EMMAUS NORTH EAST

England & Wales · Charity number 1131408

Details

Other names	EMMAUS GATESHEAD
Status	Registered
Legal form	Charitable company
Company number	06820441
Registered	2009-08-27
Register	View on the Charity Commission register

Contact

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Activities

Objects: 3.1 THE OBJECTS ("THE OBJECTS") OF THE CHARITY SHALL BE THE ALLEVIATION AND RELIEF OF POVERTY, HARDSHIP AND DISTRESS ARISING THEREFROM, IN PARTICULAR BUT NOT EXCLUSIVELY BY: PREVENTING AND REDUCING HOMELESSNESS, IMPROVING PUBLIC SAFETY AND REDUCING CRIME, CAMPAIGNING FOR THE ALLEVIATION AND RELIEF OF POVERTY, HARDSHIP AND DISTRESS ARISING THEREFROM AND TO EDUCATE THE PUBLIC IN RELATION TO THE AFOREMENTIONED OBJECTS, IN CONFORMANCE WITH THE PRINCIPLES OF THE EMMAUS MOVEMENT AS PUBLISHED FROM TIME TO TIME BY EMMAUS UK, TO THOSE IN NEED WITHOUT DISTINCTION BY: 3.1.1 THE PROVISION OF SUPPORTED ACCOMMODATION, OR ASSISTANCE IN SUCH PROVISION, FOR HOMELESS PEOPLE WITH A PREFERENCE FOR THOSE IN THE NORTH EAST OF ENGLAND REGION AND BEYOND THIS WHERE THE TRUSTEES IN THEIR DISCRETION THINK FIT FROM TIME TO TIME (THE "BENEFICIARIES"); 3.1.2 THE REHABILITATION OF THE BENEFICIARIES AS APPROPRIATE WITH THE PROVISION OF PERSON CENTRED EDUCATION, TRAINING (INCLUDING, WITHOUT LIMITATION, EMPLOYMENT TRAINING), WORK EXPERIENCE, MENTAL HEALTH AND DEPENDENCY SUPPORT WITH THE AIM OF DEVELOPING THEIR SKILLS TO ENABLE THEM TO MORE FULLY PARTICIPATE IN SOCIETY IN THE FUTURE AND THEREBY DEVELOP A SENSE OF SELF WORTH AND DIGNITY THROUGH HAVING A SELF-SUPPORTING LIFE; 3.1.3 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; AND 3.1.4 THE FULFILLING OF SUCH OTHER PURPOSES AS MAY FROM TIME TO TIME BE RECOGNISED BY ENGLISH LAW AS BEING CHARITABLE AND WHICH THE CHARITY SHALL FROM TIME TO TIME DETERMINE. (THE OBJECTS).

Activities: Continuation of project to establish an Emmaus Community for homeless people in Gateshead and/or in adjacent Metropolitan Boroughs in Tyne & Wear

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** Education/training, The Prevention Or Relief Of Poverty, Accommodation/housing, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Other Defined Groups

Geography

- **Area of benefit:** UNDEFINED.
- Gateshead
- South Tyneside

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Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£884,951	£875,899	£867,004	15
2024-06-30	£854,821	£782,907	£857,862	8
2023-06-30	£524,499	£651,226	£785,948	7
2022-06-30	£462,702	£535,306	-	-
2021-06-30	£662,803	£553,476	£985,280	9

Trustees

Name	Role	Appointed
John Machin	Chair	2017-01-24
Debbie HAMILTON		2021-06-22
Gemma Trainor		2019-02-28
Jane Playle		2024-07-16
Jessica COOK		2021-06-22
Jonathan William ROOK FCA		2021-10-05

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EMMAUS NORTH EAST

England & Wales - Charity number 1131408

Accounts

EMMAUS NORTH EAST

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2025

Charity Number 1131408
Company Number 06820441

EMMAUS NORTH EAST

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 30 June 2025

The Trustees, who are also the Directors of the Charity for the purposes of the Companies Act, submit their report and financial statements of Emmaus North East (ENE; the Charity) for the year ended 30 June 2025. The financial statements comply with the Charities Act 2019, the companies Act 2006, the Memorandum and Articles of Association and the requirements of Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable to the United Kingdom.

