

**Charity Registration No. 1080391**

**Company Registration No. 03924322 (England and Wales)**

**EMMAUS BOLTON**

**ANNUAL REPORT  
AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2021**

# EMMAUS BOLTON

## LEGAL AND ADMINISTRATIVE INFORMATION

---

### Trustees

Mr R L Speare  
Mr P M Glanvill  
Reverend D Allen  
Mrs J Blunsdon  
Mr P R Gibbs  
Ms N Richardson  
Mr J R Webbe  
Mr D Gornall

(Appointed 27 August  
2020)

Mr G H Almond

### Secretary

Reverend D Allen

### Charity number

1080391

### Company number

03924322

### Registered office

Derby Barracks  
Fletcher Street  
Bolton  
BL3 6NF

---

# EMMAUS BOLTON

## CONTENTS

---

	Page
Trustees' report	1 - 4
Statement of trustees' responsibilities	5
Independent examiner's report	6
Statement of financial activities	7
Balance sheet	8
Statement of cash flows	9
Notes to the financial statements	10 - 19

---

# EMMAUS BOLTON

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 30 JUNE 2021

---

The trustees present their report and financial statements for the year ended 30 June 2021.

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 Memorandum and Articles of Association, 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**

The principal objective of the Charity is the advancement of alleviation and relief of poverty, hardship and distress to those in need.

Emmaus exists to provide homeless people (known in Emmaus as "Companions") with work, accommodation and the chance to regain their self-respect and to pursue their lives in the community or in the outside world.

The trustees are satisfied that in carrying out its activities Emmaus Bolton is providing a clear public benefit and is meeting its objectives.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

The normal style of these annual reports tends to be analytical and detached and perhaps it takes something like a sustained pandemic to remind us, and forcefully so, why we are here. One can sit and study numbers and words, trying to distil the essence of a year in the life of Emmaus Bolton, and miss the point of why this community exists. This was the year when for the first time since we opened our doors in 2005 that one of our Companions died, unexpectedly and at home in the barracks. Normally, we do not write details about our Companions because we totally respect their privacy but when one of them dies, with no natural family to mourn their passing, we have the privilege and the responsibility to remember them as best we can.

John Sell was born in West Ham, one of two children. He had been married and had a son or stepson but all contact with family had been lost. We know little of his life before he joined Emmaus in 2005 and moved around several communities before settling in the North West. He lived seven years in the Emmaus Bolton community working mainly as a van driver collecting donated furniture and delivering to customers homes. He was a larger-than-life character with a fund of stories, some of which needed to be taken with a pinch of salt. There was only one way to do things and that was John's way, which meant that getting agreement could sometimes be difficult, but mainly he was cheerful, always polite and never did anyone a bad turn. He passed away peacefully at the age of 55 on 4th January 2021.

John reminds why we are here. Emmaus communities are places where people, whose lives have been derailed by events that many of us have experienced but have had the good fortune to escape, may find a home, a place to work, a circle of support and a way to get their life back on track by helping others. They can stay as long as they wish, for the rest of their lives if need be, and for John that was how it turned out.

The pandemic, for the second year running, has been a major problem for our Companions and staff. During lockdowns, more than twenty people have been living and working in a closed community, many of them with pre-existing medical conditions, restricted in mobility and deprived of donors, customers and outside help. Stress, depression and mental exhaustion become the daily enemies, gradually sapping energy, draining good health and reducing normal levels of patience and tolerance. Seen from the perspective of the writer, who had a relatively easy experience in the "outside world", nothing but the highest praise is due to those who worked so hard to survive and, given the impediments, prosper in this harrowing situation. However, the work of repairing Companion morale and recovering from staff burnout will be ongoing and difficult in a world in which corona viruses are here, it would seem, to stay.

# EMMAUS BOLTON

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

---

Given that we were deprived of more than four months trading and were unable to make use of the furlough scheme, our financial situation held up well. In fact, if the average performance during the eight months in which we were able to operate the business normally had been sustained for twelve months, it would have been one of our best years.

