

Charity registration number 1126497

Company registration number 06347783 (England and Wales)

**EMMAUS HULL & EAST RIDING**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# EMMAUS HULL & EAST RIDING

## LEGAL AND ADMINISTRATIVE INFORMATION

---

### Trustees And Directors

Sir C J O'Donnell - Board Chair  
Ms E Daley - Deputy Board Chair  
Mr M Brooks - Finance Committee  
Chair  
Ms K Tock  
Mr J D G Clarke  
Mr T Watkins  
Mr R Wood  
Mr C Straker

### Directors only

Miss S Cooper (Appointed 24/07/2023)  
Mrs K Finnis (Resigned 07/05/2023)

### Charity number

1126497

### Company number

06347783

### Registered office

32 Lockwood Street  
Hull  
East Yorkshire  
England  
HU2 0HJ

### Auditor

Finnies Accountants Limited  
4-6 Swaby's Yard  
Walkergate  
Beverley  
East Yorkshire  
United Kingdom  
HU17 9BZ

### Bankers

HSBC Bank plc  
3-4 Jameson Street  
Hull  
HU1 3JX

---

# EMMAUS HULL & EAST RIDING

## CONTENTS

---

	Page
Trustees' report	1 - 6
Independent auditor's report	7 - 8
Statement of financial activities	9 - 10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 29

---

# EMMAUS HULL & EAST RIDING

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

The Trustees who are also Directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31st December 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 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).

#### About Emmaus Hull & East Riding

Emmaus Hull & East Riding (Emmaus) is a homelessness charity with a difference. We do not just give people a bed for the night, we offer a home, meaningful work and a sense of belonging. For many people who have experienced homelessness, losing their self-esteem can be the most damaging part of their experience.

#### Objectives and activities

##### Aims and Activities

Emmaus is an independent charity, governed by a local Board of Trustees. It is a member of the Federal Body of Emmaus UK.

Emmaus established a residence on Lockwood Street in Hull, which opened to accept companions in February 2016. The residence offers a safe home for up to 30 formerly homeless people at any one time. Since its opening the Companions have worked to make the community self-funding principally through the collection and sale of donated goods (furniture, clothes and household goods). The charity also provides rough sleeper street outreach services for East Riding of Yorkshire Council.

Emmaus operates from a purpose built warehouse incorporating a sales outlet on the site at Lockwood Street and two shops situated in Whitefriargate and Newland Avenue. Emmaus closed its existing shop in Whitefriargate in March 2022 and opened new premises in Whitefriargate on 11th April 2022 with a significant increase in space to expand its retail operations and provide an upcycling facility.

Emmaus has a small, dedicated staff to provide support to the Companions and provide structure for the retail and outreach activities. Those staff have been key to helping Companions successfully move on positively into employment and/or independent accommodation. In 2022 61% (2021 83%) of Companions who left had positive move-ons, which is an excellent result although down on the prior year's outstanding achievement. The charity recorded a very substantial surplus of income over expenditure in 2022. The major part of this surplus related to the gift of the bungalow noted below, but other sources of income also showed improvement. The Trustees offer their grateful thanks to our staff and the Companions for their excellent achievements.

#### Our Vision is for:

A world in which everyone has a home and a sense of belonging.

#### Our Mission is:

To work together to overcome homelessness and social exclusion while using our voice to achieve social change.

#### Our Values:

- Value and respect every person, opposing injustice
- Be transparent and honest in all our dealings
- Demonstrate solidarity and support to those in need
- Create an environment of empowerment
- Share and exchange resources, skills and learning
- Support and foster inter-dependence and cherish independence
- Work to live and give

# **EMMAUS HULL & EAST RIDING**

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

**FOR THE YEAR ENDED 31 DECEMBER 2022**

---

### **Strategic aims**

To provide high quality facilities and nurture a positive, supportive environment to help Companions to successfully return to independent living. To be the most effective organisation in supporting homeless people to improve their situation in Hull and the East Riding, through both partnership initiatives and directly provided services. To maintain financial self-sufficiency by building our social enterprise income (particularly retail) together with non-compromising public funding.