Chairs Statement – John Machin

24/25 was another positive year for the Charity with its financial position remaining strong.

Income increased, albeit modestly, to £886K which was 1.2% higher than 23/24. ENE's trading activities grew over the year to £572K, a 40% increase compared to 23/24 which was an outstanding result. This increase offset the £96K decrease in grants and contracts the Charity received in 24/25 compared to 23/24.

At the end of 24/25, ENE had total funds of £868K, an increase of £10K compared to 23/24. In terms of cash and cash equivalents ENE had £140K, an increase of £101K compared to 23/24 which, again, was a pleasing result.

It is expected that in 25/26 the Charity will record an income in excess of £1 Million, which will be an important and significant milestone. This increase will be driven by the Durham SHAP project, which will become fully established, and continuing increases from our Social Enterprise activities.

On the personnel side, the commitment of our Organisation, Volunteers, Companions and Trustees was clear. This was perhaps best exemplified by the Charity being nominated for the Kings Award for Voluntary Service (KAVS) and, no matter what the outcome, this is recognition of the difference our Companions and Volunteers make volunteering for Emmaus North East every day and helps reduce social isolation and loneliness in Tyne and Wear. A few further examples of many were one of our Trustees (Jess Cook), running the Great North Run for ENE, another Trustee (Jane Playle) supporting our CEO (Ruth Parker) at the CEO Sleepout UK at Sunderland's Stadium of Light and the ENE Board being shortlisted again for Board of the Year at the recent North East Charity Awards. Without all the people who give their time to the Charity, staff, volunteers and trustees and the Companions who are the focal point of the Charity, ENE would not be the inclusive and thriving entity it is today.

During the year and with the strong support of Lloyds Foundation, the ENE Board commissioned an independent review of its Board Effectiveness and Governance. I am pleased to say the conclusion was very positive, both toward the Board and its effectiveness and governance. In my view, this reflects the quality of the Board and the commitment and enthusiasm its trustees have toward the Charity.

I mentioned in last year's report the contract ENE had received from Durham County Council regarding their SHAP project. This project is now well underway, and ENE is looking after several Companions in the Durham area. This is the first time the Charity has been involved in a Commissioning Project and, depending on the results of this project, we will determine whether to further develop and expand in this area.

Regarding further increasing Companion numbers, we hope in 25/26 to establish a female only residence close to our main residence in Stanhope Road. This residence will have the capability to house 7 (seven) females who have experienced domestic violence or other major challenges in their lives.

It is anticipated that by the end of 25/26, ENE will be looking after 45+ Companions and working with each of them to improve their individual circumstances.

One of our key objectives in 24/25 was to establish at least one further retail outlet to grow our income. Despite much hard work and a few near misses, we were unable to achieve this objective. Nevertheless, the ambition to expand the number of retail outlets and the goods we offer for sale in each of them remains, and we will redouble our efforts in 25/26 to achieve our objective in this area.

Gaining financial sustainability is still foremost amongst our strategic objectives. To help achieve this, a major project was initiated within the Charity known as Project Radical. (this was described in last year's report). Several changes have been successfully introduced, and we are starting to see the effect of these both in our financial results and the quality of help and assistance we are able to give our Companions.

In 24/25 we had major success with one of our initiatives centred around improving the pathway we offer Companions once they are in an Emmaus residence and looking to improve their circumstances. A result of this initiative has not only been more satisfied Companions but higher room occupancy in our residences and an improved financial situation for ENE. This initiative has captured the interest of several other Communities in the Emmaus UK Federation and, in a number of cases, has been implemented by these other Communities. This is pleasing and is a recognition of the high-class work performed by our organisation.

Finally, I must again thank all our funders and those people and organisations who donated either money, services, time or goods to Emmaus North East. Without you, it would not be possible to operate our charity and help the people that we do.

John Machin

Chair of Board of Trustees Emmaus North East

CEO's Statement – Ruth Parker Chief Executive Officer

The financial position of Emmaus North East continues to strengthen. There has been a significant increase in trading income from the social enterprises which is positive and there are plans for further expansion in 2026. Another income stream has been added this year with the commencement of the Durham SHAP project. This has allowed ENE to expand and strengthen the staff team and to deliver support to formerly homeless people in the County of Durham. This year, income is projected to exceed £1.1 million and this is a milestone for the charity.