Despite the difficulties, we were able to make substantial progress with one particular project, the recycling centre. With some funding in place, and with good prospects for more, the trustees authorised the project in November. Thanks to Bolton's Fund Supporting Local Social Enterprises, Landmark UK, All Churches Trust, P Leigh Bramwell Trust (now Whinwell Trust) and Emmaus UK all the funding was in place by January. The building consists of three converted shipping containers set in two storeys, the ground floor to rehouse our existing metals recycling and the upper floor the new textile recycling. The factory converted containers were delivered and installed in April and the job of wiring and fitting security and safety systems and finishing the details was carried out by our own in-house team over the following weeks. The centre was officially opened in September and is now building up momentum; this story will be continued in next year's report.

### Financial review

The results of the charity's activities are shown in the Statement of Financial Activities on page 6 of the accounts, showing net expenditure of £65,139 across all funds.

The reserves policy is under regular review as the activities of the company develop and the scale of the operation grows. The aim is to build up sufficient free reserves to cover 3 to 6 months of operating costs, in the unlikely event that our income streams should cease. At the year end the charity held free reserves of £124,555 (2020: £106,427), equating to approximately 3 months of forecast operating costs, leaving us at the lower end of our target level. However, free reserves have moved in the right direction during the year, despite further disruption to sales because of coronavirus pandemic. Financial support that we received to help us through the pandemic has been very welcome and has put us in a strong position as we begin to return to some level of normality.

Our funding comes from a variety of sources including accommodation charges, sales of donated goods, grants and donations from other charities.

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish. The trustees, having regard to liquidity requirements of the charity and to the reserves policy, have operated a policy of keeping available funds in an interest bearing deposit account with the aim to achieve a rate of deposit interest which at least matches or exceeds inflation.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### The future

COVID has had a profoundly uneven impact, hitting hardest those people who were already disadvantaged and exacerbating existing structural inequalities in many ways. This is prompting us to ask questions about our role and purpose, including who we work with and how, and the scope for us to play a greater role in achieving social change.

In the 1990s, the first Emmaus communities in this country set out to offer a radically different alternative to the hostels and night shelters that existed at the time. As in France, early UK communities did not regard themselves as charities, but rather as social enterprises that were striving towards financial self-sufficiency whilst also embodying a way to achieve a more just society. Communities were based on the core Emmaus principle that, through helping others, Companions would have the opportunity to make positive changes to their own lives. Hence, communities did not offer Companions structured support per se, but rather the chance to rebuild their sense of self-worth through working alongside others and offering support to their peers and others in greater need than themselves. This was, and still is, the underlying philosophy of Emmaus Bolton. However, significant aspects of society are changing.

# EMMAUS BOLTON

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

**FOR THE YEAR ENDED 30 JUNE 2021**

---

In Bolton, as elsewhere, an increased proportion of people seeking to join the community have greater and more complex needs than we feel able to support. For example, major cuts in mental health, addiction and other support services under the austerity regime from 2010 onwards has meant that the threshold for accessing mental health and addiction services has increased and many people's issues need to be more severe before they can get help. Tenancies are, therefore, being lost by people who at present we are unable to help, while on the other hand, the improvement in the employment market means that Companions with skills are finding it easier to move on into independent living. This has meant that we have needed to employ more staff to cover the skills gap, which in turn puts pressure on the finances that are already under stress from the effects of the pandemic.

As we approach this situation, it is important to remember that Emmaus is not just about homelessness; the core values and the vision of the Emmaus movement are much wider. Internationally, there are 425 Emmaus groups in 41 countries, working to promote social, environmental and economic justice in a variety of ways. This ranges from work to support health campaigns in Angola to educational initiatives for underprivileged families in Brazil; from supporting victims of human trafficking in Bosnia-Herzegovina to setting up textiles-based social enterprises to provide a sustainable income for women in Bangladesh. The important thing for us is to be aware of the greatest needs in Bolton and direct our attention towards those that we have the capacity to help with.

