

Charity registration number 1080391

Company registration number 03924322 (England and Wales)

EMMAUS BOLTON

**ANNUAL REPORT
AND UNAUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

EMMAUS BOLTON

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr R L Speare Mr P M Glanvill Mrs J Blunsdon Ms N Richardson Mr J R Webbe Mr D Gornall Mr G H Almond
Charity number	1080391
Company number	03924322
Registered office	Derby Barracks Fletcher Street Bolton

EMMAUS BOLTON

CONTENTS

	Page
Trustees' report	1 - 3
Statement of trustees' responsibilities	4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Statement of cash flows	8
Notes to the financial statements	9 - 19

EMMAUS BOLTON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 JUNE 2022

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

The 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

This was the first year in the last three without a lockdown and we experienced the return of some stability in our Community and social enterprise.

The number of Companions (Emmaus Community members) increased with the addition of several who had been street homeless for a number of years, one of whom was able to reconnect with family as a result of joining Emmaus. Also, several Companions moved on into independent living and, in some cases, employment. 61-year-old Companion, van driver and five-time marathon man, Tony, entered the Great Manchester Run to raise money for Emmaus, completing the 10 kilometres in 69 minutes shortly before relocating to the North East to be closer to family.

The textile recycling centre and scrap store was officially opened on 22nd September 2021 by Linda Thomas, Mayor of Bolton, and Damien Wilton of The Great British Sewing Bee. It is growing to become a significant source of revenue, a service to the local community and an opportunity for volunteering in support of Emmaus, and there is still plenty of unused capacity.

Volunteering has become a significant feature of life at Emmaus Bolton and more than thirty volunteers now work regularly at the Derby Barracks. The sorting room, a vital part of the retail supply chain, is run by volunteers. Lucie's pantry (our social grocery store), the textile project and the book shop are benefitting hugely from volunteer effort. And new marketing methods, Ziffit, kilo sales and E-commerce are all being made possible through volunteers.

Sales grew steadily, quarter by quarter, through the year, coming close to equalling our best-ever year and re-establishing the trend of the pre-COVID years. However, for the first time since opening in 2005, we found ourselves without a single Companion able to drive a van. The much-welcomed attention given to helping homeless people during the pandemic has resulted in a disproportionate number of skilled people leaving the homeless population. In the event we have employed two van drivers, which gives us stability but comes at a financial cost.

Our sound but aging building requires constant maintenance and this year it was the roof that needed extensive repairs. Our own team made an excellent cost-efficient job of this.

EMMAUS BOLTON

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

FOR THE YEAR ENDED 30 JUNE 2022

Financial review

The results of the charity's activities are shown in the Statement of Financial Activities on page 7 of the accounts, showing net expenditure of £87,375 across all funds.

The reserves policy is under regular review as the activities of the charity 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 £86,656 (2021: £124,555), which is below our target level. However, we are confident that the charity can achieve a level of free reserves within the target range over the next year or two.

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

Emmaus is a movement founded on principles which, taken as a whole and vigorously applied, give it an approach to social change that is rare if not unique. However, any movement can lose its sense of direction, so there is a continual need to revisit history and core values. In Emmaus Bolton we have always been sensitive to this need and have been helped in this regard by the stability of our board of trustees over many years. So, it is particularly sad that we have lost two long-serving trustees, David Allen and Phil Gibbs to age and illness in the past year. It is, therefore, one of our objectives in the next year to strengthen and refresh the board, and we have already made a good start on this with four candidates currently in training.

In the early 1950s the primitive Emmaus Communities were engaged in building houses for homeless people. Two groups of Companions set out each morning from the place where they lived together. One group headed off to the building site and the others went to the rubbish dump. The latter group made the money from rag picking and salvaging that supported the whole Community, both themselves and the builders. Their motto was simple: Never, as long as we have the strength, will we accept that our subsistence depends on anything other than our work. We are free and just, serving first those who suffer most. That is the source of true peace. It was not pretty but it worked, and with their charismatic leader, Abbé Pierre, they awakened the conscience of France.

Seventy years later in the UK an Emmaus Community is much more complicated and a good deal of that additional complexity is unavoidable. Our operations are subject to more scrutiny, standards of accommodation and business are higher and there are many more layers of legislation and bureaucracy to keep satisfied. Which means we have to employ professionals to manage this complexity and then even more professionals to make the money that pays for them. How, in this scenario, can we live out Abbé Pierre's vision? How can we ensure that our Companions have a genuine Emmaus experience?