### **Donations and legacies**

The wider community in Hull and the East Riding have been very generous in contributing time and money and goods for resale to Emmaus and we are very grateful to all our volunteers and our individual and corporate donors for their generosity. Financial donations of all kinds totalled £98,947 in 2022 (2021 £54,385).

The charity received a notable legacy due to the kindness of the late David Sutherland who bequeathed a bungalow in Bridlington to be used for accommodation of homeless people. One of our Companions, who was ready to move on, was the first to take up residence here in early 2023.

### **The Orchard**

The number of Companions resident in total in 2022 in the Orchard amounted to 61 (2021 73) for different periods of time to suit their needs. Our income from donations and legacies and from Trading Activities fund the specialised support staff and activities to help our Companions recover from their experience of homelessness and move on into employment and/or independent accommodation. We also provide training in skills and capabilities beneficial for employment to Companions.

### **Community support**

Our staff, supported by Companions, provide Rough Sleepers Outreach Services on behalf of East Riding of Yorkshire Council. We remain supportive of street homeless in Hull, but our contract for Outreach services in Hull terminated in September 2022. We are very proud of being able to find and help rough sleepers, assisting 529 people across Hull and the East Riding during 2022.

We have also been supportive of refugees from the Ukraine working closely with Hull4Ukraine, and providing a variety of goods directly.

Our Companions started a significant Solidarity project in 2022, which sought to raise funds for a charity in Ukraine that helped orphans. This was before the start of the war in Ukraine and there have been difficulties in remitting funds to the Ukraine since then, but these have now been resolved.

### **Strategic Report**

#### **Trading activities**

Our main trading activities include three shops, E-Commerce sales, recycling of non-saleable material, and supply of goods to meet the needs of relocated families through local authority voucher schemes, together with the associated logistics. Under the direction of our staff members, these activities are largely run by our companions. In addition to the income generated, this provides valuable on the job training and opportunities for Companions. We plan to invest in additional staff to manage our shops more effectively and we look forward to developing our trading activities further in the coming years.

# **EMMAUS HULL & EAST RIDING**

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

**FOR THE YEAR ENDED 31 DECEMBER 2022**

---

### **Finance and Reserves**

The net surplus of income over expenditure for the year amounted to £321,126 compared with £32,345 in the previous year. As previously noted this relates principally to property related matters. A more realistic view of the charity's ongoing financial position is reflected in a small decline in the cash balance at year end compared to prior year.

### **Reserves Policy**

The total funds of the charity at 31st December 2022 amounted to £1,147,282 compared with £826,156 at 31st December 2021 of which £73,433 (2021 £75,345) are unrestricted and £1,073,849 (2021 £750,811) are designated funds in relation to The Orchard, Emmaus Trading Activities and Outreach services. Contained within these funds are the value of the legacy bungalow described above and a non-distributable revaluation reserve relating to the Lockwood Street premises of £130,000. The trustees consider these funds to be adequate to continue to maintain its assets and continue its activities for the foreseeable future.

### **Risk Management**

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

A Risk Register is maintained and reviewed twice yearly.

Procedures are in place to ensure compliance with Health and Safety of staff, volunteers, customers and visitors to our premises.

### **Plans for future periods**

Our organisation is now working effectively again after the pressures of Covid. We have seen a significant increase in retail sales arising from our major expansion in retail space in the historic retail centre of Hull in Whitefriargate. This is a significant step forward in the development of our retail sales towards our strategic goal of 50% of income and will hopefully strengthen the financial position of the Charity into the future.

Our key social ambitions include increasing the number of Companions who are successful in moving on into independent accommodation and/or employment; and to progressively reduce the number of Rough Sleepers in the East Riding through our Outreach services.

We continue to provide a mental wellbeing programme for staff in 2022 under the "Time to Change Agenda". The first two years have shown positive benefits in staff morale. We are also seeking to strengthen our organisation through additional volunteers in all areas.

# EMMAUS HULL & EAST RIDING

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

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 12th August 2007. It was registered with the Charity Commissioners with charity number 1126497 on 29th October 2008. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The company is one of thirty four Emmaus Communities currently operating in England and one of some four hundred worldwide using the same principles and methods of working.

The management of the charity is the responsibility of the Trustees who are elected under the terms of the company's Memorandum and Articles of Association.