In addressing these issues, we are not alone. The appointment of a new Chief Executive at our national office has provided an opportunity for the Emmaus movement in the UK, which has twenty-eight residential communities plus many other operational units, to engage in a wide-ranging review and discussion about the future direction of Emmaus in this country. Emmaus Bolton is actively participating in and seeking to provide a positive contribution to this project.

The year 2021/2022 will be about surviving personally, socially and financially while we think through and start to initiate necessary and desirable changes. Many of the seeds have already been sown.

### **Structure, governance and management**

Emmaus Bolton is a registered charity and a company limited by guarantee and is governed by its Memorandum and Articles of Association.

As a registered charity the company is non-profit-making and its directors and trustees are volunteers.

The company has been incorporated without share capital and it is limited by guarantee, to a maximum £1 each, payable by its members. The Memorandum and Articles of Association prohibit distribution of any surpluses other than to Emmaus UK.

The company has a wholly owned subsidiary, Ecostore Limited, which is incorporated in England and Wales. The subsidiary operates commercial activities related to the charity and any profit will be gifted to the parent company.

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

Mr R L Speare

Mr P M Glanvill

Reverend D Allen

Mrs J Blunsdon

Mr P R Gibbs

Ms N Richardson

Mr J R Webbe

Mr D Gornall

Mr G H Almond

(Appointed 27 August 2020)

# EMMAUS BOLTON

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

---

The trustees are appointed by the members of the organisation at the Annual General Meeting. Directors/trustees have the power under the governing documents to co-opt individuals who support the objects of the organisation to fill vacancies on the Board of Management.

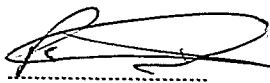
As part of their induction, new trustees are provided with information about the charity, the management structure, its history and working practices. In addition, they are also provided with copies of the Memorandum and Articles of Association plus information from the Charity Commission and Companies House regarding the duties and responsibilities of directors and trustees.

This is a local charity which is a member of Emmaus International, a worldwide organisation with over 350 communities, 29 of which are in the UK.

Day to day management responsibility rests with the management team, which reports to the Board of Trustees. The Board of Trustees meets on a regular basis.

We have a risk management subcommittee to keep the risks which the charity faces under constant review. The subcommittee reports to the main Board meetings, and the trustees are satisfied that appropriate systems are in place to mitigate exposure to the risks the charity faces both in relation to operations and finance, and that appropriate strategies are developed to meet the risks as they arise.

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



Mr P R Gibbs

Trustee

Dated: 16/12/21

# EMMAUS BOLTON

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 30 JUNE 2021*

---

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

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

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

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

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



# EMMAUS BOLTON

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF EMMAUS BOLTON

---

I report to the trustees on my examination of the financial statements of Emmaus Bolton (the charity) for the year ended 30 June 2021.

#### 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.

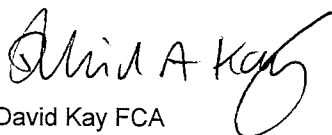
#### Independent examiner's statement

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.



David Kay FCA

Barlow Andrews LLP

Chartered Accountants

Carlyle House, 78 Chorley New Road, Bolton

Dated: 16/12/21

# EMMAUS BOLTON

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b>Income</b>							
Donations and legacies	2	166,355	38,000	204,355	156,949	131,620	288,569
Charitable activities	3	292,206	-	292,206	301,966	-	301,966
Investments		655	-	655	559	-	559
<b>Total income</b>		<b>459,216</b>	<b>38,000</b>	<b>497,216</b>	<b>459,474</b>	<b>131,620</b>	<b>591,094</b>
<b>Expenditure</b>							
Costs of raising funds	4	268,136	1,871	270,007	241,907	21,186	263,093
Costs of charitable activities	5	211,694	80,654	292,348	267,313	11,223	278,536
<b>Total expenditure</b>		<b>479,830</b>	<b>82,525</b>	<b>562,355</b>	<b>509,220</b>	<b>32,409</b>	<b>541,629</b>
<b>Net (outgoing)/ incoming resources before transfers</b>		<b>(20,614)</b>	<b>(44,525)</b>	<b>(65,139)</b>	<b>(49,746)</b>	<b>99,211</b>	<b>49,465</b>
Gross transfers between funds		30,521	(30,521)	-	14	(14)	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>9,907</b>	<b>(75,046)</b>	<b>(65,139)</b>	<b>(49,732)</b>	<b>99,197</b>	<b>49,465</b>
Fund balances at 1 July 2020		604,178	113,175	717,353	653,910	13,978	667,888
<b>Fund balances at 30 June 2021</b>		<b>614,085</b>	<b>38,129</b>	<b>652,214</b>	<b>604,178</b>	<b>113,175</b>	<b>717,353</b>

