grants	7,160	4,044
	<u>45,101</u>	<u>23,341</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Other grants	<u>7,160</u>	<u>4,044</u>

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Shop and other sundry income	687,155	444,502
Welfare scheme	152,524	64,204
	<u>839,679</u>	<u>508,706</u>

5. INVESTMENT INCOME

	2023	2022
	£	£
Interest receivable	<u>9,537</u>	<u>8,385</u>

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2023

6. INCOME FROM CHARITABLE ACTIVITIES

		2023	2022
	Activity	£	£
Rents and housing benefits received	Emmaus Community	<u>252,414</u>	<u>138,194</u>

7. RAISING FUNDS

Other trading activities

	2023	2022
	£	£
Operating costs	566,470	311,030
Bad debts	275	-
	<u>566,745</u>	<u>311,030</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs
	£
Emmaus Community	720,369
Emmaus Burnley	8,203
Friends of Fishwick and St Matthew	20,285
	<u>748,857</u>

9. GRANTS PAYABLE

	2023	2022
	£	£
Emmaus Community	<u>-</u>	<u>15,000</u>

10. SUPPORT COSTS

	Governance costs
	£
Other resources expended	<u>8,726</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	8,736	11,706
Deficit on disposal of fixed assets	1,633	-
Goodwill amortisation	-	(503,834)
Property impairment	<u>-</u>	<u>1,008,898</u>

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2023

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2023 nor for the year ended 30 June 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2023 nor for the year ended 30 June 2022.

13. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	<u>322,892</u>	<u>207,064</u>
	<u>322,892</u>	<u>207,064</u>

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

	2023	2022
	14	10

No employees received emoluments in excess of £60,000.

14. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 July 2022 and 30 June 2023	<u>(503,834)</u>
AMORTISATION	
At 1 July 2022 and 30 June 2023	<u>(503,834)</u>
NET BOOK VALUE	
At 30 June 2023	-
At 30 June 2022	-

On 30 April 2022 Emmaus Preston and Emmaus Burnley merged their operations and assets and liabilities of Emmaus Burnley were transferred to Emmaus Preston at that date.

In accordance with the Charities SORP, the combination was accounted for as an acquisition, with the corresponding negative goodwill of £503,834 being written back to the Statement of Financial Activities in the period of acquisition.

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2023

14. INTANGIBLE FIXED ASSETS - continued

The provisional and final fair value of assets and liabilities is set out below and were transferred from Emmaus Burnley at nil consideration:

	£
Fixed Assets	217,594
Debtors	137,952
Cash	183,531
Creditors	(35,243)
Negative Goodwill	<u>503,834</u>

15. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures, fittings & equipment £
COST			
At 1 July 2022	1,761,574	5,223	70,263
Additions	-	-	684
Disposals	-	-	-
At 30 June 2023	<u>1,761,574</u>	<u>5,223</u>	<u>70,947</u>
DEPRECIATION			
At 1 July 2022	1,418,500	5,222	63,265
Charge for year	-	-	1,259
Eliminated on disposal	-	-	-
At 30 June 2023	<u>1,418,500</u>	<u>5,222</u>	<u>64,524</u>
NET BOOK VALUE			
At 30 June 2023	<u>343,074</u>	<u>1</u>	<u>6,423</u>
At 30 June 2022	<u>343,074</u>	<u>1</u>	<u>6,998</u>

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2023

15. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 July 2022	71,390	-	1,908,450
Additions	-	14,598	15,282
Disposals	(20,115)	-	(20,115)
At 30 June 2023	51,275	14,598	1,903,617
DEPRECIATION			
At 1 July 2022	51,212	-	1,538,199
Charge for year	4,740	2,737	8,736
Eliminated on disposal	(9,981)	-	(9,981)
At 30 June 2023	45,971	2,737	1,536,954
NET BOOK VALUE			
At 30 June 2023	5,304	11,861	366,663
At 30 June 2022	20,178	-	370,251

16. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 July 2022 and 30 June 2023	336,620
PROVISIONS	
At 1 July 2022	25,992
Revaluation adjustments	706
At 30 June 2023	26,698
NET BOOK VALUE	
At 30 June 2023	309,922
At 30 June 2022	310,628

There were no investment assets outside the UK.

The historic cost of investments is £300,000 (2022: £300,000).

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2023

17. STOCKS

	2023	2022
	£	£
Stocks	<u>107,039</u>	<u>67,739</u>

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	41,345	11,516
VAT	6,419	1,616
Prepayments and accrued income	<u>50,686</u>	<u>121,720</u>
	<u>98,450</u>	<u>134,852</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	56,993	21,035
Social security and other taxes	5,641	8,065
Accruals and deferred income	<u>165,757</u>	<u>35,545</u>
	<u>228,391</u>	<u>64,645</u>

20. MOVEMENT IN FUNDS

	At 1/7/22	Net movement in funds	At 30/6/23
	£	£	£
Unrestricted funds			
General fund	949,798	(149,611)	800,187
Restricted funds			
Preston property	150,000	-	150,000
Friends of Fishwick and St Matthew	20,285	(20,285)	-
Burnley Property	193,074	-	193,074
Free Streets	18,382	(8,407)	9,975
	<u>381,741</u>	<u>(28,692)</u>	<u>353,049</u>
TOTAL FUNDS	<u>1,331,539</u>	<u>(178,303)</u>	<u>1,153,236</u>

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2023

20. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,146,731	(1,295,636)	(706)	(149,611)
Restricted funds				
Friends of Fishwick and St Matthew	-	(20,285)	-	(20,285)
Free Streets	-	(8,407)	-	(8,407)
	-	(28,692)	-	(28,692)
TOTAL FUNDS	1,146,731	(1,324,328)	(706)	(178,303)

Comparatives for movement in funds

	At 1/7/21 £	Net movement in funds £	At 30/6/22 £
Unrestricted funds			
General fund	790,956	158,842	949,798
Restricted funds			
Preston property	1,084,395	(934,395)	150,000
Friends of Fishwick and St Matthew	20,357	(72)	20,285
Burnley Property	-	193,074	193,074
Free Streets	-	18,382	18,382
	1,104,752	(723,011)	381,741
TOTAL FUNDS	1,895,708	(564,169)	1,331,539

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	678,626	(493,792)	(25,992)	158,842
Restricted funds				
Preston property	-	(934,395)	-	(934,395)
Friends of Fishwick and St Matthew	-	(72)	-	(72)
Burnley Property	-	193,074	-	193,074
Free Streets	-	18,382	-	18,382
	-	(723,011)	-	(723,011)
TOTAL FUNDS	678,626	(1,216,803)	(25,992)	(564,169)

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2023

20. MOVEMENT IN FUNDS - continued

The restricted Preston property fund relate to the purchase and development of The Birches property which was used to create an Emmaus community in Preston.

