

Company registration number: 06616666

Charity registration number: 1128162

Emmaus Salford

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 June 2021

Gortons
Chartered Accountants
Stanmore House
64-68 Blackburn Street
Radcliffe
Manchester
M26 2JS

Emmaus Salford

Contents

Trustees' Report	1 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 to 22

Emmaus Salford

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 June 2021.

Objectives and activities

Objects and aims

The principal objectives of the charity are:

The alleviation and relief of poverty, hardship and distress arising therefrom, in conformance with the principles of the Emmaus Movement.

The provision of accommodation, or assistance in such provision, for homeless people in the Salford area and such other places as may seem appropriate from time to time (the “beneficiaries”).

The rehabilitation of the beneficiaries, as appropriate, and the provision of education, training (including, without limitation, employment training) and work opportunities. Satisfaction for the beneficiaries, with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.

The support of the work of other Emmaus communities and groups or other agencies in the relief of poverty and homelessness, whether in the United Kingdom or elsewhere in the world, and in particular (without limitation) by the exchange of resources, information and expertise with other Emmaus projects world-wide.

The primary objective is the development of a self-sufficient community providing accommodation and a meaningful voluntary work environment, with an appropriate level of support for previously homeless people, and others who may be socially disadvantaged. The community provides a welcoming and supportive place to live and work and for each person to develop within it.

On admission to the community, companions (our residents) relinquish welfare benefits, however Housing Benefit is claimed as companions are entitled to such claims. The community remains reliant on this income stream to provide the support services and homes for companions. The charity's long term focus is to increase the income from the social enterprise in such a way as to have a surplus, thus reducing reliance on claims for statutory benefits, however, Trustees acknowledge that for the foreseeable future it is not feasible to set a timescale for achieving this.

The charity's business and income generating activities are the key focus for development over the next 5 years. Additionally, the charity operates two strands of Solidarity work, the broader traditional Solidarity activity of an Emmaus Community, led by companions in supporting those less fortunate than themselves and since 2017 the charity has also operated and is developing a Solidarity Outreach Programme for the wider Salford community. This includes Lucie's Pantry (a social supermarket), a school uniform recycling hub and the charity operates the People's PODs that are part of the A Bed Every Night programme (ABEN) in Greater Manchester.

Public benefit

The Trustees have had regard to the Charity Commission's guidance on public benefit in determining the activities conducted by the Charity, and all existing and development of services continue to benefit the people who live in the administrative borough of Salford.

The trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Emmaus Salford

Trustees' Report

Achievements and performance

The charity has an Enterprise Plan that is reviewed annually by the Board and which includes short, medium and longer term plans. Regular monitoring of this plan is undertaken by the Trustees Finance Committee, as part of the governance system.

The Emmaus House site is subject to a lease, and lies within a redevelopment area. An extension to the lease has been agreed with the Local Authority. During the year there has been a focus on all aspects of health and safety in all buildings occupied/used by the charity, with a part time/fixed-term Compliance Officer (Health and Safety professional) leading this work; this enabled regular Toolbox Talks to be introduced alongside the reviews of all Risk Assessments.

During lockdowns due to the COVID-19 pandemic, projects to refurbish and upgrade buildings were undertaken and much of the work was undertaken by companions who used existing or newly acquired accredited qualifications to achieve this work. This included the development of a training room which is equipped with IT equipment to support companions learning and skills. Vocational and life skills are part of the offer to companions and Trustees are committed to Emmaus Salford being a learning organisation where all companions, staff and volunteers have opportunities to learn. All staff have qualified as Mental Health First Aiders. Additionally, the charity works in partnership with the University of Salford and hosts undergraduate and post-graduate interns from the Business School. Their projects support the social enterprise.

Recognising the impact of the pandemic on companions wellbeing, and separately on the social enterprise and income generation, a review of the staffing structure was undertaken. This identified that mental health had an adverse impact on current companions during lockdowns and in general on those who were homeless. Consequently, provision was made for a new role of Wellbeing Worker to be included in the staff team and a successful appointment was made in early spring 2021. Acknowledged systems used elsewhere in support services were introduced to support companions mental wellbeing, and to develop their resilience alongside focusing on their aspirations and how to achieve and develop themselves.