Emmaus Hull and East Riding Trustees are responsible for providing direction, strategy and governance to the charity. New Trustees have been recruited as founding members retire from the Board. Responsibility for the operational activities of the charity is delegated to the Director (non-board member), which up to May 2023 was Mrs Kelly Finnis. Kelly left Emmaus to take up another post in the charitable sector, with thanks of the Trustees for her excellent work in building up the charity. Miss Stephanie Cooper joined as our new Director in July 2023.

The Trustees and directors, 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:

Sir C J O'Donnell - Board Chair

Ms E Daley - Deputy Board Chair

Mr M Brooks - Finance Committee Chair

Ms K Tock

Mr J D G Clarke

Mr T Watkins

Mr R Wood

Mr C Straker

Miss HL Thoresby

(Resigned 1 September 2022)

#### Recruitment and appointment of new Trustees

The Directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as Trustees. Under the requirements of the Memorandum and Articles of Association, Trustees are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

Due to the nature of homelessness much of the charity's work inevitably focuses upon vulnerable people. The Trustees seek to ensure that the needs of this group are appropriately reflected through the diversity of the trustee body. Former homeless people who join the Emmaus Community are known as Companions and therefore to enhance the potential pool of expertise, the charity will, when appropriate, seek to identify Companions or former Companions who would be willing to become members of the organisation to use their own experience to assist the charity.

#### Induction and Training of New Trustees

Emmaus Hull & East Riding follows Emmaus UK's Trustee Requirement and Selection Process which is based on the National Council for Voluntary Organisations (NCVO) good practice guide and also participates in Emmaus UK's Trustee Induction and Training Programme.

# **EMMAUS HULL & EAST RIDING**

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

**FOR THE YEAR ENDED 31 DECEMBER 2022**

---

### **Remuneration**

The charity has an agreed remuneration policy, governance of which is through the charity's remuneration committee. We are committed to ensuring an appropriate balance between paying staff fairly to support recruitment and retention and careful management of our financial resources. Benchmarking information is used where this is available. This includes comparisons with roles in similar organisations and from information collated from Emmaus UK. Local government NJC scales, are used as a basis for determining salaries for all posts and a review of pay and cost of living adjustments is made by the remuneration committee annually.

### **Related Parties**

At a National level, Emmaus Hull & East Riding is guided by Emmaus UK which advises members of the Emmaus Federation in the UK.

### **Risk Management**

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

A Risk Register is maintained and reviewed twice yearly.

Procedures are in place to ensure compliance with Health and Safety of staff, volunteers, customers and visitors to our premises.

### **Statement of trustees' responsibilities**

The Trustees and directors, who are also the directors of Emmaus Hull & East Riding 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 and directors 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 and directors 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 and directors 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.

In so far as the trustees are aware:

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

### **Auditor**

In accordance with the company's articles, a resolution proposing that Fannies Accountants Limited be reappointed as auditor of the company will be put at a General Meeting.

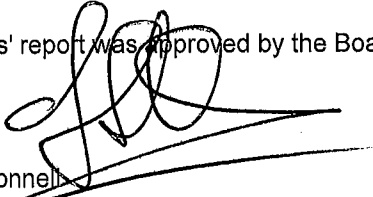


## **EMMAUS HULL & EAST RIDING**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

---

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



Sir C J O'Donnell  
Chair of the Board of Trustees

26 September 2023

# EMMAUS HULL & EAST RIDING

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES AND DIRECTORS OF EMMAUS HULL & EAST RIDING

---

#### Opinion

We have audited the financial statements of Emmaus Hull & East Riding (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees and directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees and directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Matters on which we are required to report by exception

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

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

# EMMAUS HULL & EAST RIDING

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES AND DIRECTORS OF EMMAUS HULL & EAST RIDING

---

#### **Responsibilities of Trustees and directors**

As explained more fully in the statement of trustees' responsibilities, the Trustees and directors, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees and directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees and directors are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees and directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Nicholas Michael Auton (Senior Statutory Auditor)**  
**for and on behalf of Finnies Accountants Limited**  
**Chartered Certified Accountants**  
**Statutory Auditor**

4-6 Swaby's Yard  
Walkergate  
Beverley  
East Yorkshire  
United Kingdom  
HU17 9BZ