The restricted Friends of Fishwick and St Matthew fund is in relation to grants received from Big Local Trust Charity for the regeneration of Green space in Preston.

The restricted Burnley Property fund relates to the Burnley Emmaus House property which was used to create the Emmaus Community in Burnley.

Free Streets funds have been restricted to the homeless outreach project in Burnley.

21. CONTINGENT LIABILITIES

Grants received from the Emmaus UK Solidarity Fund between 2001 and 2021 totalled £295,000 (2022: £295,000). These would become repayable in the event that Emmaus Preston ceased to be a member of the Emmaus UK Federation to the extent that donations to Emmaus UK Federation did not equal this sum.

On 30 April 2022 Emmaus Preston and Emmaus Burnley merged. The contingent liability from Burnley of £145,000 was added to the contingent liability of Emmaus Preston, along with the £224,000 loan from Emmaus UK from Burnley.

The total contingent liability in Emmaus Preston now stands at £664,000 (2022: £664,000).

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the years ended 30 June 2023 or 30 June 2022.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.

EMMAUS PRESTON

England & Wales - Charity number 1073677

Accounts

Emmaus Preston

Report of the Trustees and

Unaudited Financial Statements

for the Year Ended 30 June 2022

McMillan & Co LLP
Chartered Accountants
28 Eaton Avenue
Matrix Office Park
Buckshaw Village
Chorley
Lancashire
PR7 7NA

Emmaus Preston

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Emmaus Preston

Reference and Administrative Details for the year ended 30 June 2022

TRUSTEES	JA Baggaley (resigned 25/1/2022) JA Caldwell MG Conlon JR Dean KC Derbyshire PR Leeming S Savage (resigned 18/11/2022) J Swindells S Parker JJB Rawkins DJ Mein NJ Edwards KH Widdicks (appointed 6/1/2023)
REGISTERED OFFICE	The Birches 165 Ribbleson Lane Preston Lancashire PR1 5ST
REGISTERED COMPANY NUMBER	03643570 (England and Wales)
REGISTERED CHARITY NUMBER	1073677
INDEPENDENT EXAMINER	McMillan & Co LLP Chartered Accountants 28 Eaton Avenue Matrix Office Park Buckshaw Village Chorley Lancashire PR7 7NA

Emmaus Preston

Report of the Trustees for the year ended 30 June 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2022. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Emmaus Preston provides a home, work training and development for people who have been homeless or socially excluded. People who become homeless do so for a variety of complex reasons. Many of the community members have slept rough. Emmaus offers stability, companionship, support and security for people to rebuild their lives. Accommodation is available for 26 people in the Community Home.

The Community is fully inclusive. Companions are encouraged to play an active role in the day to day running of the Community.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives.

Emmaus Preston

Report of the Trustees for the year ended 30 June 2022

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Emmaus across Lancashire

Emmaus Preston has been supporting Emmaus Burnley through a Joint Working Partnership Agreement since 2016 but in April 2022 the two charities came together with the agreement of both Boards, members and supporters to merge. The assets of Emmaus Burnley were transferred to Emmaus Preston and the lease of the Rochdale Department Store was renewed by Emmaus Preston. This merger now means we have one wider staff team across Lancashire and the option of accommodation in either Preston or Burnley for Companions as well as an even stronger, skilled and diverse Board to support us through the next few years.

We now have accommodation for up to 50 formerly homeless people, whom we call Companions, in our house on Ribbleton Lane, Preston and our house in Old Hall Street, Burnley. This is supported by four retail outlets including the two largest charity stores in the country, a former B&Q in Preston and a three floor Department Store in Rochdale. The money from these stores pays for a lot of the work we do supporting Companions and we are unique in that it is the Companions themselves who work in our stores, so customers money spent in our store directly helps the person serving them in our shop.

Free Streets is our homeless outreach project with a paid staff member plus Companions who visit up to three towns nightly across the Old County Palatine of Lancashire giving out clothing, toiletries, blankets and items such as underwear to support the people living on the streets. The project was an Emmaus Burnley one funded initially in April 2021 for 12 months by the East Lancashire Free Masons and then subsequently in this financial year and throughout 2022 a mix of funding from the William Jackson Food Group and our own funds. Whilst supporting people in the streets is great moving them off it has proved more difficult with long wait times to get people into drug, alcohol and mental health services and so we will look at options with our colleagues across Emmaus in the North West and UK to see if there is more we could deliver together to support these issues.

We have continued to develop our staff team and brought in a Head of Support alongside four Companion Development Workers, two based in Preston and two based in Rochdale/Burnley to increase the support we can offer our Companions.

We also developed a support vision which we will work on to deliver over the coming year and into the future.

MAKE A LASTING, POSITIVE IMPACT ON OUR COMPANIONS THAT ENSURES THEIR FUTURE PATH IS SAFER, HAPPIER, FULFILLING AND MORE PRODUCTIVE FOR THEM AND SOCIETY

Walk with them on their journey - sometimes in front, sometimes alongside, sometimes behind until eventually they walk the journey without us. Focus our work to challenge them, supporting them to overcome barriers, achieve their realistic goals and look at a new future. Make their time with us rewarding, hopeful, inspirational, transformative and successful.

Companions

The Companion numbers have increased but we have seen people in both Preston and Burnley move on positively as more work becomes available, albeit accommodation outside of Emmaus doesn't always match the need or the price our Companions can afford. The six move on flats in Burnley have been a great asset with former Companions gaining paid work outside the community and renting these from the community.

Activities have increased again from playing pool against other Emmaus to Go Karting and enjoying a Christmas party night, these have brought the community closer together.

We have widened our available courses and we have seen Companions gain accreditation in everything from Installing Cookers, Portable Appliance Testing, First Aid, Food Hygiene, Mental Health First Aid to attending College for a year to complete Health and Social Care Level 2. There is no doubt if we can increase Companion skills and learning, in particular to match the job market, we will see more positive move-on as paid work becomes readily available. The fear will be can they afford to live outside the community with the rising cost of living.

Emmaus Preston

Report of the Trustees for the year ended 30 June 2022

Business

The Social Enterprises we run, mainly retail, support the running costs of our Emmaus including paying for food, support, training courses, move-on and some of the accommodation costs of our Companions. The more money we can generate the more support we can offer to Companions and our Companions are proud that as a charity we do not chase grants and are predominantly self-funding through our own work. Compared to some of the big national charity retailers where twenty pence or less per pound of shop income goes to support the charity we are dependent on our retail income.

This financial year trading has been very good and we have seen a large number of new customers through our doors and whilst the initial resurgence of customer spending in store after Covid did not continue, stores have predominantly held their own.

Our E-commerce unfortunately has seen a downturn as people return to in store shopping for larger items and we will be reviewing how we operate this next year.