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 BOLTON

## BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	8		527,657		528,270
Investments	9		2		2
			<u>527,659</u>		<u>528,272</u>
<b>Current assets</b>					
Stocks	10	11,626		9,132	
Debtors	11	10,642		24,240	
Cash at bank and in hand		195,934		261,307	
		<u>218,202</u>		<u>294,679</u>	
<b>Creditors: amounts falling due within one year</b>	12	(93,647)		(105,598)	
Net current assets			<u>124,555</u>		<u>189,081</u>
<b>Total assets less current liabilities</b>			<u><u>652,214</u></u>		<u><u>717,353</u></u>
<b>Income funds</b>					
Restricted funds	13	38,129		113,175	
Unrestricted funds		614,085		604,178	
		<u>652,214</u>		<u>717,353</u>	

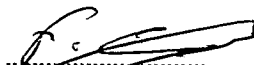
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2021.

The director acknowledges his 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 16/12/21

  
Mr P R Gibbs  
Trustee

Company Registration No. 03924322

# EMMAUS BOLTON

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	18		(10,025)		100,924
<b>Investing activities</b>					
Purchase of tangible fixed assets		(56,003)		(55,760)	
Interest received		655		559	
<b>Net cash used in investing activities</b>			(55,348)		(55,201)
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(65,373)		45,723
Cash and cash equivalents at beginning of year			261,307		215,584
<b>Cash and cash equivalents at end of year</b>			<u>195,934</u>		<u>261,307</u>

# EMMAUS BOLTON

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

---

### 1 Accounting policies

#### Charity information

Emmaus Bolton is a private company limited by guarantee incorporated in England and Wales. The registered office is Derby Barracks, Fletcher Street, Bolton.

#### 1.1 Accounting convention

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

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

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

#### 1.2 Going concern

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

#### 1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements. Where such funds are used to acquire fixed assets, the expenditure is capitalised and depreciation is charged annually against the fund balance in accordance with the rates noted below.

#### 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.

It would be impractical to try to value donated items when they are received, in order to recognise the value of the donation as both income from donations and a matching cost of goods for resale. Therefore, donated goods are only accounted for when they are sold, the sales income being recognised at that point.

# EMMAUS BOLTON

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

---

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of raising funds comprise the costs of trading and similar activities and the associated support costs of those activities. Charitable expenditure comprises those costs directly incurred by the charity in the delivery to beneficiaries of its core activities and services. The support costs associated with delivery of these activities and services is also included. All costs are allocated between the expenditure categories on bases designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, whilst others are apportioned on an appropriate basis.

#### 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 and buildings	2% straight line
Leasehold improvements	5% straight line
Fixtures and fittings	10% straight line
Vehicles	25% reducing balance
Office equipment	33% reducing balance

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 net income/(expenditure) for the year.

#### 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.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.8 Stocks

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stock to its present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand.

# EMMAUS BOLTON

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

---

### 1 Accounting policies

(Continued)

#### 1.10 Financial instruments

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

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

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

##### **Basic financial assets**

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

##### **Basic financial liabilities**

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

#### 1.11 Taxation

The company has charitable status and is thus exempt from taxation of its income and gains falling within section 505 of The Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives.