27 September 2023

Finnies Accountants Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# EMMAUS HULL & EAST RIDING

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Notes							
<b><u>Income and endowments from:</u></b>							
Donations and legacies	3	77,712	21,235	98,947	50,408	3,977	54,385
Charitable activities	4	96,248	501,072	597,320	63,014	528,651	591,665
Other trading activities	5	-	315,061	315,061	-	209,126	209,126
Investments	6	-	2,655	2,655	-	3,914	3,914
Revaluation of tangible fixed assets		-	50,000	50,000	-	-	-
Other Income	7	1,500	-	1,500	-	-	-
<b>Total income</b>		<b>175,460</b>	<b>890,023</b>	<b>1,065,483</b>	<b>113,422</b>	<b>745,668</b>	<b>859,090</b>
<b><u>Expenditure on:</u></b>							
Raising funds	8	-	-	-	839	8,856	9,695
<b><u>Charitable activities</u></b>							
The Orchard	9	-	351,912	351,912	-	295,383	295,383
Community Support	9	177,372	197,014	374,386	138,833	211,260	350,093
Other Trading Activities	9	-	188,059	188,059	-	171,674	171,674
<b>Total charitable expenditure</b>		<b>177,372</b>	<b>736,985</b>	<b>914,357</b>	<b>138,833</b>	<b>678,317</b>	<b>817,150</b>
<b>Total expenditure</b>		<b>177,372</b>	<b>736,985</b>	<b>914,357</b>	<b>139,672</b>	<b>687,173</b>	<b>826,845</b>
Non cash gifted income		-	170,000	170,000	-	-	-
<b>Net movement in funds</b>		<b>(1,912)</b>	<b>323,038</b>	<b>321,126</b>	<b>(26,250)</b>	<b>58,495</b>	<b>32,245</b>
Fund balances at 1 January 2022		75,345	750,811	826,156	101,595	692,316	793,911
<b>Fund balances at 31 December 2022</b>		<b>73,433</b>	<b>1,073,849</b>	<b>1,147,282</b>	<b>75,345</b>	<b>750,811</b>	<b>826,156</b>

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

All income and expenditure derive from continuing activities.

## **EMMAUS HULL & EAST RIDING**

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

***FOR THE YEAR ENDED 31 DECEMBER 2022***

---

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

# EMMAUS HULL & EAST RIDING

## BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	16	632,626		602,196	
Investment property	17	170,000		-	
Investments	18	1		1	
			802,627		602,197
<b>Current assets</b>					
Debtors	19	348,738		48,701	
Cash at bank and in hand		331,569		361,725	
			680,307		410,426
<b>Creditors: amounts falling due within one year</b>	21	(335,652)		(186,467)	
Net current assets			344,655		223,959
<b>Total assets less current liabilities</b>			1,147,282		826,156
<b>Income funds</b>					
Restricted funds	22	1,073,849		750,811	
Unrestricted funds		73,433		75,345	
			1,147,282		826,156

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

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

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

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

The financial statements were approved by the Trustees And Directors on 26 September 2023

  
Sir C J O'Donnell  
Chair of the Board of Trustees

Company registration number 06347783

# EMMAUS HULL & EAST RIDING

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	28		48,242		25,442
<b>Investing activities</b>					
Purchase of tangible fixed assets		(42,556)		(996)	
Proceeds from disposal of tangible fixed assets		1,500		-	
Investment income received		2,655		3,914	
<b>Net cash (used in)/generated from investing activities</b>			(38,401)		2,918
<b>Financing activities</b>					
Repayment of borrowings		(40,000)		(40,000)	
<b>Net cash used in financing activities</b>			(40,000)		(40,000)
<b>Net decrease in cash and cash equivalents</b>			(30,159)		(11,640)
Cash and cash equivalents at beginning of year			361,725		373,365
<b>Cash and cash equivalents at end of year</b>			331,566		361,725

# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

##### Charity information

Emmaus Hull & East Riding is a private company limited by guarantee incorporated in England and Wales. The registered office is 32 Lockwood Street, Hull, East Yorkshire, HU2 0HJ, England.

##### 1.1 Accounting convention

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

The 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 and directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees and directors 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 and directors in furtherance of their charitable objectives.