The hard work and commitment of the team of staff, trustees, companions and volunteers have resulted in several achievements being recognised in 2025. We have introduced new Companion pathways with a focus on an increase in positive move ons, expanded the volunteer and staff teams, added an Outreach service to our work and there are plans to open a new Women's only project in 2026. All of this combined means that we will be supporting over 40 Companions to transform their lives. I am grateful to the team for their unwavering commitment to support people facing homelessness and their resilience on a day to day basis.

Governance and the effectiveness of the board is a crucial part of the focus of Emmaus North East. It not only makes us accountable but sets the overall direction of the charity. This year the Trustees initiated an independent Board Effectiveness review that concluded that 'this *board of trustees has a very strong focus on financial control, planning and management. As a whole they have a collective commitment to good governance practice and a determination to work as an effective team alongside the CEO.'* It is no wonder that they were shortlisted in the North East Charity Awards for Trustee Board of the Year in 2025 for a second year running.

In 2023 we commenced work on Investors in the Environment with an ultimate aim of reducing the carbon footprint of the charity. In 2024, we achieved bronze accreditation and also a national IIE Award. We did not stop there and have continued to drive this area of work. Following an audit in 2025, we were delighted that our commitment was recognised with a Silver accreditation and the work continues.

This year we face the challenges of the implementation of the Supported Housing (Regulatory Oversight) Act. We welcome this at Emmaus North East and will embrace the changes that are focussed on better outcomes for residents. We have already self-assessed ourselves in many areas and the results are positive. I would like to extend my appreciation to South Tyneside Council and Durham County Council for their support and trust in what we do.

We could not have achieved what we have without the support from stakeholders, the community and organisations and individuals who have supported ENE with donations and grants. This has helped ENE to offer person centred practical and emotional support to Companions to give them HOPE for the future. I would also like to mention the achievements of Ability Consultants in securing funding for us.

Finally, thank you to the Companions for sharing their stories and facing their challenges. I have witnessed their courage and determination to overcome them and this continues to drive what we do.

I make a commitment to use the voices and experiences of the Companions to campaign for change and to collaborate with others with an aim to ending homelessness.

Thank you and Best Wishes

Ruth

Ruth Parker CEO of Emmaus North East

Policies and Objectives

In setting the Charity's objectives, plans and activities, the Trustees have given due consideration to guidance published by the Charity Commission relating to public benefit and to its supplementary public benefit guidance.

The medium - long-term objectives for the Charity are:

1. To ensure that the social enterprises are self-sufficient, whereby the income generated from their activities cover all their operating expenses

2. To agree an income strategy to enable long term financial security

3. To increase the size of its community facilities and Companion numbers and extend ENE to other Local Authority areas beyond South Tyneside and Durham.

4. To improve the opportunities for Companions to "move on" from ENE and gain worthwhile employment in the outside world, extending their work experience and training opportunities available to them

5. To have ENE recognised as a major charity in the North East of England, influencing positive change for those who have suffered or are suffering from homelessness.

The Charity's short-term objectives are to:

1. Expand its retail operations, introducing a new Superstore and expanding On-Line sales and the House Clearance service

2. Develop a profitable social enterprise workshop where furniture and other wood-based items are manufactured or upcycled and sold in the retail outlets and online

3. Find and develop other social enterprise income streams and additional projects

4. Embed the new Companion pathways and improve the training and development opportunities ENE offers to its Companions.

5. Develop the brand image and awareness of ENE in the North East of England and beyond

6. Develop the experience and skills of the staff team with an aim of introducing new specialist roles.

About Emmaus North East

Emmaus North East is a homelessness charity with a difference. Emmaus does not just give people a bed for the night; it offers a home, volunteering opportunities 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. Being on your own can be soul destroying, leaving you feeling worthless. Emmaus is different because it provides a home for as long as someone needs this in an Emmaus community. This gives Companions, as we call our residents, the opportunity to take stock of their lives, deal with any issues they might have, and often re-establish relationships with loved ones. The ultimate aim is to support Companions to achieve their longer term goals with 'move on' being a focus for everyone at the right point on their journey.

The Emmaus movement (including Emmaus International).