We have started to feel the increase of costs for both energy - gas and electric plus diesel for our vans and this affects not only our retail stores but the large houses we own where we house our Companions. We have finished this year with rising costs and with the expectation of costs continuing to rise throughout 2022 and into 2023 we are going to have a very tough few years financially.

Finally

A thank you to my fellow Board of Trustees who have worked tirelessly throughout the year with a special mention to Simon Parker who, as a Trustee at Preston and Chair at Emmaus Burnley, has devoted a great deal and energy to support the Board and merger. Thank you to our staff team led by Stephen Buchanan, who always do their very best and to all our volunteers who support us weekly. Thanks to all our Supporters from those who give us shops to trade from, for which we are eternally grateful, to those who donate us items to sell and those who donate us items we can give to people in the streets. Our Companions work exceptionally hard and we would like to thank those that have been with us during the year and wish them as much success as possible in the future.

FINANCIAL REVIEW

Financial position

Grants received (excluding Covid support) totalled £4,044 (2021: £2,193) and Gifts and Donations totalled £19,297 (2021: £29,003).

Rents and Housing Benefits were £138,194 (2021: £123,399).

The net movement in funds was a reduction of £564,169 (2021: £47,041). This is stated after a writedown of the value of the Preston property of £1,008,898 (2021: £nil) (see note 13) and after an extraordinary credit of £503,894 (2021: £nil) relating to the write back of negative goodwill that arose on the transfer of Emmaus Burnley (see note 12).

Reserves policy

The reserve policy is kept under review by trustees.

In line with advice from Emmaus UK we at least hold the equivalent of three months costs in reserves to cover overheads in event of closure.

The landlord of our main outlet anticipates that he will redevelop it in the near future and we hold a reserve to cover the cost of removal.

The proceeds of the sale of a property previously rented out are to be used on a long term project to teach companions useful skills in building and property maintenance.

Emmaus Preston

Report of the Trustees for the year ended 30 June 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity was incorporated as a company limited by guarantee on 2 October 1998. The company's Memorandum of Association established its objectives and powers and it is governed under its Articles of Association. The directors of Emmaus Preston are also the Trustees for the purpose of Charity law. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Induction and training of new trustees

Each new Trustee is briefed about the Community, their legal responsibilities and ethical responsibilities and an induction programme is in place which included visiting other communities and attending Emmaus UK Federation induction day. Periodic appraisals are undertaken of trustee's skills and suitable training is offered.

Related parties

Emmaus Preston is a member of the Emmaus Federation in the UK. Emmaus UK is a federation of all the Emmaus Groups and Communities in the UK.

Emmaus Preston's Chair, Director and Community manager participate in Federation peer group meetings where best practice is shared. Emmaus Preston receives support from the Federation staff on recruitment, training, publicity, policy development, best practice and fund raising.

Approved by order of the board of trustees on 26 January 2023 and signed on its behalf by:

JR Dean - Trustee

Independent Examiner's Report to the Trustees of Emmaus Preston

Independent examiner's report to the trustees of Emmaus Preston ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 June 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Neil McMillan FCA
Institute of Chartered Accountants in England and Wales
McMillan & Co LLP
Chartered Accountants
28 Eaton Avenue
Matrix Office Park
Buckshaw Village
Chorley
Lancashire
PR7 7NA

26 January 2023

Emmaus Preston

Statement of Financial Activities for the year ended 30 June 2022

		Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	23,341	-	23,341	119,556
Charitable activities	6				
Emmaus Community		138,194	-	138,194	123,399
Friends of Fishwick and St Matthew		-	-	-	16,275
Other trading activities	4	508,706	-	508,706	365,857
Investment income	5	8,385	-	8,385	4,954
Total		678,626	-	678,626	630,041
EXPENDITURE ON					
Raising funds	7	311,030	-	311,030	248,729
Charitable activities					
Emmaus Community		392,965	4,372	397,337	341,538
Friends of Fishwick and St Matthew		-	72	72	22,647
Other		3,300	-	3,300	3,476
Total		707,295	4,444	711,739	616,390
Net (expenditure) / income before investment (losses) / gains		(28,669)	(4,444)	(33,113)	13,651
Net (losses) / gains on investments		(25,992)	-	(25,992)	33,390
Net (expenditure) / income before Extraordinary Items		(54,661)	(4,444)	(59,105)	47,041
Extraordinary items	8	213,503	(718,567)	(505,064)	-
NET (expenditure) / income for year		158,842	(723,011)	(564,169)	47,041
RECONCILIATION OF FUNDS					
Total funds brought forward		802,033	1,093,675	1,895,708	1,848,667
TOTAL FUNDS CARRIED FORWARD		960,875	370,664	1,331,539	1,895,708

The notes form part of these financial statements

Emmaus Preston

Balance Sheet 30 June 2022

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	13	38,254	331,997	370,251	1,169,325
Investments	14	<u>310,628</u>	<u>-</u>	<u>310,628</u>	<u>336,620</u>
		348,882	331,997	680,879	1,505,945
CURRENT ASSETS					
Stocks	15	67,739	-	67,739	48,591
Debtors	16	134,852	-	134,852	66,455
Cash at bank and in hand		<u>474,047</u>	<u>38,667</u>	<u>512,714</u>	<u>352,258</u>
		676,638	38,667	715,305	467,304
CREDITORS					
Amounts falling due within one year	17	(64,645)	-	(64,645)	(77,541)
NET CURRENT ASSETS		<u>611,993</u>	<u>38,667</u>	<u>650,660</u>	<u>389,763</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>960,875</u>	<u>370,664</u>	<u>1,331,539</u>	<u>1,895,708</u>
NET ASSETS		<u>960,875</u>	<u>370,664</u>	<u>1,331,539</u>	<u>1,895,708</u>
FUNDS	18				
Unrestricted funds				960,875	802,033
Restricted funds				<u>370,664</u>	<u>1,093,675</u>
TOTAL FUNDS				<u>1,331,539</u>	<u>1,895,708</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

Emmaus Preston

Balance Sheet - continued **30 June 2022**

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

The financial statements were approved by the Board of Trustees and authorised for issue on 26 January 2023 and were signed on its behalf by:

JR Dean - Trustee

Emmaus Preston

Cash Flow Statement for the year ended 30 June 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(130,233)</u>	<u>61,326</u>
Net cash (used in)/provided by operating activities		<u>(130,233)</u>	<u>61,326</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(221,530)	(2,323)
Purchase of fixed asset investments		-	(100,000)
Sale of tangible fixed assets		-	23,316
Amortisation of negative goodwill		503,834	-
Interest received		<u>8,385</u>	<u>4,954</u>
Net cash provided by/(used in) investing activities		<u>290,689</u>	<u>(74,053)</u>
Change in cash and cash equivalents in the reporting period		160,456	(12,727)
Cash and cash equivalents at the beginning of the reporting period		<u>352,258</u>	<u>364,985</u>
Cash and cash equivalents at the end of the reporting period		<u><u>512,714</u></u>	<u><u>352,258</u></u>