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

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

##### 1.4 Income

All income is recognised once the charitable company has entitlement to the funds after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether capital or revenue, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Where grant income covers more than one financial year, the income is deferred and released to the Income and expenditure account over the period to which it relate.

Income from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of income can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the charity and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually at the point of sale.



# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

(Continued)

##### 1.5 Expenditure

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

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

##### Allocation and apportionment of costs

Support costs relate to those functions that assist the work of the charity but do not directly undertake charitable activities. These include back office costs, finance, personnel, payroll and governance costs.

##### 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	Not depreciated
Plant and equipment	25% on cost
Fixtures and fittings	33% on net book value
Computers	25% on net book value
Motor vehicles	20% on cost

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

##### 1.7 Investment property

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

##### 1.8 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 HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

(Continued)

##### 1.9 Borrowing costs related to fixed assets

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in net income/(expenditure) in the period in which they are incurred.

##### 1.10 Impairment of fixed assets

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

##### 1.11 Stocks

Where it is impractical to maintain stock records of donated goods, the value of goods is recognised at the point of sale.

##### 1.12 Cash and cash equivalents

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

##### 1.13 Financial instruments

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

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

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

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

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

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

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

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

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

# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

---

### 1 Accounting policies

(Continued)

#### *Derecognition of financial liabilities*

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

#### 1.14 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.

#### 1.15 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements. -

### 2 Critical accounting estimates and judgements

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

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

# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 3 Donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	77,712	21,235	98,947	50,408	3,977	54,385

# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 4 Charitable activities

	The Orchard	Community Support	Total 2022	The Orchard	Community Support	Total 2021
	2022	2022		2021	2021	
	£	£	£	£	£	£
Training	3,979	-	3,979	3,862	1,500	5,362
Grants	-	324,834	324,834	-	336,686	336,686
Housing benefit	268,507	-	268,507	249,617	-	249,617
	<u>272,486</u>	<u>324,834</u>	<u>597,320</u>	<u>253,479</u>	<u>338,186</u>	<u>591,665</u>
<b>Analysis by fund</b>						
Unrestricted funds	-	96,248	96,248	-	63,014	63,014
Restricted funds	<u>272,486</u>	<u>228,586</u>	<u>501,072</u>	<u>253,479</u>	<u>275,172</u>	<u>528,651</u>
	<u>272,486</u>	<u>324,834</u>	<u>597,320</u>	<u>253,479</u>	<u>338,186</u>	<u>591,665</u>

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

James Reckitt Charity	-	6,000	6,000	-	10,000	10,000
Hull & East Riding Charitable Trust	-	-	-	-	20,000	20,000
Lloyds Foundation	-	27,250	27,250	-	25,000	25,000
Local Authorities	-	224,227	224,227	-	234,358	234,358
National Lottery	-	-	-	-	21,429	21,429
William Jackson Food Group Limited	-	30,400	30,400	-	-	-
Hull Harp	-	-	-	-	18,333	18,333
Government Grants	-	4,359	4,359	-	5,566	5,566
Leonard Chamberlain Trust	-	30,000	30,000	-	-	-
Other	-	2,598	2,598	-	2,000	2,000
	<u>-</u>	<u>324,834</u>	<u>324,834</u>	<u>-</u>	<u>336,686</u>	<u>336,686</u>

#### 5 Other trading activities

	Restricted funds 2022	Restricted funds 2021
	£	£
Sales and recycling	<u>315,061</u>	<u>209,126</u>

# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 6 Investments

	Restricted funds 2022 £	Restricted funds 2021 £
Rental income	2,655	3,914
	<u>2,655</u>	<u>3,914</u>

### 7 Other income

	Unrestricted funds 2022 £	Total 2021 £
Net gain on disposal of tangible fixed assets	1,500	-
	<u>1,500</u>	<u>-</u>

### 8 Raising funds

	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Fundraising and publicity</u>				
Other fundraising costs	-	839	8,856	9,695
	<u>-</u>	<u>839</u>	<u>8,856</u>	<u>9,695</u>
	<u>-</u>	<u>839</u>	<u>8,856</u>	<u>9,695</u>

# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Charitable activities	The Orchard		Community Support		Other Trading Activities		Total 2022		The Orchard		Community Support		Other Trading Activities		Total 2021	
	2022	£	2022	£	2022	£	£		2021	£	2021	£	2021	£	2021	£
Depreciation and impairment	1,926		9,143		1,054		12,123		2,312		3,955		1,065		7,332	
Direct Costs	349,986		361,243		187,005		898,234		293,071		328,571		165,675		787,317	
	351,912		370,386		188,059		910,357		295,383		332,526		166,740		794,649	
Share of support costs (see note 10)	-		(6,000)		-		(6,000)		-		4,830		2,717		7,547	
Share of governance costs (see note 10)	-		10,000		-		10,000		-		12,737		2,217		14,954	
	351,912		374,386		188,059		914,357		295,383		350,093		171,674		817,150	
Analysis by fund																
Unrestricted funds	-		177,372		-		177,372		-		138,833		-		138,833	
Restricted funds	351,912		197,014		188,059		736,985		295,383		211,260		171,674		678,317	
	351,912		374,386		188,059		914,357		295,383		350,093		171,674		817,150	

# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 10 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Finance costs	(6,000)	-	(6,000)	7,547	-	7,547
Audit fees	-	10,000	10,000	-	-	-
Governance costs	-	-	-	-	14,954	14,954
	<u>(6,000)</u>	<u>10,000</u>	<u>4,000</u>	<u>7,547</u>	<u>14,954</u>	<u>22,501</u>
Analysed between Charitable activities	<u>(6,000)</u>	<u>10,000</u>	<u>4,000</u>	<u>7,547</u>	<u>14,954</u>	<u>22,501</u>

### 11 Net movement in funds

	2022 £	2021 £
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	12,123	7,332
Profit on disposal of tangible fixed assets	<u>(1,500)</u>	<u>-</u>

### 12 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2022 £	2021 £
Audit of the charity's annual accounts	<u>10,000</u>	<u>-</u>

### 13 Trustees And Directors

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

### 14 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Management	2	2
Admin and Support	<u>15</u>	<u>20</u>
Total	<u>17</u>	<u>22</u>

The total amount of employee benefits received by key management personnel for the year ended 31st December 2022, for their services to the charity was £89,410 (2021 £82,633)



# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

---

### 14 Employees

(Continued)

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

### 15 Taxation

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

# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

16 Tangible fixed assets		Freehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
		£	£	£	£	£	£
<b>Cost</b>							
At 1 January 2022		580,000	3,765	36,553	30,139	20,025	670,482
Additions		-	-	11,520	211	30,825	42,556
Disposals		-	-	-	-	(15,020)	(15,020)
Revaluation		50,000	-	-	-	-	50,000
Other changes		(50,000)	-	-	-	-	(50,000)
At 31 December 2022		580,000	3,765	48,073	30,350	35,830	698,018
<b>Depreciation and impairment</b>							
At 1 January 2022		-	2,298	30,425	16,875	18,691	68,289
Depreciation charged in the year		-	941	4,769	2,855	3,558	12,123
Eliminated in respect of disposals		-	-	-	-	(15,020)	(15,020)
At 31 December 2022		-	3,239	35,194	19,730	7,229	65,392
<b>Carrying amount</b>							
At 31 December 2022		580,000	526	12,879	10,620	28,601	632,626
At 31 December 2021		580,000	1,467	6,128	13,264	1,334	602,193

# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 16 Tangible fixed assets

(Continued)

During the year ended 30th June 2017, the freehold property was valued at £580,000 by Scotts Property LLP.

The property was valued on the basis of market value on the assumption of vacant possession.

If the assets had not been revalued, the aggregate cost would be £450,000.

#### 17 Investment property

2022  
£

##### Fair value

At 1 January 2022

-

Additions through external acquisition

170,000

At 31 December 2022

170,000

Investment property comprises £170,000. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties by the Trustees.