Companions are encouraged to participate in decision making and are consulted through regular meetings led by staff, and we have an annual companions voice satisfaction survey as well as a suggestion and comments box. Staff operate an 'open door' policy. Several former companions who have succeeded in securing paid employment and/or live independently continue to access services provided by the charity, either through support or advice from staff. Some return as volunteers.

The charity continues to build partnerships and works in collaboration with local organisations. The People's PODs provide rough sleepers/street homeless people with overnight emergency accommodation. This is run in collaboration with the local authority Rough Sleepers Team and the NHS Inclusion team.

In supporting the local community through the Solidarity Outreach programme companions identified, planned and provided extended support via Lucie's Pantry during lockdowns and this continues. The delivery system (Lucie's Food2You) was created. The pandemic led to increasing the level of membership for the pantry as those experiencing food poverty and requiring its service increased significantly. Membership was increased gradually over a four month period (from 150 to 250). Additionally, partnerships with Salford Food Network, Citizens Advice Bureau and the Greater Manchester Poverty Network were developed which led to companions organising and delivering emergency food parcels to those who suddenly found themselves without income or employment or those who were furloughed.

The staffing review identified a further new post, one focused on business development. The appointment is planned for the following fiscal year, with support for the salary through Grant Funds.

Income generation through the social enterprise has been adversely affected by the impact of the COVID-19 pandemic and a recovery plan is in development, linked to the appointment of the Business Development Manager, who is also the Deputy Community Director.

Emmaus Salford

Trustees' Report

Throughout much of the autumn, winter and spring the community operated at capacity, and similarly the People's PODs were fully occupied, often with individuals requiring longer term specialist support where such facilities were otherwise not available. Consequently staff and companions supported the longer term POD occupants. Working with construction partners, the local authority, utility providers and Salford University's Environmental/Eco Research Project resulted in an expansion of the Pod facility, with a further ten new units being delivered. All of these are currently being refurbished and are not yet available. Much of this project has been supported by generous donations and grants.

Financial review

The financial statements for the year to 30 June 2021 show a net deficit of £9,430, compared with a net surplus of £28,279 in the previous year. The deficit in 2021 is attributable to timing differences between the receipt of restricted funds in previous years being expended this year.

Throughout the COVID-19 pandemic local restrictions and lockdowns the charity and its Solidarity Outreach programme received a significant range of support through donations and grants.

Sales of donated goods decreased from £127,424 in 2020 to £109,810 this year, a decrease of 14%. Income from housing benefit and rental income decreased by 4% from £151,974 in 2020 to £145,773 this year. Costs also increased by 12%, from £430,572 in 2020 to £481,666 this year, due in part to the expansion of Lucie's Pantry.

During the year the charity received grants and donations (excluding government grants) totalling £140,419 (2020 - £165,203). The Trustees wish to record their gratitude for all grants and donations received.

Plans for future periods

Aims and key objectives for future periods

The Board's Enterprise Plan identifies a range of objectives set over a period of five years and these are to be aligned with the post-COVID recovery plan and the work being undertaken by the Business Development Manager.

Community/Companion Support: we aim to

- evaluate the impact of the Wellbeing Worker and the new programmes of support for mental wellbeing
- embed the new processes and learning options for companions to secure accredited qualifications
- develop a range of options for external work experience opportunities for companions

Social Enterprise: we aim to

- embed the systems and increase income generation from on-line sales platforms
- maximise the claims for Gift Aid and implement the Digital Strategy to maximise options and create efficiencies
- maximise our recycling opportunities

Solidarity: we aim to

- review and embed pilot projects and services that require further examination, or terminate those services that are no longer required
- develop options/proposals for new Solidarity Outreach services that meet the needs of the wider local community

Learning and development: we aim to:

- Introduce options for Apprenticeships with the local Further Education College
- Continue to roll-out the IT and training plans for all companions, staff, volunteers and trustees

Premises: we aim to

- Secure alternate premises for a community home
- Secure longer term options/premises from which to operate the Solidarity Outreach programme
- Consolidate the site of the warehouse/workshop into one building

Emmaus Salford

Trustees' Report

Policy on reserves

The trustees consider that Emmaus Salford should hold sufficient reserves to guard against the following risks:

- Companions, (welfare and support)
- Buildings, (principally Emmaus House)
- Social Enterprise

The charity's reserves will help to ensure that we can continue to provide accommodation and work for our beneficiaries.

