

EMMANUEL COFFEE SHOP LIMITED

Registered Number: 05866608
England and Wales

Charity Number: 1119535

ANNUAL REPORT AND UNAUDITED ACCOUNTS
31 MARCH 2021

EMMANUEL COFFEE SHOP LIMITED
REPORT OF THE TRUSTEES / DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and the unaudited accounts for the year ended 31 March 2020.

Company Information

Company Number	05866608
Registered Charity Number	1119535
Registered Address	Weston Favell Centre Northampton NN3 8JR
Directors and Trustees: (As at 31 March 2021)	Mr K Potter (Chair) Reverend H Spenceley Mrs M Timms Mrs J Kenyon Mrs L Withers
Bankers:	National Westminster Bank PLC Weston Favell Centre Northampton NN3 8JR

Directors and Trustees

The trustees, who are also the directors of the company, who have served from 1 April 2020 until the date that this report was approved, are:

Mr K Potter (Chair)
Reverend H Spenceley
Mrs M Timms
Mrs J Kenyon
Mrs L Withers

The following people served as a trustee until the date of their resignation:

Reverend C Pearson - resigned 17 June 2020
Mrs S Keeble – resigned 1 November 2020

EMMANUEL COFFEE SHOP LIMITED
REPORT OF THE TRUSTEES / DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

Emmanuel Coffee Shop is governed by a Board of Trustees / Directors. Its Articles of Association and Memorandum of Association were signed and dated on 25 April 2006. Day to day routine operational decisions are delegated to the Coffee Shop Manager. All other decisions are made by the Trustees. No specific policies or procedures have been adopted for the induction and training of trustees.

Recruitment and appointment of Board of Trustees

The Board has the power at any time to appoint, either to fill a casual vacancy or as an addition to the existing members up to the maximum within the terms of the Memorandum and Articles of Association.

Day to day management of the organisation

Day to day management of the charity is delegated to the manager.

Our aims and objectives

The objectives of the charity are set out as follows in the company's Memorandum of Association. They are:

To promote any charitable purpose for the benefit of the community in Northampton East and the surrounding area, in particular:

- The provision of social facilities with the object of improving quality of life within the community, particularly for the socially disadvantaged.
- The provision of facilities and amenities, to assist in relaxation, confidentiality and a safe environment, for the use of those most vulnerable in the community, with the object of improving the quality of life within that community.

How our services deliver public benefit

Emmanuel Coffee Shop exists to provide a 'home for the community' - somewhere that offers a meeting place and a welcoming environment for the economically and socially disadvantaged, the disabled and the elderly. Our welcome is open to everyone, whatever their age or background. Our services are therefore open to all in the local community, including young people, vulnerable adults, the elderly and children from local special needs schools.

Our customers rarely feel comfortable or welcome in any of the other Coffee Shops within the area. At Emmanuel they can buy an affordable meal and are made to feel welcomed and valued. The Coffee Shop provides food and refreshments for around 60 to 80 customers each day.

Volunteers make up a large proportion of our Coffee Shop team, preparing and serving food and drinks for our customers on a regular basis. From a pool of approximately forty people, each day around ten to twelve volunteers work in the Coffee Shop, undertaking two-hour shifts. It is the company's policy to give experience of the workplace and opportunities to feel valued to the disabled wherever practical – over half of our volunteers are disabled and/or disadvantaged.

Free meals are provided to customers in need, at the discretion of the Management with the support of the church.

See below for further details of how our services have provided public benefit in 2020/21.

EMMANUEL COFFEE SHOP LIMITED
REPORT OF THE TRUSTEES / DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Key activities / achievements

As was common among the whole of the hospitality industry Café Emm was significantly affected by Covid 19.

Early in the year we were looking forward to improving our offerings with a new Coffee Machine and Electronic Point of Sale system. We were also looking to improve our links with the Church joining in with Food & Fun in School Holidays – FISH.

With the advent of Covid 19, Café Emm was unable to continue functioning as a Café. Conscious of the impact the virus and lockdown were having on our local community we focused on creating a hot meals delivery service for vulnerable adults and families, especially those shielding and the over 70s. This has been enabled by volunteers cooking and delivering food twice a week. The volunteers were supported by the Café Emm manager. This has proved popular, and we have continued to provide free meals throughout the pandemic. This has been funded in large part by donations from individuals, organisations and local government.