	2022 £	2021 £
Freehold	170,000	-
Long leasehold	-	-
Short leasehold	-	-
	<u>170,000</u>	<u>-</u>

#### 18 Fixed asset investments

Other  
investments

##### Cost or valuation

At 1 January 2022 & 31 December 2022

1

##### Carrying amount

At 31 December 2022

1

At 31 December 2021

1

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	27	<u>1</u>	<u>1</u>

# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 19 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	4,432	4,337
Prepayments and accrued income	344,306	44,364
	<u>348,738</u>	<u>48,701</u>

### 20 Loans and overdrafts

	2022	2021
	£	£
Other loans	-	40,000
	<u>-</u>	<u>40,000</u>
Payable within one year	-	40,000
	<u>-</u>	<u>40,000</u>

The above loan is a Rayne Foundation loan administered by Emmaus UK and was drawn down during the year ended 30 June 2016. This was repaid in full during the year.

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

	2022	2021
	£	£
Borrowings	-	40,000
Other taxation and social security	-	8,933
Trade creditors	4,217	625
Amounts owed to fellow group undertakings	11,228	11,228
Other creditors	9,736	8,084
Accruals and deferred income	310,471	117,597
	<u>335,652</u>	<u>186,467</u>

# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 22 Restricted funds

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

	Movement in funds			Movement in funds			Balance at 31 December 2022 £
	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Incoming resources £	Resources expended £	Revaluations, gains and losses £	
The Orchard	(200,227)	258,913	(296,479)	499,133	(351,912)	-	(90,572)
Emmaus Trading Activities	717,941	259,821	(183,322)	323,878	(198,059)	50,000	970,259
Community Support	174,602	226,934	(207,372)	187,012	(187,014)	-	194,162
	<u>692,316</u>	<u>745,668</u>	<u>(687,173)</u>	<u>1,010,023</u>	<u>(736,985)</u>	<u>50,000</u>	<u>1,073,849</u>

#### Restricted Funds

The Orchard fund relates to capital and revenue investments in the community facility.

The Emmaus Trading Activities fund relates to capital and revenue activities undertaken to generate funds. Contained within this fund balance are £130,000 of non-distributable revaluation reserves.

The Community Support fund relates to the income and expenditure for the provision of rough sleeping and street support services.

# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 23 Unrestricted funds

These are unrestricted funds which are material to the charity's activities made up as follows:

	Balance at 1 January 2021	Movement in funds			Transfers	Balance at 1 January 2022	Movement in funds			Balance at 31 December 2022
	£	Incoming resources	Resources expended	£	£	£	Incoming resources	Resources expended	£	£
General fund	101,595	113,422	(139,672)		-	75,345	175,460	(177,372)		73,433
	101,595	113,422	(139,672)		-	75,345	175,460	(177,372)		73,433

#### Unrestricted Funds

The General fund is not designated for any particular purpose.

# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 24 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:						
Tangible assets	57,437	575,189	632,626	9,420	592,776	602,196
Investment properties	-	170,000	170,000	-	-	-
Investments	1	-	1	1	-	1
Current assets/(liabilities)	344,655	-	344,655	65,924	158,035	223,959
	<u>402,093</u>	<u>745,189</u>	<u>1,147,282</u>	<u>75,345</u>	<u>750,811</u>	<u>826,156</u>

#### 25 Financial commitments, guarantees and contingent liabilities

Total financial commitments, guarantees and contingencies which are not included in the balance sheet amount to £100,000 (2021 £100,000), for the repayment of a property grant.

#### 26 Related party transactions

There were no disclosable related party transactions during the year ended 31st December 2022.

#### 27 Subsidiaries

Details of the charity's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Emmaus Hull Trading Limited	UK	Dormant	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Emmaus Hull Trading Limited		11,228

# EMMAUS HULL & EAST RIDING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

28	Cash generated from operations	2022 £	2021 £	
	Surplus for the year	321,126	32,245	
	Adjustments for:			
	Investment income recognised in statement of financial activities	(2,655)	(3,914)	
	Gain on disposal of tangible fixed assets	(1,500)	-	
	Non cash income	(170,000)	-	
	Depreciation and impairment of tangible fixed assets	12,123	7,332	
	Movements in working capital:			
	(Increase)/decrease in debtors	(300,037)	2,935	
	Increase/(decrease) in creditors	189,185	(13,156)	
	Cash generated from operations	48,242	25,442	
29	Analysis of changes in net funds			
		At 1 January 2022 £	Cash flows At 31 December 2022 £	
	Cash at bank and in hand	361,725	(30,156)	331,569
	Loans falling due within one year	(40,000)	40,000	-
		321,725	9,844	331,569