Furthermore, the nature of homelessness is always changing. Following the pandemic, we noticed that fewer street homeless people were either able or willing to participate in community life. And now rapid inflation in the cost of living could produce a new wave of people unable to support tenancies. How can we best serve these folks?

These are questions that we are currently addressing. In 2022/23 we will continue to grow the business but in tandem we will be seeking ways to find and keep the essential balance between paying our way and serving those who suffer most, with Companions at the heart of all we do.

On the business front we have several new lines in the pipeline. Our E-commerce platform, a potential game changer, has been frustratingly delayed by fallout from COVID, but is very close to launch, and our Gift Aid tax reclaim system is kicking in. The start of 2022/23 has been encouraging, but there is still much to do.

EMMAUS BOLTON

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

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

(Deceased 22 January 2022)

Mrs J Blunsdon

Mr P R Gibbs

(Deceased 3 March 2022)

Ms N Richardson

Mr J R Webbe

Mr D Gornall

Mr G H Almond

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.

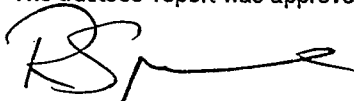
As part of their induction, new trustees are provided with information about the charity, the management structure, its history and working practices. In addition, they are also provided with copies of the Memorandum and Articles of Association plus information from the Charity Commission and Companies 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, 30 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 R L Speare

Trustee

Dated: 24 November 2022

EMMAUS BOLTON

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 30 JUNE 2022

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; 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 2022.

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.

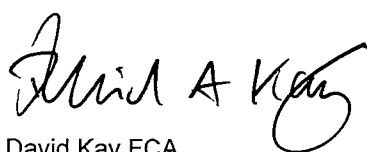
Independent examiner's statement

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: 24 November 2022

EMMAUS BOLTON

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	2	79,224	33,000	112,224	166,355	38,000	204,355
Charitable activities	3	385,418	-	385,418	292,206	-	292,206
Investments		621	-	621	655	-	655
Total income		465,263	33,000	498,263	459,216	38,000	497,216
Expenditure on:							
Costs of raising funds	4	270,621	8,241	278,862	268,136	1,871	270,007
Costs of charitable activities	5	288,026	18,750	306,776	211,694	80,654	292,348
Total expenditure		558,647	26,991	585,638	479,830	82,525	562,355
Net (outgoing)/incoming resources		(93,384)	6,009	(87,375)	9,907	(75,046)	(65,139)
Gross transfers between funds		-	-	-	30,521	(30,521)	-
Net (expenditure)/income for the year/							
Net movement in funds		(93,384)	6,009	(87,375)	9,907	(75,046)	(65,139)
Fund balances at 1 July 2021		614,085	38,129	652,214	604,178	113,175	717,353
Fund balances at 30 June 2022		520,701	44,138	564,839	614,085	38,129	652,214

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	8	472,591		527,657	
Investments	9		2		2
		<u>472,593</u>		<u>527,659</u>	
Current assets					
Stocks	10	13,516		11,626	
Debtors	11	13,882		10,642	
Cash at bank and in hand		155,854		195,934	
		<u>183,252</u>		<u>218,202</u>	
Creditors: amounts falling due within one year	12	<u>(91,006)</u>		<u>(93,647)</u>	
Net current assets			<u>92,246</u>		<u>124,555</u>
Total assets less current liabilities			<u><u>564,839</u></u>		<u><u>652,214</u></u>
Income funds					
Restricted funds	13	44,138		38,129	
Unrestricted funds		520,701		614,085	
		<u>564,839</u>		<u>652,214</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 2022.

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 24 November 2022



Mr R L Speare
Trustee

Company Registration No. 03924322

EMMAUS BOLTON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash absorbed by operations	18		(39,517)		(10,025)
Investing activities					
Purchase of tangible fixed assets		(1,184)		(56,003)	
Interest received		621		655	
		<hr/>		<hr/>	
Net cash used in investing activities			(563)		(55,348)
Net cash used in financing activities			-		-
			<hr/>		<hr/>
Net decrease in cash and cash equivalents			(40,080)		(65,373)
Cash and cash equivalents at beginning of year			195,934		261,307
			<hr/>		<hr/>
Cash and cash equivalents at end of year			155,854		195,934
			<hr/> <hr/>		<hr/> <hr/>

EMMAUS BOLTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

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, 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 2022

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.

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 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.

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.

EMMAUS BOLTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

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.