The Trustees currently consider the appropriate level of reserves to be in a range between £65,000 and £85,000. As at 30 June 2021 free reserves amounted to £99,326 being unrestricted income funds of £157,155 less fixed assets of £57,829 (2020 - £76,496 being unrestricted income funds of £142,123 less fixed assets of £65,627). These exceeded expectations. Total restricted funds amounted to £58,072 (2020 - £82,534).

Reference and Administrative Details

Charity Registration Number: 1128162

Company Registration Number: 06616666

The charity is incorporated in England and Wales.

Registered Office: Emmaus House
101 Fitzwarren Street
Salford
M6 5RQ

Independent Examiner: Gortons
Chartered Accountants
Stanmore House
64-68 Blackburn Street
Radcliffe
Manchester
M26 2JS

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees: Mrs P L Lewis
Mr I Cottam (appointed 14 September 2020)
Mrs H Dunn
Dr A Fenton (appointed 14 September 2020)
Dr M Griffiths (appointed 14 September 2020)
Ms E Portsmouth
Mr S Hindley (appointed 11 October 2021)
Mrs J Davies

Secretary: Ms E Portsmouth (appointed 11 October 2021)

Senior Management / Leadership Team: Mrs R Richardson

Emmaus Salford

Trustees' Report

Structure, governance and management

Nature of governing document

Emmaus Salford was registered as a non-profit making company on 11 June 2008 (ref no. 6616666) and was registered as a UK charity (reg no. 1128162) by the Charity Commissioners with effect from 19 February 2009.

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 trustees are required to contribute an amount not exceeding £1.

The charity is a limited company, limited by guarantee, as defined by the Companies Act.

Recruitment and appointment of trustees

Trustees are elected in accordance with the Memorandum of Association. The trustees retire by rotation. The Board has an agreed procedure for the appointment of Trustees and all Trustees are appointed following open advertisement.

Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on 29 March 2022 and signed on its behalf by:

.....
Mrs H Dunn
Trustee

Emmaus Salford

Independent Examiner's Report to the trustees of Emmaus Salford ("the Company")

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

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

Gortons
Chartered Accountants
Stanmore House
64-68 Blackburn Street
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Manchester
M26 2JS

29 March 2022

Emmaus Salford

Statement of Financial Activities for the Year Ended 30 June 2021 (Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	4	103,439	111,425	214,864
Charitable activities	6	255,583	-	255,583
Investment income	7	154	-	154
Other income		<u>1,635</u>	<u>-</u>	<u>1,635</u>
Total income		<u>360,811</u>	<u>111,425</u>	<u>472,236</u>
Expenditure on:				
Charitable activities	8	<u>(345,779)</u>	<u>(135,887)</u>	<u>(481,666)</u>
Total expenditure		<u>(345,779)</u>	<u>(135,887)</u>	<u>(481,666)</u>
Net income/(expenditure)		<u>15,032</u>	<u>(24,462)</u>	<u>(9,430)</u>
Net movement in funds		15,032	(24,462)	(9,430)
Reconciliation of funds				
Total funds brought forward		<u>142,123</u>	<u>82,534</u>	<u>224,657</u>
Total funds carried forward	25	<u><u>157,155</u></u>	<u><u>58,072</u></u>	<u><u>215,227</u></u>

	Note	Unrestricted funds General £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	4	75,025	103,826	178,851
Charitable activities	6	279,398	-	279,398
Investment income	7	<u>602</u>	<u>-</u>	<u>602</u>
Total Income		<u>355,025</u>	<u>103,826</u>	<u>458,851</u>
Expenditure on:				
Charitable activities	8	<u>(383,003)</u>	<u>(47,569)</u>	<u>(430,572)</u>
Total Expenditure		<u>(383,003)</u>	<u>(47,569)</u>	<u>(430,572)</u>
Net (expenditure)/income		<u>(27,978)</u>	<u>56,257</u>	<u>28,279</u>
Net movement in funds		(27,978)	56,257	28,279
Reconciliation of funds				
Total funds brought forward		<u>170,101</u>	<u>26,277</u>	<u>196,378</u>
Total funds carried forward	25	<u><u>142,123</u></u>	<u><u>82,534</u></u>	<u><u>224,657</u></u>

The notes on pages 9 to 22 form an integral part of these financial statements.