#### 1.12 Employee benefits

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

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

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# EMMAUS BOLTON

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

### 2 Donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations and grants	141,512	38,000	179,512	129,667	131,620	261,287
Furlough grants and Bolton MBC Covid support grant	24,843	-	24,843	27,282	-	27,282
	<u>166,355</u>	<u>38,000</u>	<u>204,355</u>	<u>156,949</u>	<u>131,620</u>	<u>288,569</u>
<b>Donations and grants analysis:</b>						
Charity Aid Foundation	29,000	-	29,000	-	-	-
Ecostore Ltd	72,394	-	72,394	74,149	-	74,149
Emmaus UK	-	23,000	23,000	-	-	-
Bolton's Fund	-	15,000	15,000	-	-	-
The National Lottery	-	-	-	-	69,850	69,850
William Hare Ltd	-	-	-	10,000	-	10,000
Albert Hunt	-	-	-	10,000	-	10,000
Garfield Weston	-	-	-	-	8,000	8,000
Clothworkers Foundation	-	-	-	-	17,600	17,600
Homeless Link	-	-	-	-	33,670	33,670
Other	40,118	-	40,118	35,518	2,500	38,018
	<u>141,512</u>	<u>38,000</u>	<u>179,512</u>	<u>129,667</u>	<u>131,620</u>	<u>261,287</u>

### 3 Charitable activities

	Total 2021 £	Total 2020 £
Sales within charitable activities	241,706	251,466
Charitable rental income	50,500	50,500
	<u>292,206</u>	<u>301,966</u>



# EMMAUS BOLTON

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

### 4 Costs of raising funds

	2021 £	2020 £
Bank charges	1,220	1,040
Office and business supplies	3,135	3,064
Stock and other trading purchases	53,318	44,281
Advertising	17,080	28,035
Staff costs	78,831	70,747
Depreciation	31,006	30,498
Utilities and waste	7,147	10,533
Insurance	3,974	3,703
Motor and travel expenses	20,094	22,921
Accountancy, bookkeeping and payroll	3,079	3,542
Maintenance, repairs and renewals	37,295	36,167
Telephone	1,491	1,299
Miscellaneous	12,337	7,263
	<u>270,007</u>	<u>263,093</u>
<b>Analysis by fund type</b>		
Unrestricted funds	268,136	241,907
Restricted funds	1,871	21,186
	<u>270,007</u>	<u>263,093</u>

Expenditure in notes 4 and 5 is allocated directly to the relevant operational activities as far as possible. Those costs which are not capable of being directly allocated are split between the categories of shop and other trading activities and companions and their accommodation on a 50:50 basis, with the exception of charges for utilities and waste, and costs of maintenance, repairs and renewals, which are allocated based on approximate usage

# EMMAUS BOLTON

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

### 5 Costs of charitable activities

	2021 £	2020 £
Staff costs	78,831	70,749
Depreciation and impairment	25,610	25,967
Bank charges	1,220	1,040
Companion expenses	129,625	114,068
Office and business supplies	3,135	3,064
Council tax	3,870	3,749
Utilities and waste	21,440	31,601
Maintenance, repairs and renewals	7,736	12,488
Telephone	1,492	1,300
Accountancy, bookkeeping and payroll	3,079	3,542
Miscellaneous	12,337	7,264
Insurance	3,973	3,704
	<u>292,348</u>	<u>278,536</u>
<b>Analysis by fund type</b>		
Unrestricted funds	211,694	267,313
Restricted funds	80,654	11,223
	<u>292,348</u>	<u>278,536</u>

Included in expenditure in notes 4 and 5 are governance costs of £3,580 (2020: £3,500) in relation to the preparation and examination of the annual statutory accounts.

Expenditure in notes 4 and 5 is allocated directly to the relevant operational activities as far as possible. Those costs which are not capable of being directly allocated are split between the categories of shop and other trading activities and companions and their accommodation on a 50:50 basis, with the exception of charges for utilities and waste, and costs of maintenance, repairs and renewals, which are allocated based on approximate usage.

### 6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. Expenses relating to the trustees are generally met by the charity directly.