The notes form part of these financial statements

Emmaus Preston

Notes to the Cash Flow Statement for the year ended 30 June 2022

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(564,169)	47,041
Adjustments for:		
Amortisation and depreciation (credits)/charges	(492,128)	52,048
(Losses) / gains on investments	25,992	(33,390)
Profit on disposal of fixed assets	-	(16,214)
Interest received	(8,385)	(4,954)
Property Impairment	1,008,898	-
(Increase)/decrease in stocks	(19,148)	1,525
Increase in debtors	(68,397)	(13,626)
(Decrease)/increase in creditors	<u>(12,896)</u>	<u>28,896</u>
Net cash (used in)/provided by operations	<u>(130,233)</u>	<u>61,326</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/21 £	Cash flow £	At 30/6/22 £
Net cash			
Cash at bank and in hand	<u>352,258</u>	<u>160,456</u>	<u>512,714</u>
	<u>352,258</u>	<u>160,456</u>	<u>512,714</u>
Total	<u>352,258</u>	<u>160,456</u>	<u>512,714</u>

Emmaus Preston

Notes to the Financial Statements for the year ended 30 June 2022

1. GENERAL INFORMATION

The charity is a registered charity in England and Wales and is incorporated. The address of the principal office is The Birches, 165 Ribbleson Lane, Preston, Lancashire, PR1 5ST.

There are no material uncertainties about the charity's ability to continue.

The presentational currency of the financial statements is the Pound Sterling (£).

The amounts in the financial statements have been rounded to the nearest £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

Goodwill

Goodwill, being the negative goodwill arising on the transfer of Emmaus Burnley has been fully amortised in the current year.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	- not provided
Freehold buildings	- not provided
Plant and machinery	- 25% on cost
Fixtures, fittings and equipment	- 20% - 33% on cost
Motor vehicles	- 33% on cost

Freehold land is not depreciated. No depreciation is provided on the company's freehold and long leasehold buildings as the directors consider that the lives of these assets are so long and residual values, based on prices prevailing at the time of acquisition, are sufficiently high that any depreciation would be immaterial. Provision is made in the profit and loss account in the event of any permanent diminution in the value of the properties.

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2022

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Financial instruments

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Basic financial assets, which include debtors, prepayments and bank balances, are initially measured at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the asset is measured at the present value of the future receipts discounted at a market rate of interest. Basic financial liabilities, which include creditors, accruals, bank loans and group borrowings, are initially recognised at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the liability is measured at the present value of the future obligations discounted at a market rate of interest.

Government Grants

CJRS and small business local authority grants are accounted for under the accruals model. Where the grant is classed as revenue, it is recognised in income on a systematic basis over the periods in which the company recognises the related costs.

3. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations and gifts	19,297	29,003
Grants	4,044	2,193
Small business local authority grant	-	71,966
CJRS grant	-	16,394
	<u>23,341</u>	<u>119,556</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Other grants	<u>4,044</u>	<u>2,193</u>

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2022

4. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Shop and other sundry income	444,502	286,121
Welfare scheme	64,204	79,736
	<u>508,706</u>	<u>365,857</u>

5. INVESTMENT INCOME

	2022	2021
	£	£
Interest receivable	<u>8,385</u>	<u>4,954</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Rents and housing			
benefits received	Emmaus Community	138,194	123,399
Grants	Friends of Fishwick and St Matthew	-	16,275
		<u>138,194</u>	<u>139,674</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Big Local Trust	<u>-</u>	<u>16,275</u>

7. RAISING FUNDS

Other trading activities

	2022	2021
	£	£
Operating costs	<u>311,030</u>	<u>248,729</u>

8. NET (EXPENDITURE) / INCOME

Net (expenditure) / income is stated after charging / (crediting):

	2022	2021
	£	£
Depreciation - owned assets	11,706	52,048
Surplus on disposal of fixed assets	-	(16,214)
Extraordinary items;		
Goodwill amortisation	(503,834)	-
Property impairment	<u>1,008,898</u>	<u>-</u>

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2022

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2022 nor for the year ended 30 June 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2022 nor for the year ended 30 June 2021.

10. STAFF COSTS

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

	2022	2021
	10	7
Staff	<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	119,556	-	119,556
Charitable activities			
Emmaus Community	123,399	-	123,399
Friends of Fishwick and St Matthew	-	16,275	16,275
Other trading activities	365,857	-	365,857
Investment income	4,954	-	4,954
Total	<u>613,766</u>	<u>16,275</u>	<u>630,041</u>
EXPENDITURE ON			
Raising funds	248,729	-	248,729
Charitable activities			
Emmaus Community	318,968	22,570	341,538
Friends of Fishwick and St Matthew	-	22,647	22,647
Other	3,476	-	3,476
Total	<u>571,173</u>	<u>45,217</u>	<u>616,390</u>
Net gains on investments	<u>33,390</u>	-	<u>33,390</u>
NET INCOME/(EXPENDITURE)	75,983	(28,942)	47,041
RECONCILIATION OF FUNDS			
Total funds brought forward	726,050	1,122,617	1,848,667
TOTAL FUNDS CARRIED FORWARD	<u>802,033</u>	<u>1,093,675</u>	<u>1,895,708</u>

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2022

12. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
Additions	(503,834)
AMORTISATION	
Charge for year	(503,834)
NET BOOK VALUE	
At 30 June 2022	<u>-</u>
At 30 June 2021	<u>-</u>

On 30 April 2022 Emmaus Preston and Emmaus Burnley merged their operations and assets and liabilities of Emmaus Burnley were transferred to Emmaus Preston at that date.

In accordance with the Charities SORP, the combination has been accounted for as an acquisition, with the corresponding negative goodwill of £503,834 being written back to the Statement of Financial Activities in the period of acquisition.

The fair value of assets and liabilities is set out below and were transferred from Emmaus Burnley at nil consideration:

	£
Fixed Assets	217,594
Debtors	137,952
Cash	183,531
Creditors	<u>(35,243)</u>
Negative Goodwill	<u>503,834</u>

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2022

13. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Totals £
COST					
At 1 July 2021	1,568,500	5,223	62,862	50,335	1,686,920
Additions	193,074	-	7,401	21,055	221,530
Impairments	<u>(1,008,898)</u>	-	-	-	<u>(1,008,898)</u>
At 30 June 2022	<u>752,676</u>	<u>5,223</u>	<u>70,263</u>	<u>71,390</u>	<u>899,552</u>
DEPRECIATION					
At 1 July 2021	409,602	4,639	53,019	50,335	517,595
Charge for year	-	583	10,246	877	11,706
At 30 June 2022	<u>409,602</u>	<u>5,222</u>	<u>63,265</u>	<u>51,212</u>	<u>529,301</u>
NET BOOK VALUE					
At 30 June 2022	<u>343,074</u>	<u>1</u>	<u>6,998</u>	<u>20,178</u>	<u>370,251</u>
At 30 June 2021	<u>1,158,898</u>	<u>584</u>	<u>9,843</u>	-	<u>1,169,325</u>

During the course of the year a formal open market valuation for the Birches, 115 Ribbleton Lane, Preston was completed by Armitstead Barnett LLP on 20 April 2022 and this has been confirmed at £150,000. Subsequently, in accordance with professional advice, the directors have approved an impairment of £1,008,898 which reflects the reduction in the carrying value of The Birches.

14. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 July 2021	336,620
Revaluations	<u>(25,992)</u>
At 30 June 2022	<u>310,628</u>
NET BOOK VALUE	
At 30 June 2022	<u>310,628</u>
At 30 June 2021	<u>336,620</u>

There were no investment assets outside the UK.

The historic cost of investments is £300,000 (2021: £300,000).

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2022

15. STOCKS

	2022	2021
	£	£
Stocks	<u>67,739</u>	<u>48,591</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	11,516	34,566
VAT	1,616	-
Prepayments and accrued income	<u>121,720</u>	<u>31,889</u>
	<u>134,852</u>	<u>66,455</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	21,035	41,202
Social security and other taxes	8,065	3,800
VAT	-	2,282
Accruals and deferred income	<u>35,545</u>	<u>30,257</u>
	<u>64,645</u>	<u>77,541</u>

18. MOVEMENT IN FUNDS

	At 1/7/21	Net movement in funds	At 30/6/22
	£	£	£
Unrestricted funds			
General fund	802,033	158,842	960,875
Restricted funds			
Fixed assets	1,073,318	(934,395)	138,923
Friends of Fishwick and St Matthew	20,357	(72)	20,285
Burnley Property	-	193,074	193,074
Free Streets	-	18,382	18,382
	<u>1,093,675</u>	<u>(723,011)</u>	<u>370,664</u>
TOTAL FUNDS	<u>1,895,708</u>	<u>(564,169)</u>	<u>1,331,539</u>

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2022

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	678,626	(493,792)	(25,992)	158,842
Restricted funds				
Fixed assets	-	(934,395)	-	(934,395)
Friends of Fishwick and St Matthew	-	(72)	-	(72)
Burnley Property	-	193,074	-	193,074
Free Streets	-	18,382	-	18,382
	-	(723,011)	-	(723,011)
TOTAL FUNDS	678,626	(1,216,803)	(25,992)	(564,169)

Comparatives for movement in funds

	At 1/7/20 £	Net movement in funds £	At 30/6/21 £
Unrestricted funds			
General fund	726,050	75,983	802,033
Restricted funds			
Fixed assets	1,095,888	(22,570)	1,073,318
Friends of Fishwick and St Matthew	26,729	(6,372)	20,357
	1,122,617	(28,942)	1,093,675
TOTAL FUNDS	1,848,667	47,041	1,895,708

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	613,766	(571,173)	33,390	75,983
Restricted funds				
Fixed assets	-	(22,570)	-	(22,570)
Friends of Fishwick and St Matthew	16,275	(22,647)	-	(6,372)
	16,275	(45,217)	-	(28,942)
TOTAL FUNDS	630,041	(616,390)	33,390	47,041

The restricted funds relate to the purchase and development of The Birches property which was used to create an Emmaus community in Preston.

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2022

18. MOVEMENT IN FUNDS - continued

The restricted Friends of Fishwick and St Matthew fund is in relation to grants received from Big Local Trust Charity for the regeneration of Green space in Preston.

The restricted Burnley Property fund relates to the Burnley Emmaus House property which was used to create the Emmaus Community in Burnley.

19. CONTINGENT LIABILITIES

Grants received from the Emmaus UK Solidarity Fund between 2001 and 2021 totalled £295,000 (2021: £295,000). These would become repayable in the event that Emmaus Preston ceased to be a member of the Emmaus UK Federation to the extent that donations to Emmaus UK Federation did not equal this sum.

On 30 April 2022 Emmaus Preston and Emmaus Burnley merged. The contingent liability from Burnley of £145,000 was added to Prestons' along with the £224,000 loan from Emmaus UK from Burnley.

Therefore the total contingent liability in Preston now stands at £664,000.

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the years ended 30 June 2022 or 30 June 2021.

Emmaus Preston

Detailed Statement of Financial Activities for the year ended 30 June 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and gifts	19,297	29,003
Grants	4,044	2,193
Small business local authority grant	-	71,966
CJRS grant	-	16,394
	23,341	119,556
Other trading activities		
Shop and other sundry income	444,502	286,121
Welfare scheme	64,204	79,736
	508,706	365,857
Investment income		
Interest receivable	8,385	4,954
Charitable activities		
Rents and housing benefits received	138,194	123,399
Grants	-	16,275
	138,194	139,674
TOTAL INCOMING RESOURCES	678,626	630,041

Emmaus Preston

Detailed Statement of Financial Activities for the year ended 30 June 2022

	2022 £	2021 £
EXPENDITURE		
Other trading activities		
Shop warehouse and vehicle costs	273,187	199,060
Families in need costs	37,843	49,669
	311,030	248,729
Charitable activities		
Wages	207,064	148,398
Companion housekeeping and sundry costs	37,973	19,831
Companion allowances	46,391	37,778
Companion move on fund	7,893	7,523
Maintenance and utility costs: The Birches	50,860	41,438
Recruitment expenses	231	-
Other overheads	15,847	18,736
Friend of Fishwick and St Matthew costs	72	22,647
Free Streets costs	4,372	-
Depreciation of tangible fixed assets	11,706	52,048
Loss on sale of tangible fixed assets	-	(16,214)
Solidarity payment	15,000	32,000
Total charitable costs	397,409	364,185
Other costs		
Accountancy and legal fees	3,300	3,476
TOTAL RESOURCES EXPENDED	711,739	616,390
Net (deficit) / surplus before investment (losses) / gains	(33,113)	13,651
(Losses) / gains on fixed asset investments	(25,992)	33,390
Net (deficit) / surplus before extraordinary items	(59,105)	47,041
Extraordinary items		
Impairment losses for tangible fixed assets	(1,008,898)	-
Amortisation of negative goodwill	503,834	-
NET (DEFICIT) / SURPLUS FOR YEAR	(564,169)	47,041

EMMAUS PRESTON

England & Wales - Charity number 1073677

Accounts

Emmaus Preston

Report of the Trustees and

Unaudited Financial Statements

for the Year Ended 30 June 2021

McMillan & Co LLP
Chartered Accountants
28 Eaton Avenue
Matrix Office Park
Buckshaw Village
Chorley
Lancashire
PR7 7NA