Emmaus Salford

(Registration number: 06616666)
Balance Sheet as at 30 June 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	57,829	65,627
Current assets			
Stocks	14	1,500	-
Debtors	15	24,279	24,316
Cash at bank and in hand	16	250,900	229,978
		<u>276,679</u>	<u>254,294</u>
Creditors: Amounts falling due within one year	17	<u>(106,281)</u>	<u>(80,764)</u>
Net current assets		<u>170,398</u>	<u>173,530</u>
Total assets less current liabilities		228,227	239,157
Creditors: Amounts falling due after more than one year	18	<u>(13,000)</u>	<u>(14,500)</u>
Net assets		<u>215,227</u>	<u>224,657</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		58,072	82,534
Unrestricted income funds			
Unrestricted funds		<u>157,155</u>	<u>142,123</u>
Total funds	25	<u>215,227</u>	<u>224,657</u>

For the financial year ending 30 June 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 7 to 22 were approved by the trustees, and authorised for issue on 29 March 2022 and signed on their behalf by:

.....
Mrs H Dunn
Trustee

Emmaus Salford

Notes to the Financial Statements for the Year Ended 30 June 2021

1 Charity status

The charity is a company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

These financial statements were authorised for issue by the trustees on 29 March 2022.

2 General information

The charity was incorporated as a company in the United Kingdom and the registered office is Emmaus House, 101 Fitzwarren Street, Salford, M6 5RQ.

3 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Emmaus Salford meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Volunteers

Volunteers give their time and skills to support the charity and social enterprise to help even more people move on from being homeless.

Summary of disclosure exemptions

Having followed the relevant requirements of FRS102, the company has taken advantage of disclosure exemptions in respect of the preparation of a Statement of Cash Flows.

Income and endowments

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

Donations and legacies

Donations and gifts are recognised as income when the charity has control over the item or has received the service, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably, in accordance with the Charities SORP (FRS 102).

Emmaus Salford

Notes to the Financial Statements for the Year Ended 30 June 2021

Grants receivable

Income from grants are recognised when the charity has entitlement to the funds and it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Charitable activities

Income on the sale of donated goods and house clearances is recognised when the charity has control over the item or received the service.

Income on housing benefits and rents are recognised on an accruals basis.

Expenditure

All 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.

Charitable activities

Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs.

Other expenditure

Other expenditure represents those items not falling into any other heading.

Support costs

All support costs are allocated to the charitable activities.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including an Independent Examination, strategic management and trustees' meetings and reimbursed expenses.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £250 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class

Leasehold alterations
Fixtures and fittings
Motor vehicles

Depreciation method and rate

Straight line over 8 years
Straight line over 5 years
Straight line over 5 years

Emmaus Salford

Notes to the Financial Statements for the Year Ended 30 June 2021

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks.

Trade debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Hire purchase and finance leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Emmaus Salford

Notes to the Financial Statements for the Year Ended 30 June 2021

4 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Grants, including capital grants:			
Government grants	74,445	-	74,445
Grants from other charities	-	108,965	108,965
Regular giving and capital donations	28,994	2,460	31,454
	<u>103,439</u>	<u>111,425</u>	<u>214,864</u>
	Unrestricted funds General £	Restricted funds £	Total 2020 £
Grants, including capital grants:			
Government grants	13,648	-	13,648
Grants from other charities	33,734	101,838	135,572
Regular giving and capital donations	27,643	1,988	29,631
	<u>75,025</u>	<u>103,826</u>	<u>178,851</u>

5 Government grants

The government grants are furlough grants and Local Authority COVID-19 support funding.

The amount of grants recognised in the financial statements was £74,445 (2020 - £13,648).

There are no unfulfilled conditions attached to the grants.

There are no other forms of government assistance.