# EMMAUS BOLTON

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

### 7 Employees

	2021 £	2020 £
Wages and salaries	144,992	129,841
Social security costs	9,527	9,019
Other pension costs	3,143	2,636
	<u>157,662</u>	<u>141,496</u>

The average number of employees during the year, excluding trustees and volunteers, was 6 (2020: 5). No employee received salary and benefits (excluding employer pension costs) of more than £60,000. The charity considers all five of its paid employees to be key management personnel. Their total employment benefits are as above. The board of trustees is also a key part of the management of the charity.

### 8 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Vehicles £	Total £
<b>Cost</b>					
At 1 July 2020	339,697	581,126	124,618	72,414	1,117,855
Additions	-	45,804	10,199	-	56,003
At 30 June 2021	<u>339,697</u>	<u>626,930</u>	<u>134,817</u>	<u>72,414</u>	<u>1,173,858</u>
<b>Depreciation and impairment</b>					
At 1 July 2020	95,696	383,764	73,695	36,430	589,585
Depreciation charged in the year	6,294	31,377	13,549	5,396	56,616
At 30 June 2021	<u>101,990</u>	<u>415,141</u>	<u>87,244</u>	<u>41,826</u>	<u>646,201</u>
<b>Carrying amount</b>					
At 30 June 2021	<u>237,707</u>	<u>211,789</u>	<u>47,573</u>	<u>30,588</u>	<u>527,657</u>
At 30 June 2020	<u>244,001</u>	<u>197,362</u>	<u>50,923</u>	<u>35,984</u>	<u>528,270</u>

# EMMAUS BOLTON

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

### 9 Fixed asset investments

	Other investments £
<b>Cost or valuation</b>	
At 1 July 2020 & 30 June 2021	2
<b>Carrying amount</b>	
At 30 June 2021	2
At 30 June 2020	2

The investment represents 100% of the ordinary share capital of Ecostore Limited, registered office address Derby Barracks, Fletcher Street, Bolton. The company prepares its own individual company accounts and consolidated accounts are not prepared for the group. Ecostore Limited had a loss of £19,225 for year ended 30 June 2021 and had capital and reserves of £53,171 at that date.

### 10 Stocks

	2021 £	2020 £
Finished goods and goods for resale	11,626	9,132

### 11 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,305	5,534
Other debtors	5,197	2,691
Prepayments and accrued income	4,140	16,015
	10,642	24,240

### 12 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	2,598	1,308
Trade creditors	18,139	17,990
Amounts owed to Ecostore Limited	56,182	75,688
Other creditors	658	578
Accruals and deferred income	16,070	10,034
	93,647	105,598

# EMMAUS BOLTON

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

### 13 Restricted funds

	Balance at 1 July 2019 £	Movement in funds			Transfers £	Balance at 1 July 2020 £	Movement in funds			Transfers £	Balance at 30 June 2021 £
		Income £	Expense £				Income £	Expense £			
Albert Gubay Charitable Foundation	13,700	-	(5,612)		-	8,088	-	-		(8,088)	-
ASB Foundation	278	-	(278)		-	-	-	-		-	-
The National Lottery	-	69,850	(11,643)		-	58,207	-	(58,207)		-	-
Homeless Link	-	33,670	(11,223)		-	22,447	-	(22,447)		-	-
Recycling Centre	-	2,000	-		-	2,000	38,000	(1,871)		-	38,129
Garfield Weston	-	8,000	(921)		-	7,079	-	-		(7,079)	-
High Sheriff's Fund	-	500	(500)		-	-	-	-		-	-
Clothworkers Foundation	-	17,600	(2,232)		(14)	15,354	-	-		(15,354)	-
	<u>13,978</u>	<u>131,620</u>	<u>(32,409)</u>		<u>(14)</u>	<u>113,175</u>	<u>38,000</u>	<u>(82,525)</u>		<u>(30,521)</u>	<u>38,129</u>

The Albert Gubay Charitable Foundation funds were towards the construction of the conservatory. Donations received from the Clothworkers Foundation were towards the purchase of a van and the purchase of fridges for the Pantry. Garfield Weston funds were towards the purchase of another van.