Emmaus Preston

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Emmaus Preston

Reference and Administrative Details for the year ended 30 June 2021

TRUSTEES	JA Baggaley JA Caldwell MG Conlon JR Dean KC Derbyshire PR Leeming S Savage J Swindells S Parker JJB Rawkins DJ Mein N J Edwards (appointed 24/9/2020)
COMPANY SECRETARY	JA Baggaley
REGISTERED OFFICE	The Birches 165 Ribbleson Lane Preston Lancashire PR1 5ST
REGISTERED COMPANY NUMBER	03643570 (England and Wales)
REGISTERED CHARITY NUMBER	1073677
INDEPENDENT EXAMINER	McMillan & Co LLP Chartered Accountants 28 Eaton Avenue Matrix Office Park Buckshaw Village Chorley Lancashire PR7 7NA

Emmaus Preston (Registered number: 03643570)

Report of the Trustees for the year ended 30 June 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2021. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Emmaus Preston provides a home, work training and development for people who have been homeless or socially excluded. People who become homeless do so for a variety of complex reasons. Many of the community members have slept rough. Emmaus offers stability, companionship, support and security for people to rebuild their lives. Accommodation is available for 26 people in the Community Home.

The Community is fully inclusive. Companions are encouraged to play an active role in the day to day running of the Community.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives.

Emmaus Preston (Registered number: 03643570)

Report of the Trustees for the year ended 30 June 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities

We have accommodation for up to 26 formerly homeless people, whom we call Companions, in our house on Ribbleton Lane. This is supported by our three retail outlets in Preston including own town centre store in Preston and the largest charity store in the country which we opened in September 2016 a former B and Q. Most of our costs are paid for through our own social enterprises which are run by our Companions with support from a small staff team.

Emmaus Preston currently supports Emmaus Burnley under a Joint Working Agreement which commenced in July 2016. This agreement means a small number of Emmaus Preston staff and Trustees are shared with Emmaus Burnley.

Covid 19

This year was massively affected by the global pandemic with our shops just reopening in July 2020 after three months being closed. We then closed again in August 2020 for two weeks after a Covid Case in the house and government shutdowns in November 2020 and January - March 2021 not only affected income but also the work that our Companions do daily. Whilst we tried to offer some normality to the people we support often we had to find a new way of working and a new way to offer support. When one of our long standing support staff members left in July we changed the way we offered support with our team changing to development workers and offering both support and development as well as moving to be based mainly in our stores. We recruited a new staff member to oversee our online sales and developed both our own online selling site as well as listing on EBay and other marketplaces and this gave new work to our Companions when our stores were closed.

Companions

The Companion numbers were lower than usual on average across the year, undoubtedly due to so many homeless people being housed within hotels by Local Authorities. Our offer of people signing off benefits and working within Emmaus to pay your own way, get work experience, qualifications and move on is less attractive when all you want is a bed and benefits. This is a situation we will monitor as we have started to see towards the end of this financial year more people arriving off the streets but with much higher needs.

Emmaus Preston Companions have managed to do a whole host of mainly online courses from Health and Safety to Health and Social Care and whilst face to face courses were almost impossible to deliver safely, the computer has made a difference. We upgraded our broadband three times during the pandemic with so much reliance on online and so many people in the house doing courses, gaming and attending meetings or events on Zoom and most people found their own family home sharing data our house was sharing data between twenty people - a first world problem I am sure but never the less important for keeping busy and in contact with others who you could not see.

A number of supporters have asked how our Companions have coped with lockdowns and Covid and in the main very well as one explained "you have to be resilient on the streets to survive and so that's the one thing that stands you in good stead for the rest of your life, resilience".

Throughout 2021 and into 2022 we will increase staffing to improve the support we offer, look at new work experience opportunities, as well as developing new courses and Companions attending college for one and two year courses to gain further accredited qualifications to support them into paid work and their own accommodation.

The Companions in Preston are amazing and the way they deal with the past and a lot that has happened to them previously, for quite a few of whom it was no fault of their own, is exceptionally admirable. We talk about a hand up and not a hand out for Companions in Emmaus and the people that come through Emmaus in Preston not only take that hand firmly to pull themselves up, most offer the other hand to pull a fellow Companion up too.

Emmaus Preston (Registered number: 03643570)

Report of the Trustees for the year ended 30 June 2021

Business

The Social Enterprises we run, mainly retail, support the running costs of our Emmaus including paying for food, support, training courses, move-on and some of the accommodation costs of our Companions. The more money we can generate the more support we can offer to Companions and our Companions are proud that as a charity we do not chase grants and are predominantly self-funding through our own work. Compared to some of the big national charity retailers where twenty pence or less per pound of shop income goes to support the charity we are dependent on our retail income.

This financial year we took a real hit with Covid closures seeing a fall in retail income of just over £150,000 against budget.

Trading when we were open was actually excellent, no doubt buoyed by people spending more money on their home as they could not go on holiday or have nights out in the same way and so despite nearly 5 months of closures, our shops only being down just under third of income was amazing.

Our Ecommerce site www.emmauspreston.co.uk was launched in November 2020 and between January to March 2021 alongside EBay listings we managed to bring income in whilst Companions learned how to photograph, layout and upload listings. We now need to work harder and smarter to run the shops and online together and this will mean during this next year investing in an EPOS system across all our stores.

This was a tough financial year and had it not been for government grants for retail, local people spending well with us when we were open, very tight management of costs and our online sales income then losses would have been much higher and I am pleased we have survived where sadly big names on the high street fell BUT we need to look at various other social enterprises to ensure retail is not our only source of income, spreading our risk.

We thank our Companions, volunteers, supporters both business and local people, Trustees and staff for their hard work and endeavours in the year and hope they are up for it once again next year.

The Effect of Covid

In addition to the National Covid shutdown a case of covid amongst our companions caused an additional closure of 2 weeks.

The total loss of sales was just under £140,000, but to offset this we received £16,394 in furlough reimbursement and £71,966 in grants to assist in managing with the disruption.

FINANCIAL REVIEW

Reserves policy

The reserve policy is kept under review by trustees.

In line with advice from Emmaus UK we at least hold the equivalent of three months costs in reserves to cover overheads in event of closure.

The landlord of our main outlet anticipates that he will redevelop it in the near future and we hold a reserve to cover the cost of removal.

The proceeds of the sale of a property previously rented out are to be used on a long term project to teach companions useful skills in building and property maintenance.

Grants received (excluding Covid support) totalled £2,193 (2020: £3,420) and Gifts and Donations totalled £29,003 (2020: £36,239).

Rents and Housing Benefits were £123,399 (2020: £139,588).

The net movement in funds was £47,041 (2020: £21,515).