While some staff were furloughed the manager continued as a paid employee to refurbish the Café to make it Covid Safe. We implemented contactless payments, purchased screens, put in additional washing facilities, and adjusted the layout to allow for social distancing. When the first lockdown came to an end, we purchased a new coffee machine and looked forward to welcoming customers back into the Café.

We maintained the hot food deliveries while slowly opening up the Café two days a week and customers were starting to return when the hospitality industry was again shut down. So, we have reverted back to supplying just the hot meals to vulnerable adults and families.

The Trustees would like to thank the staff and volunteers for all that they have contributed to the life of the Coffee Shop over the past twelve months, without their support the Coffee Shop would not be able to operate as it does. This has been a particularly difficult year for all and without their hard work and enthusiasm we would not have been able to support our community in the way we have. Particular thanks go to our manager Julie who has put so much effort into ensuring we can provide meals for the community and has remained positive in the face of numerous setbacks.

Plans for the future

The impact of Covid 19 on our general finances and the likelihood that this will also have a long term impact on our core customers who tend to be young families, the elderly or disadvantaged. It is likely that even when restrictions are lifted these will not return in large enough numbers quickly enough to keep the Café financially viable. This means that we are having to review our long term strategy.

Ideas which we are currently costing out and investigating are to:

- Continue with delivery of hot meals which would become a paid for service. The possibility of subsidising meals for vulnerable adults or families could still tie up with the community provision for Food in School Holidays offered by Emmanuel Church.
- Link up with the local Cinema, Lings Forum, to offer specials after film showings.
- Focus on family meals with a set menu on alternate weeks running as a Sunday Lunch Club
- Part of Emmanuel Church is adjacent to the main bus stops for the Weston Favel Centre. It may be possible to open a “hole in the wall” for drinks and cakes which may increase footfall and turnover as more people become aware of our offering

EMMANUEL COFFEE SHOP LIMITED
REPORT OF THE TRUSTEES / DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Fundraising

The pandemic of 2020 had a huge impact on the hospitality industry, and as a small local charity, we would have suffered greatly, but for the support of grants, the public and the government grants. We are so grateful for the support of each one which has enabled us to survive.

During this financial period, we have been delighted to receive the following gifts and grants:

	£
Northamptonshire Community Foundation	11,000
Councillors' Community Funds	3,000
Cadent Foundation	3,000
Tesco Bags of Help	500
Marsh Christian Trust	300
Government grants via Northampton Borough Council	17,337
The National Lottery	10,000
Northamptonshire Community Foundation - Anglian Water	4,769
Positive Difference Fund	
Northampton Borough Council Small Grant	2,943
Neighbourly	400
Independent Age (UK)	10,667
Foyle Foundation	2,000
Howdens Joinery	500

In addition to above grants we received £6,466 of donations, including gift aid and matched funding from Localgiving of £155. Localgiving: <https://localgiving.org/emmanuelcoffeeshop>

The trustees are most grateful for this extraordinary support. We thank God for His provision through each act of generosity.

Financial Review

The net surplus for the year was £28,383 (2020: deficit £8,315).

Reserves

The free reserves at 31 March 2021 were £11,405. This represents cover of more than three months of normal non-trading expenditure (approximately £10,000), which the trustees regard as the minimum to cover liabilities in the event of closure.

EMMANUEL COFFEE SHOP LIMITED
REPORT OF THE TRUSTEES / DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Guarantee

The company is limited by guarantee with a maximum membership of 100 and does not have any share capital.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'K S Potter'.

Kevin Potter, Chair

27 May 2021

EMMANUEL COFFEE SHOP LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Unrestricted	Restricted	Total	Total
	2021	2021	2021	2020
		(note 4)		
	£	£	£	£
INCOME FROM:				
Donations and fundraising	6,466	-	6,466	3,422
Grants received	30,260	46,279	76,539	-
Income from Charitable activities				
Coffee Shop trading	3,334	-	3,334	49,963
TOTAL INCOME	40,060	46,279	86,339	53,385
EXPENDITURE ON:				
Costs of raising funds	2,353	-	2,353	-
Charitable activities	27,780	27,823	55,603	61,700
Governance costs	-	-	-	-
TOTAL EXPENDITURE	30,133	27,823	57,956	61,700
NET INCOME/(DEFICIT)	9,927	18,456	28,383	(8,315)
TRANSFERS	-	-	-	-
	9,927	18,456	28,383	(8,315)
FUNDS BROUGHT FORWARD	10,194	564	10,758	19,073
FUNDS CARRIED FORWARD	20,121	19,020	39,141	10,758

Analysis of prior year figures is given in Note 2.