Homeless Link funds were to help with companion expenses and funds from The National Lottery were to help with core costs over a 12 month period running through into 2021. Funding towards the Recycling Centre was received from from Emmaus UK, Bolton's Fund, Landmark UK, All Churches Trust and P Leigh Bramwell Trust (now Whinwell Trust).

#### Transfers:

The balances brought forward at 1 July 2020 on Albert Gubay Charitable Foundation, Garfield Weston and Clothworkers Foundation equate to the future depreciation to be charged on the assets concerned. As the respective donors' stipulations had been met on acquiring the assets it was deemed appropriate to transfer the remaining fund balance in each case to unrestricted funds, against which the remaining depreciation will be charged in future.

# EMMAUS BOLTON

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

### 14 Contingent liabilities

A grant of £140,000 was received from Emmaus UK (a national charity which provides guidance and support for individual Emmaus communities such as Emmaus Bolton) in 2004 and has been used to help purchase Derby Barracks, Fletcher Street, Bolton as the community accommodation. This grant becomes repayable if the building is sold or if Emmaus Bolton ceases to be a member of Emmaus UK. At the year end the balance was £84,546 (2020: £102,809).

### 15 Operating lease commitments

Under the terms of a lease with Ecostore Limited (the subsidiary company), the charity will receive rental income of £340,500 (2020: £391,000) over the remaining life of the current lease agreement, which has 6 years and 9 months to run as at 30 June 2021. The agreement is under review and could be cancelled with the agreement of both parties should circumstances dictate. Monies received under the agreement reflect partial contribution to the costs of housing the companions.

### 16 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances are represented by:						
Tangible assets	489,528	38,129	527,657	497,749	30,521	528,270
Investments	2	-	2	2	-	2
Net current assets	124,555	-	124,555	106,427	82,654	189,081
	<u>614,085</u>	<u>38,129</u>	<u>652,214</u>	<u>604,178</u>	<u>113,175</u>	<u>717,353</u>

### 17 Related party transactions

The charity has taken advantage of the exemption available in FRS8 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking.

### 18 Cash generated from operations

	2021 £	2020 £
(Deficit)/surplus for the year	(65,139)	49,465
Adjustments for:		
Investment income recognised in statement of financial activities	(655)	(559)
Depreciation and impairment of tangible fixed assets	56,616	56,465
Movements in working capital:		
(Increase)/decrease in stocks	(2,494)	1,695
Decrease/(increase) in debtors	13,598	(8,652)
(Decrease)/increase in creditors	(11,951)	2,510
<b>Cash (absorbed by)/generated from operations</b>	<u>(10,025)</u>	<u>100,924</u>

**EMMAUS BOLTON ECOSTORE LIMITED**  
**CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Income</b>		
Donations and grants	131,961	214,420
Sales revenue	241,706	251,466
Interest receivable	655	559
Housing benefit receivable	104,589	123,795
	<u>478,911</u>	<u>590,240</u>
<b>Expenditure</b>		
Staff costs	157,662	141,496
Purchases	53,318	44,281
Advertising and publicity	17,080	28,035
Depreciation	56,616	56,465
Bank charges	2,440	2,080
Companion expenses	129,625	114,068
Office and business supplies	6,270	6,128
Council tax	3,870	3,749
Utilities and waste	28,587	42,134
Motor and travel	20,094	22,921
Maintenance, repairs and renewals	45,031	48,655
Telephone	2,983	2,599
Accountancy, bookkeeping, payroll	7,078	7,985
Miscellaneous	24,674	14,527
Insurance	7,947	7,407
	<u>563,275</u>	<u>542,530</u>
<b>(Deficit) / surplus for the year across all funds</b>	(84,364)	47,710
Consolidated total funds brought forward	<u>789,747</u>	<u>742,037</u>
<b>Consolidated total funds carried forward</b>	<u><u>705,383</u></u>	<u><u>789,747</u></u>