The Emmaus movement and its 425 member organisations in Europe, Africa, Asia, and the Americas continue to engage at a local level with people who have experienced social exclusion to access their fundamental rights and, through their collective action, demonstrate there are credible alternatives to injustice.

Emmaus in the UK.

The first UK Emmaus Community was established in 1992. Today 29 Emmaus communities are operational, with others in the course of development.

An Emmaus UK Community offers homeless people a chance to regain their self-respect through living and working in a supportive environment which combines residential accommodation with self-supporting social enterprises. These enterprises, mainly retail, are based largely on the collection and sale of donated goods as well as refurbishment and recycling of various goods and scrap materials in line with the principles of a circular, low waste economy.

Each Emmaus Community in the UK whilst being an independent legal entity commits to follow the values and ethos of the Emmaus movement as a whole.

Emmaus UK (EUK).

Emmaus UK is the federal body for Emmaus in the UK. Each member of Emmaus UK - either a community or group - is an independent charity, governed by a local board of trustees.

The Federation also offers fundraising and publicity support and provides grants to enable further development of existing Emmaus communities and groups, and the expansion of Emmaus in the UK.

Emmaus North East (ENE).

Established seventeen years ago, ENE is a legally independent charity based in South Tyneside in North East England. It focuses upon providing support to homeless people and works within the Emmaus movement's ethos and values. ENE is a member of the EUK Federation and Emmaus International movement.

ENE aims to combat homelessness. It provides people with a home, volunteering opportunities and encourages solidarity with others in a similar position. It gives Companions a choice and a chance. It welcomes people from all backgrounds and all causes of homelessness. ENE is supported by a wide range of funders and partners who provide both financial and in-kind support. This funding both supports the community and helps the ENE social enterprises grow and thrive.

ENE's vision is "to help create a North East England where homelessness and hopelessness have been abolished".

ENE's mission is "to enable homeless people in the North East to rebuild their lives through social enterprises which also involve and enrich the local community".

The core values of the charity are:

Empowerment, Enablement and Involvement.

- Respect for others, ourselves and the environment
- Sharing of resources, skills, challenges and successes
- Openness to ideas, challenges and other points of view
- Solidarity helping those in greatest need and opposing social injustice
- Welcoming friendly, approachable, welcoming and inclusive to all.

ENE's operations are centred around its community residences at 253, 255 and 257 Stanhope Road, South Shields where ENE is able to offer permanent accommodation and support to 21 companions with ambitions to expand further. In 2025, we launched the Durham SHAP (Single Homeless Accommodation Programme) project and currently support Companions in 8 dispersed properties with the opening of Merrington View planned for May 2026 where a further 7 people will be supported. This means ENE will

be supporting 37 Companions with plans to open a new Womens only project in early 2026.

Referrals are received from across the North East and beyond and ENE is now recognised as an integral part of the community in South Tyneside and other areas.

The Charity provides welcoming and safe accommodation, volunteering opportunities and peer and person centred support to its Companions. Support is offered to Companions to recover their confidence and self-respect and make a fresh start to rebuild their lives. ENE tries to ensure all Companions are able to move onto independent living and employment when they are ready. They are also supported to reconnect with their families. An important part of what we offer is support beyond ENE to anyone who has been a Companion. The aim of this is to support people to maintain tenancies and their new life. A new staff role of Support and Progression worker was added to the team in 2025 to focus on helping Companions ready to 'move on.'

ENE focuses upon its Companions and seeks to ensure they have a consistent core offer outlining the mutual expectations of both ENE and themselves. All Companions are enabled and encouraged to participate fully in ENE and its activities.

There are three critical features of ENE that make it different to some of the other support offered to homeless people:

ENE provides a home – Companions have a room to call their own and a place to call home alongside other people who understand their situation. The house has clear rules, meaning it provides a safe and secure environment for everyone; Safeguarding is of highest priority with annual reviews of processes and policies.

ENE gives people focus, meaning and structure – Companions volunteer in the social enterprises or contribute to community life. This includes training, activities to improve health and wellbeing and access to trauma informed therapy. This provides the Companions with structure and a focus for each day and productive activity to engage with. The Community Wellness pilot has been of national focus with several communities trying to replicate it.