Emmaus Preston (Registered number: 03643570)

Report of the Trustees for the year ended 30 June 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity was incorporated as a company limited by guarantee on 2 October 1998. The company's Memorandum of Association established its objectives and powers and it is governed under its Articles of Association. The directors of Emmaus Preston are also the Trustees for the purpose of Charity law. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Induction and training of new trustees

Each new Trustee is briefed about the Community, their legal responsibilities and ethical responsibilities and an induction programme is in place which included visiting other communities and attending Emmaus UK Federation induction day. Periodic appraisals are undertaken of trustee's skills and suitable training is offered.

Related parties

Emmaus Preston is a member of the Emmaus Federation in the UK. Emmaus UK is a federation of all the Emmaus Groups and Communities in the UK.

Emmaus Preston's Chair, Director and Community manager participate in Federation peer group meetings where best practice is shared. Emmaus Preston receives support from the Federation staff on recruitment, training, publicity, policy development, best practice and fund raising.

Approved by order of the board of trustees on 24 February 2022 and signed on its behalf by:

JR Dean - Trustee

Independent Examiner's Report to the Trustees of Emmaus Preston

Independent examiner's report to the trustees of Emmaus Preston ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 June 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Neil McMillan FCA
Institute of Chartered Accountants in England and Wales
McMillan & Co LLP
Chartered Accountants
28 Eaton Avenue
Matrix Office Park
Buckshaw Village
Chorley
Lancashire
PR7 7NA

24 February 2022

Emmaus Preston

Statement of Financial Activities for the year ended 30 June 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	119,556	-	119,556	73,118
Charitable activities	6				
Emmaus Community		123,399	-	123,399	139,588
Friends of Fishwick and St Matthew		-	16,275	16,275	32,550
Other trading activities	4	365,857	-	365,857	401,621
Investment income	5	4,954	-	4,954	6,298
Total		613,766	16,275	630,041	653,175
EXPENDITURE ON					
Raising funds	7	248,729	-	248,729	250,453
Charitable activities					
Emmaus Community		318,968	22,570	341,538	316,240
Friends of Fishwick and St Matthew		-	22,647	22,647	29,899
Emmaus Bolton		-	-	-	10,000
Emmaus UK		-	-	-	15,000
Other		3,476	-	3,476	3,000
Total		571,173	45,217	616,390	624,592
Net gains/(losses) on investments		33,390	-	33,390	(7,068)
NET INCOME/(EXPENDITURE)		75,983	(28,942)	47,041	21,515
RECONCILIATION OF FUNDS					
Total funds brought forward		726,050	1,122,617	1,848,667	1,827,152
TOTAL FUNDS CARRIED FORWARD		802,033	1,093,675	1,895,708	1,848,667

The notes form part of these financial statements

Emmaus Preston (Registered number: 03643570)

Balance Sheet 30 June 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	12	96,007	1,073,318	1,169,325	1,226,152
Investments	13	336,620	-	336,620	203,230
		<u>432,627</u>	<u>1,073,318</u>	<u>1,505,945</u>	<u>1,429,382</u>
CURRENT ASSETS					
Stocks	14	48,591	-	48,591	50,116
Debtors	15	66,455	-	66,455	52,829
Cash at bank and in hand		331,901	20,357	352,258	364,985
		<u>446,947</u>	<u>20,357</u>	<u>467,304</u>	<u>467,930</u>
CREDITORS					
Amounts falling due within one year	16	(77,541)	-	(77,541)	(48,645)
		<u>369,406</u>	<u>20,357</u>	<u>389,763</u>	<u>419,285</u>
NET CURRENT ASSETS					
		<u>369,406</u>	<u>20,357</u>	<u>389,763</u>	<u>419,285</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>802,033</u>	<u>1,093,675</u>	<u>1,895,708</u>	<u>1,848,667</u>
NET ASSETS					
		<u>802,033</u>	<u>1,093,675</u>	<u>1,895,708</u>	<u>1,848,667</u>
FUNDS	17				
Unrestricted funds				802,033	726,050
Restricted funds				1,093,675	1,122,617
TOTAL FUNDS				<u>1,895,708</u>	<u>1,848,667</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

Emmaus Preston (Registered number: 03643570)

Balance Sheet - continued **30 June 2021**

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

The financial statements were approved by the Board of Trustees and authorised for issue on 24 February 2022 and were signed on its behalf by:

JR Dean - Trustee

Emmaus Preston

Cash Flow Statement for the year ended 30 June 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>61,326</u>	<u>97,219</u>
Net cash provided by operating activities		<u>61,326</u>	<u>97,219</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,323)	(20,300)
Purchase of fixed asset investments		(100,000)	-
Sale of tangible fixed assets		23,316	-
Interest received		<u>4,954</u>	<u>6,298</u>
Net cash used in investing activities		<u>(74,053)</u>	<u>(14,002)</u>
Change in cash and cash equivalents in the reporting period		<u>(12,727)</u>	<u>83,217</u>
Cash and cash equivalents at the beginning of the reporting period		<u>364,985</u>	<u>281,768</u>
Cash and cash equivalents at the end of the reporting period		<u><u>352,258</u></u>	<u><u>364,985</u></u>

The notes form part of these financial statements

Emmaus Preston

Notes to the Cash Flow Statement for the year ended 30 June 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	47,041	21,515
Adjustments for:		
Depreciation charges	52,048	50,433
(Gain)/losses on investments	(33,390)	7,068
Profit on disposal of fixed assets	(16,214)	-
Interest received	(4,954)	(6,298)
Decrease in stocks	1,525	2,361
(Increase)/decrease in debtors	(13,626)	20,754
Increase in creditors	28,896	1,386
Net cash provided by operations	61,326	97,219

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/20 £	Cash flow £	At 30/6/21 £
Net cash			
Cash at bank and in hand	364,985	(12,727)	352,258
	<u>364,985</u>	<u>(12,727)</u>	<u>352,258</u>
Total	<u>364,985</u>	<u>(12,727)</u>	<u>352,258</u>

Emmaus Preston

Notes to the Financial Statements for the year ended 30 June 2021

1. GENERAL INFORMATION

The charity is a registered charity in England and Wales and is incorporated. The address of the principal office is The Birches, 165 Ribbleson Lane, Preston, Lancashire, PR1 5ST.

There are no material uncertainties about the charity's ability to continue.

The presentational currency of the financial statements is the Pound Sterling (£).

The amounts in the financial statements have been rounded to the nearest £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	- nil
Freehold buildings	- 2% on cost
Plant and machinery	- 25% on cost
Fixtures, fittings and equipment	- 20% - 33% on cost
Motor vehicles	- 33% on cost

Fixed asset investments

Listed investments are valued at their mid market price as at the close of trading at the year end date.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2021

2. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Financial instruments

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Basic financial assets, which include debtors, prepayments and bank balances, are initially measured at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the asset is measured at the present value of the future receipts discounted at a market rate of interest. Basic financial liabilities, which include creditors, accruals, bank loans and group borrowings, are initially recognised at transaction price and are subsequently carried at cost unless the arrangement indicates otherwise and then the liability is measured at the present value of the future obligations discounted at a market rate of interest.