6 Income from charitable activities

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Sale of donated goods and house clearances	109,810	109,810	127,424
Housing benefit and rents	145,773	145,773	151,974
	<u>255,583</u>	<u>255,583</u>	<u>279,398</u>

Emmaus Salford

Notes to the Financial Statements for the Year Ended 30 June 2021

7 Investment income

	Unrestricted	Total	Total
	General	2021	2020
	£	£	£
Interest receivable on bank deposits	154	154	602

8 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2021 £	As restated 2020 £
Salary costs	114,637	-	114,637	113,557
Companion costs	84,328	-	84,328	80,207
Rent, rates and insurance	36,112	88	36,200	42,537
Shop supplies and equipment	20,948	-	20,948	14,783
Repairs and renewals	36,973	-	36,973	40,540
Light and heat	39,087	-	39,087	37,034
Vehicle costs	15,050	-	15,050	20,027
Health and safety	49,877	-	49,877	3,654
Cleaning and waste	23,219	-	23,219	17,578
Telephone and internet	12,018	-	12,018	11,400
Miscellaneous expenses	7,701	-	7,701	3,919
Legal and professional fees	3,555	-	3,555	3,479
Bad and doubtful debts	(3,353)	-	(3,353)	3,353
Bank and credit card charges	1,149	27	1,176	1,156
Loan interest	-	-	-	53
Depreciation and profit on sale of fixed assets	37,316	-	37,316	36,052
	<u>478,617</u>	<u>115</u>	<u>478,732</u>	<u>429,329</u>

£342,845 (2020 - £381,760) of the above expenditure was attributable to unrestricted funds and £135,887 (2020 - £47,569) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £2,934 (2020 - £1,243) which relate directly to charitable activities. See note 9 for further details.

Emmaus Salford

Notes to the Financial Statements for the Year Ended 30 June 2021

9 Analysis of governance and support costs

Support costs allocated to charitable activities

	Finance costs £	Administration costs £	Total 2021 £	Total 2020 £
Trustee indemnity insurance	-	88	88	357
Loan interest payable to Emmaus UK	-	-	-	53
Bank charges	27	-	27	40
	<u>27</u>	<u>88</u>	<u>115</u>	<u>450</u>

Governance costs

	Unrestricted General £	Total 2021 £	Total 2020 £
Independent examination	1,184	1,184	1,243
Accounts preparation	1,750	1,750	-
	<u>2,934</u>	<u>2,934</u>	<u>1,243</u>

10 Net incoming/outgoing resources

Net outgoing/(incoming) resources for the year include:

	2021 £	2020 £
Operating leases - plant and machinery	4,290	1,800
Operating leases - other assets	17,124	27,221
Other non-audit services	1,750	-
Profit on disposal of tangible fixed assets	(3,823)	-
Depreciation of fixed assets	41,139	36,052
Finance charges payable	<u>-</u>	<u>53</u>

Emmaus Salford

Notes to the Financial Statements for the Year Ended 30 June 2021

11 Staff costs

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Charitable Activities	<u>5</u>	<u>5</u>

All of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £4,767 (2020 - £3,429).

These payments are allocated to charitable expenses within unrestricted funds.

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £39,474 (2020 - £39,275).

12 Independent Examiner's remuneration

	2021 £	2020 £
Independent examination	1,184	1,243
Accountancy services	<u>1,750</u>	<u>-</u>
	<u>2,934</u>	<u>1,243</u>

13 Tangible fixed assets

	Leasehold Alterations £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 July 2020	196,481	2,920	53,372	252,773
Additions	-	14,878	20,441	35,319
Disposals	<u>-</u>	<u>-</u>	<u>(9,887)</u>	<u>(9,887)</u>
At 30 June 2021	<u>196,481</u>	<u>17,798</u>	<u>63,926</u>	<u>278,205</u>
Depreciation				
At 1 July 2020	146,894	1,168	39,084	187,146
Charge for the year	24,793	3,560	12,786	41,139
Eliminated on disposals	<u>-</u>	<u>-</u>	<u>(7,909)</u>	<u>(7,909)</u>
At 30 June 2021	<u>171,687</u>	<u>4,728</u>	<u>43,961</u>	<u>220,376</u>
Net book value				
At 30 June 2021	<u>24,794</u>	<u>13,070</u>	<u>19,965</u>	<u>57,829</u>
At 30 June 2020	<u>49,587</u>	<u>1,752</u>	<u>14,288</u>	<u>65,627</u>