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 2022

1 Accounting policies

(Continued)

1.14 Government grants

Government grants are recognised when there is reasonable assurance that the grant conditions will be met and the grants will be received.

EMMAUS BOLTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

2 Donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations and grants	79,224	33,000	112,224	141,512	38,000	179,512
Furlough grants and Bolton MBC Covid support grant	-	-	-	24,843	-	24,843
	<u>79,224</u>	<u>33,000</u>	<u>112,224</u>	<u>166,355</u>	<u>38,000</u>	<u>204,355</u>
Donations and grants analysis:						
Charity Aid Foundation	-	-	-	29,000	-	29,000
Ecostore Ltd	53,169	-	53,169	72,394	-	72,394
Emmaus UK	-	-	-	-	23,000	23,000
Bolton's Fund	-	-	-	-	15,000	15,000
Beatrice Laing Trust	-	5,000	5,000	-	-	-
Suez R4GM Fund	-	10,000	10,000	-	-	-
The Albert Hunt Trust	-	10,000	10,000	-	-	-
Great Places Housing	-	3,000	3,000	-	-	-
Eric Wright Charitable Trust	-	5,000	5,000	-	-	-
Sue Hodgkiss	5,000	-	5,000	-	-	-
Other	21,055	-	21,055	40,118	-	40,118
	<u>79,224</u>	<u>33,000</u>	<u>112,224</u>	<u>141,512</u>	<u>38,000</u>	<u>179,512</u>

3 Charitable activities

	Total 2022 £	Total 2021 £
Sales within charitable activities	334,918	241,706
Charitable rental income	50,500	50,500
	<u>385,418</u>	<u>292,206</u>

EMMAUS BOLTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

4 Costs of raising funds

	2022 £	2021 £
Bank charges	1,086	1,220
Office and business supplies	2,921	3,135
Stock and other trading purchases	60,519	53,318
Advertising	11,783	17,080
Staff costs	107,572	78,831
Depreciation	30,418	31,006
Utilities and waste	9,047	7,147
Insurance	4,172	3,974
Motor and travel expenses	16,411	20,094
Accountancy, bookkeeping and payroll	2,678	3,079
Maintenance, repairs and renewals	24,541	37,295
Telephone	1,035	1,491
Miscellaneous	6,679	12,337
	<u>278,862</u>	<u>270,007</u>
Analysis by fund type		
Unrestricted funds	270,621	268,136
Restricted funds	8,241	1,871
	<u>278,862</u>	<u>270,007</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 2022

5 Costs of charitable activities

	2022 £	2021 £
Staff costs	107,572	78,831
Depreciation and impairment	25,831	25,610
Bank charges	1,086	1,220
Companion expenses	115,862	129,625
Office and business supplies	2,921	3,135
Council tax	3,877	3,870
Utilities and waste	23,410	21,440
Maintenance, repairs and renewals	12,011	7,736
Telephone	1,035	1,492
Accountancy, bookkeeping and payroll	3,416	3,079
Miscellaneous	5,583	12,337
Insurance	4,172	3,973
	<u>306,776</u>	<u>292,348</u>
Analysis by fund type		
Unrestricted funds	288,026	211,694
Restricted funds	18,750	80,654
	<u>306,776</u>	<u>292,348</u>

Included in expenditure in notes 4 and 5 are governance costs of £3,615 (2021: £3,580) 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 2022

7 Employees

	2022 £	2021 £
Wages and salaries	201,758	144,992
Social security costs	13,088	9,527
Other pension costs	4,048	3,143
	<u>218,894</u>	<u>157,662</u>

The average number of employees during the year, excluding trustees and volunteers, was 8 (2021: 6). No employee received salary and benefits (excluding employer pension costs) of more than £60,000. The charity considers all eight 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 £
Cost					
At 1 July 2021	339,697	626,930	134,817	72,414	1,173,858
Additions	-	-	1,184	-	1,184
At 30 June 2022	<u>339,697</u>	<u>626,930</u>	<u>136,001</u>	<u>72,414</u>	<u>1,175,042</u>
Depreciation and impairment					
At 1 July 2021	101,990	415,140	87,244	41,828	646,202
Depreciation charged in the year	6,294	34,004	11,363	4,588	56,249
At 30 June 2022	<u>108,284</u>	<u>449,144</u>	<u>98,607</u>	<u>46,416</u>	<u>702,451</u>
Carrying amount					
At 30 June 2022	<u>231,413</u>	<u>177,786</u>	<u>37,394</u>	<u>25,998</u>	<u>472,591</u>
At 30 June 2021	<u>237,707</u>	<u>211,789</u>	<u>47,573</u>	<u>30,588</u>	<u>527,657</u>

EMMAUS BOLTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

9 Fixed asset investments

	Other investments £
Cost or valuation	
At 1 July 2021 & 30 June 2022	2
Carrying amount	
At 30 June 2022	2
At 30 June 2021	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 £1,327 for year ended 30 June 2022 and had capital and reserves of £51,844 at that date.