Government Grants

CJRS and small business local authority grants are accounted for under the accruals model. Where the grant is classed as revenue, it is recognised in income on a systematic basis over the periods in which the company recognises the related costs.

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations and gifts	29,003	36,239
Grants	2,193	3,420
Small business local authority grant	71,966	25,000
CJRS grant	16,394	8,459
	<u>119,556</u>	<u>73,118</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Other grants	<u>2,193</u>	<u>3,420</u>

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2021

4. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Shop and other sundry income	286,121	333,918
Families in need	79,736	67,703
	<u>365,857</u>	<u>401,621</u>

5. INVESTMENT INCOME

	2021	2020
	£	£
Interest receivable	<u>4,954</u>	<u>6,298</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021	2020
		£	£
Rents and housing benefits received	Emmaus Community	123,399	139,588
Grants	Friends of Fishwick and St Matthew	16,275	32,550
		<u>139,674</u>	<u>172,138</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Big Local Trust	<u>16,275</u>	<u>32,550</u>

7. RAISING FUNDS

Other trading activities

	2021	2020
	£	£
Operating costs	<u>248,729</u>	<u>250,453</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	52,048	50,433
Surplus on disposal of fixed assets	<u>(16,214)</u>	<u>-</u>

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2021

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2021 nor for the year ended 30 June 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2021 nor for the year ended 30 June 2020.

10. STAFF COSTS

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

	2021	2020
Staff	7	7

No employees received emoluments in excess of £60,000.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	73,118	-	73,118
Charitable activities			
Emmaus Community	139,588	-	139,588
Friends of Fishwick and St Matthew	-	32,550	32,550
Other trading activities	401,621	-	401,621
Investment income	6,298	-	6,298
Total	620,625	32,550	653,175
EXPENDITURE ON			
Raising funds	250,453	-	250,453
Charitable activities			
Emmaus Community	293,670	22,570	316,240
Friends of Fishwick and St Matthew	-	29,899	29,899
Emmaus Bolton	10,000	-	10,000
Emmaus UK	15,000	-	15,000
Other	3,000	-	3,000
Total	572,123	52,469	624,592
Net gains/(losses) on investments	(7,068)	-	(7,068)
NET INCOME/(EXPENDITURE)	41,434	(19,919)	21,515
RECONCILIATION OF FUNDS			
Total funds brought forward	684,616	1,142,536	1,827,152

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2021

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	726,050	1,122,617	1,848,667

12. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Totals £
COST					
At 1 July 2020	1,568,500	5,223	60,539	66,835	1,701,097
Additions	-	-	2,323	-	2,323
Disposals	-	-	-	(16,500)	(16,500)
At 30 June 2021	1,568,500	5,223	62,862	50,335	1,686,920
DEPRECIATION					
At 1 July 2020	385,232	4,439	43,717	41,557	474,945
Charge for year	24,370	200	9,302	18,176	52,048
Eliminated on disposal	-	-	-	(9,398)	(9,398)
At 30 June 2021	409,602	4,639	53,019	50,335	517,595
NET BOOK VALUE					
At 30 June 2021	1,158,898	584	9,843	-	1,169,325
At 30 June 2020	1,183,268	784	16,822	25,278	1,226,152

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 July 2020	203,230
Additions	100,000
Revaluations	33,390
At 30 June 2021	336,620
NET BOOK VALUE	
At 30 June 2021	336,620
At 30 June 2020	203,230

There were no investment assets outside the UK.

The historic cost of investments is £300,000 (2020: £200,000).

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2021

14. STOCKS

	2021	2020
	£	£
Stocks	<u>48,591</u>	<u>50,116</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	34,566	21,782
VAT	-	4,430
Prepayments and accrued income	<u>31,889</u>	<u>26,617</u>
	<u>66,455</u>	<u>52,829</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	41,202	20,236
Social security and other taxes	3,800	3,408
VAT	2,282	-
Accruals and deferred income	<u>30,257</u>	<u>25,001</u>
	<u>77,541</u>	<u>48,645</u>

17. MOVEMENT IN FUNDS

	At 1/7/20	Net movement in funds	At 30/6/21
	£	£	£
Unrestricted funds			
General fund	726,050	75,983	802,033
Restricted funds			
Fixed assets	1,095,888	(22,570)	1,073,318
Friends of Fishwick and St Matthew	26,729	(6,372)	20,357
	<u>1,122,617</u>	<u>(28,942)</u>	<u>1,093,675</u>
TOTAL FUNDS	<u>1,848,667</u>	<u>47,041</u>	<u>1,895,708</u>

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2021

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	613,766	(571,173)	33,390	75,983
Restricted funds				
Fixed assets	-	(22,570)	-	(22,570)
Friends of Fishwick and St Matthew	16,275	(22,647)	-	(6,372)
	<u>16,275</u>	<u>(45,217)</u>	<u>-</u>	<u>(28,942)</u>
TOTAL FUNDS	<u>630,041</u>	<u>(616,390)</u>	<u>33,390</u>	<u>47,041</u>

Comparatives for movement in funds

	At 1/7/19 £	Net movement in funds £	At 30/6/20 £
Unrestricted funds			
General fund	684,616	41,434	726,050
Restricted funds			
Fixed assets	1,118,458	(22,570)	1,095,888
Friends of Fishwick and St Matthew	24,078	2,651	26,729
	<u>1,142,536</u>	<u>(19,919)</u>	<u>1,122,617</u>
TOTAL FUNDS	<u>1,827,152</u>	<u>21,515</u>	<u>1,848,667</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	620,625	(572,123)	(7,068)	41,434
Restricted funds				
Fixed assets	-	(22,570)	-	(22,570)
Friends of Fishwick and St Matthew	32,550	(29,899)	-	2,651
	<u>32,550</u>	<u>(52,469)</u>	<u>-</u>	<u>(19,919)</u>
TOTAL FUNDS	<u>653,175</u>	<u>(624,592)</u>	<u>(7,068)</u>	<u>21,515</u>

The restricted funds relate to the purchase and development of The Birches property which was used to create an Emmaus community in Preston.

Emmaus Preston

Notes to the Financial Statements - continued for the year ended 30 June 2021

17. MOVEMENT IN FUNDS - continued

The restricted Friends of Fishick and St Matthew fund is in relation to grants received from Big Local Trust Charity for the regeneration of Green space in Preston.

18. CONTINGENT LIABILITIES

Grants received from the Emmaus UK Solidarity Fund between 2001 and 2021 totalled £265,000 (2020: £295,000). These would become repayable in the event that Emmaus Preston ceased to be a member of the Emmaus UK Federation to the extent that donations to Emmaus UK Federation did not equal this sum.

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the years ended 30 June 2021 or 30 June 2020.