Emmaus Salford

Notes to the Financial Statements for the Year Ended 30 June 2021

14 Stock

	2021 £
Finished goods	<u>1,500</u>

15 Debtors

	2021 £	2020 £
Trade debtors	-	5,921
Prepayments	8,499	8,196
Accrued income	3,988	5,317
Other debtors	<u>11,792</u>	<u>4,882</u>
	<u>24,279</u>	<u>24,316</u>

16 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	2,433	1,143
Cash at bank	<u>248,467</u>	<u>228,835</u>
	<u>250,900</u>	<u>229,978</u>

17 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	6,696	6,569
Loan from Emmaus UK	1,500	3,000
Other taxation and social security	1,095	1,086
Other creditors	12,459	10,911
Accruals	<u>84,531</u>	<u>59,198</u>
	<u>106,281</u>	<u>80,764</u>

Emmaus Salford

Notes to the Financial Statements for the Year Ended 30 June 2021

18 Creditors: amounts falling due after one year

	2021 £	2020 £
Loan from Emmaus UK	<u>13,000</u>	<u>14,500</u>

Included in the creditors are the following amounts due after more than five years:

	2021 £	2020 £
After more than five years by instalments	<u>-</u>	<u>1,500</u>

In 2013/14 Emmaus UK made a loan of £30,000 to Emmaus Salford. £23,000 of this loan was repaid early in 2014/15. The balance of £7,000 is repayable in 2022/23 and 2023/24. This loan is interest free.

In 2015/16 Emmaus UK made a further loan of £15,000 to Emmaus Salford. This loan is repayable in equal instalments over 10 years. Interest is charged at 1% per annum. There is a capital repayment holiday until 31 January 2022 and further deferral is under discussion together with the rate of interest. Emmaus Salford however decided to make the capital repayments for both 2020 and 2021.

19 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Land and buildings		
Within one year	<u>76,519</u>	<u>76,519</u>
Other		
Between one and five years	9,891	6,975
After five years	<u>49,290</u>	<u>-</u>
	<u>59,181</u>	<u>6,975</u>

Emmaus Salford

Notes to the Financial Statements for the Year Ended 30 June 2021

20 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £4,767 (2020 - £3,429).

Contributions totalling £471 (2020 - £368) were paid after date to the scheme and are included in creditors.

21 Contingent liabilities

There is a contingent liability for grants, and also loans received, from Emmaus UK in prior years, that will all be repayable if Emmaus Salford leaves the Emmaus UK Federation.

22 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

23 Related party transactions

There were no related party transactions in the year.

24 Comparatives

Some items have been transferred between income and expenses in the Statement of Financial Activities. These transfers are cosmetic and do not affect the results.

Emmaus Salford

Notes to the Financial Statements for the Year Ended 30 June 2021

25 Funds

	Balance at 1 July 2020 £	Incoming resources £	Resources expended £	Balance at 30 June 2021 £
Unrestricted funds				
<i>General</i>				
General funds	142,123	360,811	(345,779)	157,155
Total unrestricted funds	<u>142,123</u>	<u>360,811</u>	<u>(345,779)</u>	<u>157,155</u>
Restricted funds				
RBS Charitable Trust, Pendleton Together Co-operative, Lush Charity Pot and Semble	903	2,714	(1,642)	1,975
Booth's Charities	170	350	(520)	-
Emmaus UK	385	-	-	385
Edward Holt Trust	23,000	-	(12,977)	10,023
Bauer Radio	500	-	(500)	-
Nationwide Building Society via Community Foundations	36,705	-	(24,711)	11,994
Martin Lewis, High Sherrifs Office, Salford CVS, Neighbourly, ESF, Manchester Guardian Society, Duchy of Lancaster, Food recovery, CAF deliveries, Charity Service deliveries, Clarion Food	11,833	18,750	(18,343)	12,240
Mayor of Greater Manchester, Salford CVS, Neighbourly, Tesco, Emmaus UK, Charities Aid Foundation	8,152	22,287	(30,439)	-
Tesco, Salford CVS, B&Q	886	21,190	(4,583)	17,493
Salford CVS, Yorkshire Building Society	-	4,395	(3,166)	1,229
Guinness Partnership, Salford CVS	-	1,760	(1,760)	-
Salford CVS	-	16,500	(15,075)	1,425
Guinness Partnership	-	600	(167)	433
Charities Aid Foundation	-	22,879	(22,004)	875
Total restricted funds	<u>82,534</u>	<u>111,425</u>	<u>(135,887)</u>	<u>58,072</u>
Total funds	<u><u>224,657</u></u>	<u><u>472,236</u></u>	<u><u>(481,666)</u></u>	<u><u>215,227</u></u>