10 Stocks

	2022 £	2021 £
Finished goods and goods for resale	13,516	11,626

11 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	-	1,305
Other debtors	3,585	5,197
Prepayments and accrued income	10,297	4,140
	13,882	10,642

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	4,053	2,598
Trade creditors	9,527	18,139
Amounts owed to Ecostore Limited	55,609	56,182
Other creditors	878	658
Accruals and deferred income	20,939	16,070
	91,006	93,647

EMMAUS BOLTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

13 Restricted funds

	Balance at 1 July 2020 £	Movement in funds		Transfers £	Balance at 1 July 2021 £	Movement in funds		Balance at 30 June 2022 £
		Income £	Expense £			Income £	Expense £	
Albert Gubay Charitable Foundation	8,088	-	-	(8,088)	-	-	-	-
The National Lottery	58,207	-	(58,207)	-	-	-	-	-
Homeless Link	22,447	-	(22,447)	-	-	-	-	-
Recycling Centre	2,000	38,000	(1,871)	-	38,129	5,000	(4,491)	38,638
Garfield Weston	7,079	-	-	(7,079)	-	-	-	-
Clothworkers Foundation	15,354	-	-	(15,354)	-	-	-	-
Suez R4GM Community Fund	-	-	-	-	-	10,000	(7,500)	2,500
Great Places Housing Group	-	-	-	-	-	3,000	-	3,000
The Albert Hunt Trust	-	-	-	-	-	10,000	(10,000)	-
Eric Wright Charitable Trust	-	-	-	-	-	5,000	(5,000)	-
	113,175	38,000	(82,525)	(30,521)	38,129	33,000	(26,991)	44,138

The Beatrice Laing Trust provided £5,000 in the year and The Albert Hunt Trust provided £10,000 to help cover costs of completing the Recycling Centre. Funding received previously towards this project was from a combination of Emmaus UK, Bolton's Fund, Landmark UK, Benefact Trust and Whinwell Trust. The balance carried forward at the year end on the overall Recycling Centre fund represents the net book value of capitalised costs of the Centre held within leasehold improvements (see note 8). These costs are being depreciated annually in line with the accounting policy disclosed in note 1.6.

Funding received from Suez R4GM Community Fund ("Recycle for Greater Manchester") was to fund employment costs in the Recycling Centre. Money received from the Eric Wright Charitable Trust was towards the costs of employing a driver and funding received from the Great Places Housing Group is to cover the cost of food for Lucie's Pantry for a six month period.

Transfers in the previous year of balances brought forward at 1 July 2020 on Albert Gubay Charitable Foundation, Garfield Weston and Clothworkers Foundation represent the remaining net book value of the related assets being taken across to unrestricted funds once all the donors' stipulations had been met regarding use of the funds.

EMMAUS BOLTON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

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 £68,559 (2021: £84,546).

15 Operating lease commitments

Under the terms of a lease with Ecostore Limited (the subsidiary company), the charity will receive rental income of £290,000 (2021: £340,500) over the remaining life of the current lease agreement, which has 5 years and 9 months to run as at 30 June 2022. 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	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021
	£	£	£	£	£
Fund balances are represented by:					
Tangible assets	434,043	38,548	472,591	489,528	527,657
Investments	2	-	2	2	2
Net current assets	86,656	5,590	92,246	124,555	124,555
	<u>520,701</u>	<u>44,138</u>	<u>564,839</u>	<u>614,085</u>	<u>652,214</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

	2022 £	2021 £
Deficit for the year	(87,375)	(65,139)
Adjustments for:		
Investment income recognised in statement of financial activities	(621)	(655)
Depreciation and impairment of tangible fixed assets	56,249	56,616
Movements in working capital:		
(Increase) in stocks	(1,890)	(2,494)
(Increase)/decrease in debtors	(3,239)	13,598
(Decrease) in creditors	(2,641)	(11,951)
Cash absorbed by operations	<u>(39,517)</u>	<u>(10,025)</u>