EMMANUEL COFFEE SHOP LIMITED
BALANCE SHEET
AT 31 MARCH 2021

			2021	2020
	Notes	£	£	£
FIXED ASSETS				
Property plant and equipment	6		8,716	6,930
CURRENT ASSETS				
Stocks	7	363		612
Debtors	8	489		657
Cash at bank and in hand		<u>31,932</u>		<u>5,715</u>
		32,784		6,984
CREDITORS				
Amounts falling due within one year	9	<u>693</u>		<u>477</u>
NET CURRENT ASSETS			<u>32,091</u>	<u>6,507</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			40,807	13,437
CREDITORS				
Amounts falling after one year	10	<u>1,666</u>		<u>2,679</u>
NET ASSETS			<u>39,141</u>	<u>10,758</u>
CAPITAL AND RESERVES				
<i>Unrestricted Funds</i>				
General Reserve			<u>20,121</u>	<u>10,194</u>
Total unrestricted			20,121	10,194
Restricted funds			<u>19,020</u>	<u>564</u>
Total Funds			<u>39,141</u>	<u>10,758</u>

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. For the financial year ended 31 March 2021 the company was entitled to exemption under Section 477 of the Companies Act 2006, and no notice has been deposited under Section 476. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 386 and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit and loss for the 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 Accounts, so far as they are applicable to the company.

Approved by the Board on 27 May 2021 and signed its behalf by:



Kevin Potter, Chair

EMMANUEL COFFEE SHOP LIMITED
NOTES TO THE UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

1.1 Basis of Accounting

The financial statements have been prepared to give a “true and fair” view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to give a “true and fair” view. This departure has involved following 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 2016) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and Charities Act 2011.

Going concern

The Trustees have considered the financial position of the charity in light of continuing deficits before donations and fundraising income. The free reserves at 31 March 2021 were £11,405. Prior to the lockdown the charity was seeing a reduction in costs along with increased income which was more than covering costs. If this were to continue after lockdown has been lifted, the Trustees feel confident the Café would be able to cover its operating costs from sales alone. In common with many businesses though this is based on returning to normality reasonably quickly which may not be feasible.

Whilst the Trustees continue to believe that it is appropriate to prepare the financial statements on a going concern basis, there is some uncertainty. If the charity was unable to continue operating, the fixed assets and stock may not be realisable at book value and the charity may not be able to meet all its liabilities.

1.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that income will be received, and the amount of the income receivable can be measured reliably.

All monetary donations are included in full in the Statement of Financial Activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Gifts in kind are recognised when received at their estimated value.

Income tax on gift aid donations is accounted for when received.

Funds raised by events are accounted for gross.

Interest is accounted for when receivable.

EMMANUEL COFFEE SHOP LIMITED
NOTES TO THE UNAUDITED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

1.3 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly in the effort to raise voluntary contributions if applicable (raising funds);
- expenditure incurred directly for the furtherance of the Charity's objectives including support, governance, management, and administration costs of the Charity.

All expenditure is shown gross, inclusive of unrecoverable VAT, and has been classified under headings that aggregate all costs related to the specific activity.

1.4 Depreciation

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost of property, plant and equipment over their estimated useful lives.

Fixtures, fittings and equipment 25% Straight line

1.5 Stock

Stock is valued at the lower of cost and estimated net realisable value, after making allowance for obsolete and slow-moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

1.6 Taxation

By virtue of its charitable status, the company is not liable for corporation tax.

1.7 Leasing and Hire Purchase

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against surplus on a straight-line basis.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

EMMANUEL COFFEE SHOP LIMITED
NOTES TO THE UNAUDITED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

2. PRIOR YEAR INCOME AND EXPENDITURE ANALYSIS

	Unrestricted	Restricted	Total
	2020	2020	2020
	£	£	£
INCOME FROM:			
Donations and fundraising	3,207	215	3,422
Income from Charitable activities			
Coffee Shop trading	49,963	-	49,963
	<hr/>	<hr/>	<hr/>
TOTAL INCOME	53,170	215	53,385
	<hr/>	<hr/>	<hr/>
EXPENDITURE ON:			
Charitable activities	61,700	-	61,700
Governance costs	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURE	61,700	-	61,700
	<hr/>	<hr/>	<hr/>
NET (DEFICIT) / INCOME	(8,530)	215	(8,315)
	<hr/>	<hr/>	<hr/>
TRANSFERS	46	(46)	-
	<hr/>	<hr/>	<hr/>
	(8,484)	169	(8,315)
FUNDS BROUGHT FORWARD	18,678	395	19,073
	<hr/>	<hr/>	<hr/>
FUNDS CARRIED FORWARD	10,194	564	10,758
	<hr/>	<hr/>	<hr/>