Emmaus Salford

Notes to the Financial Statements for the Year Ended 30 June 2021

	Balance at 1 July 2019 £	Incoming resources £	Resources expended £	Balance at 30 June 2020 £
Unrestricted funds				
<i>General</i>				
General funds	170,101	355,025	(383,003)	142,123
Total unrestricted funds	<u>170,101</u>	<u>355,025</u>	<u>(383,003)</u>	<u>142,123</u>
Restricted				
RBS Charitable Trust, Pendleton Together Co-operative, Lush Charity Pot and Semble	1,859	-	(956)	903
Booth's Charities	2,760	250	(2,840)	170
Emmaus UK	998	-	(613)	385
Edward Holt Trust	20,160	22,000	(19,160)	23,000
Bauer Radio	500	-	-	500
Nationwide Building Society via Community Foundations	-	50,000	(13,295)	36,705
Martin Lewis, High Sherrifs Office, Salford CVS, Neighbourly, ESF, Manchester Guardian Society, Duchy of Lancaster, Food recovery, CAF deliveries, Charity Service deliveries, Clarion Food	-	18,200	(6,367)	11,833
Mayor of Greater Manchester, Salford CVS, Neighbourly, Tesco, Emmaus UK, Charities Aid Foundation	-	8,637	(485)	8,152
Tesco, Salford CVS, B&Q	-	3,000	(2,114)	886
JP Lightfoot, Irwell Valley, Croftons Solicitors, Tony Dixon	-	1,739	(1,739)	-
Total restricted funds	<u>26,277</u>	<u>103,826</u>	<u>(47,569)</u>	<u>82,534</u>
Total funds	<u><u>196,378</u></u>	<u><u>458,851</u></u>	<u><u>(430,572)</u></u>	<u><u>224,657</u></u>

Emmaus Salford

Notes to the Financial Statements for the Year Ended 30 June 2021

Description of nature of restriction by fund

The specific purposes for which the funds are to be applied are as follows:

RBS Charitable Trust, Pendleton Together Co-operative, Lush Charity Pot and Semble - for a greenhouse, gardening equipment and work to the garden area of Emmaus House

Booth's Charities - for mattresses for companions' rooms and christmas festivities

Emmaus UK - for companion training

Edward Holt Trust - for costs of employing a manager for the social supermarket

Bauer Radio - for a community fridge

Nationwide Building Society via Community Foundations - for the costs of employing a key worker

Martin Lewis, High Sherriffs Office, Salford CVS, Neighbourly, ESF, Manchester Guradian Society, Duchy of Lancaster, Food recovery, CAF deliveries, Charity Service deliveries, Clarion Food - to assist the social supermarket in responding to COVID-19

Mayor of Greater Manchester, Salford CVS, Neighbourly, Tesco, Emmaus UK, Charities Aid Foundation - to assist the community in responding to COVID-19

Tesco, Salford CVS, B&Q - for emergency accommodation

Salford CVS, Yorkshire Building Society - for IT equipment

Guinness Partnership, Salford CVS - for the social supermarket

Salford CVS - for emergency food parcels

Guinness Partnership - for the school hub

Charities Aid Foundation - for salaries and companion training

Emmaus Salford

Notes to the Financial Statements for the Year Ended 30 June 2021

26 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 30 June 2021 £
Tangible fixed assets	57,829	-	57,829
Current assets	218,607	58,072	276,679
Current liabilities	(106,281)	-	(106,281)
Long term creditors	(13,000)	-	(13,000)
Total net assets	<u>157,155</u>	<u>58,072</u>	<u>215,227</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 30 June 2020 £
Tangible fixed assets	65,627	-	65,627
Current assets	171,760	82,534	254,294
Current liabilities	(80,764)	-	(80,764)
Long term creditors	(14,500)	-	(14,500)
Total net assets	<u>142,123</u>	<u>82,534</u>	<u>224,657</u>