EMMANUEL COFFEE SHOP LIMITED
NOTES TO THE UNAUDITED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

3. GRANTS RECEIVABLE

Grants receivable includes government grants as follows:

	2021	2020
	£	£
Covid-19 support grants	17,337	-
Coronavirus job retention scheme	<u>10,123</u>	-
	<u>27,460</u>	-

4. RESTRICTED FUNDS

	Brought forward	Income	Expenditure	Transfer	Carried forward
	£	£	£	£	£
Sensory toys	100	-	-	-	100
Training	249	-	-	-	249
Wall bench	215	-	-	-	215
Hot meals project	-	32,667	26,109	-	6,558
Volunteer support	-	4,906	-	-	4,906
Warm wishes for Christmas	-	3,240	1,714	-	1,526
Intensive support for the elderly	-	5,466	-	-	5,466
Total	<u>564</u>	<u>46,279</u>	<u>27,283</u>	<u>-</u>	<u>19,020</u>

5. DIRECTORS AND EMPLOYEES

	2021	2020
	£	£
Staff Costs		
Wages and salaries	31,643	27,377
Social Security	-	-
Pension costs	444	306

The average number of employees during the year:

	Number	Number
Office and management	1	1
Sales and production	2	2

Directors' emoluments

Remuneration (including pension contributions)	£-	£-
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EMMANUEL COFFEE SHOP LIMITED
NOTES TO THE UNAUDITED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

6. PROPERTY, PLANT AND EQUIPMENT

Year ended 31 March 2021

	Brought Forward	Additions	Disposals	Carried Forward
	£	£	£	£
Cost	10,586	5,054	-	15,640
	Brought Forward	Charge for period	Disposals	Carried Forward
	£	£	£	£
Depreciation	3,656	3,268	-	6,924
	Brought Forward			Carried Forward
Net Book Value	6,930			8,716

Year ended 31 March 2020

	Brought Forward	Additions	Disposals	Carried Forward
	£	£	£	£
Cost	7,455	3,131	-	10,586
	Brought Forward	Charge for period	Disposals	Carried Forward
	£	£	£	£
Depreciation	1,676	1,980	-	3,656
	Brought Forward			Carried Forward
Net Book Value	5,779			6,930

7. STOCKS

Stocks consist of raw materials and consumables.

8. DEBTORS

	2021	2020
	£	£
Trade Debtors	-	-
Loan to employee	-	275
Prepayments	<u>489</u>	<u>382</u>
	<u>489</u>	<u>657</u>

EMMANUEL COFFEE SHOP LIMITED
NOTES TO THE UNAUDITED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

9. CREDITORS	2021	2020
Amounts falling due within one year	£	£
Trade creditors	-	-
Finance lease creditor	383	408
Taxation and National Insurance	<u>310</u>	<u>69</u>
	<u>693</u>	<u>477</u>

Amounts falling due after one year

	£	£
Finance lease creditor	<u>1,666</u>	<u>2,679</u>

10. CAPITAL COMMITMENTS

There are no capital commitments at the balance sheet date (2020: £nil).

11. CONTINGENT LIABILITIES

There are no contingent liabilities as at the balance sheet date that have a material effect on these statements (2020 - None).

12. RELATED PARTY TRANSACTIONS

Rent and Administration costs of £3,000 (2020: £9,000) and fundraising costs of £2.353 (2020: £-) were paid to Emmanuel Shared Church during the year.

13. SHARE CAPITAL

The company is limited by guarantee and has no share capital.

**INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF EMMANUEL COFFEE SHOP LIMITED
FOR THE YEAR ENDED 31 MARCH 2021**

I report on the accounts of Emmanuel Coffee Shop Limited for the year ended 31 March 2021, which are set out on pages 6 to 13.

This report is made solely to the trustees, as a body, in accordance with the regulations made under Section 154 of the Charities Act 2011. My work has been undertaken so that I might state to the charitable company's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees, as a body, for my work, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 145(3) of the Charities Act 2011 (the Act) and that an independent examination is needed.

Having satisfied myself that the charitable company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145(1)(a) of the Act;
- to follow the procedures laid down the General Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charitable company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

J C Fazackerley FCA
27 May 2021