ENE judges people on today's actions not yesterday's – Companions have the opportunity to change and are given the chance to change. Emmaus North East will not work for everyone, but everyone is given a chance.

Emmaus North East has three strands of delivery:

-Home – providing housing for 21 Companions with community living at its South Shields residences and support to Companions who are part of the Durham SHAP project.

-Volunteering and training – all Companions volunteer in the Charity's businesses and social enterprises. The Social Enterprises provide Companions with a structure an, routine that increases their skills and work based experience. They are also offered accredited training and qualifications.

-Solidarity – ensuring Companions feel part of something bigger and are giving back to the community having pride in the place they live.

In terms of its social enterprises, ENE operates three (3) retail outlets in various areas of the North East (Jarrow, Low Fell and Hebburn), a fully equipped workshop in South Shields where furniture is upcycled and restored and various items made from wood are designed and produced. We also have house clearing services an on-line retail business and opened Lucie's Laundry in April 2023, offering free services to the community to combat the cost of living crisis. This has also become a registered community warm space and ENE recently celebrated receiving a national award.

Work is underway to extend the retail enterprises in Jarrow and opening others in areas across the region. There are plans to develop the social enterprise model in the County of Durham.

Emmaus North East (ENE) - Review of achievements and performance in 2024 / 2025.

Brief Overview

- Launch of a new pilot model that has now been evaluated by Emmaus UK and is being recommended for consideration to other Emmaus communities.
- The community residences at 257 Stanhope Road have been fully occupied for most of the year.
- The Women's only accommodation has been fully occupied and a new project is planned for 8 homeless women.
- Commenced the Durham SHAP project – the first Local Authority contract for ENE.
- Supported 195 Volunteers through the Community Activator project
- 6000 extended users of Lucies Laundry, a celebrated warm space

- Supported 26 people, including Companions and Volunteers on the smoking cessation project
- Shortlisted for Trustee Board of the Year at the North East Charity Awards for 2025
- CEO nominated for Northern Powerhouse woman of the year in category Person with Purpose.
- Independent Board Effectiveness review carried out with excellent results
- Strengthened the financial position of ENE with income projected to be over £1.1 million in 2026
- Increased revenue from the social enterprises by £81k
- 15 Companions have benefitted from trauma informed counselling
- 8 Companions moved into work and their own tenancies
- Awarded silver accreditation on the Investors in the Environment scheme
- Nominated for a Kings Award for Voluntary Service
- Published a new Social Impact Report
- Continuous assessment against a new set of Quality Standards
- Launched a new case management system to track Companion journeys, progress and outcomes
- Launched a new online Health and Safety system named Shield Riskproof
- Members of the Womens Homelessness Alliance, the Poverty Truth Commission, South Tyneside Pledge, NECC, VONNE and several strategic partnerships
- Members of all EUK Peer groups and CEO Chairs Scotland and North East Regional Partnership
- Revised Articles of Association and affiliated Members
- Staff development with one member completing the IDVA qualification and several doing leadership and housing qualifications.
- Registered 100% of Companions with a GP
- Supported over 51 Companions

- 98% of Companions have a bank account and a form of ID
- Carried out 1200 acts of solidarity to support the community
- Self assessment against B Corp standards.

Annual Report

During the period under review the Charity has succeeded in further consolidating and developing its Community in the North East and building its social enterprises. This was a main part of the 5-year plan which we are proud of, although the ambition is to continue to grow the number of Companions we can help and in turn increase profitable social enterprises.

The support provided by EUK is appreciated and demonstrates the benefit of being part of this federation. We continue to work in partnership with EUK and other Emmaus's, sharing best practice and committing to various national strategic groups.

The primary beneficiaries of the work of ENE are its Companions who live in the community and volunteer in the enterprises ENE operates. ENE, however, also supports a much broader range of people. These include volunteers, who help the running of the shops and workshop, and the wider community, who are supported through other activities.

Demand for the services and opportunities provided by the ENE offer remains strong. The Charity also recognises that growing its community means commensurately growing the range of businesses on offer to provide a sustainable income stream and to offer a range of opportunities for Companions.

Homelessness can happen to anyone, and the variety of reasons for which people find themselves homeless are wide and varied. This inevitably means the outcomes people experience will also vary. Outcomes for the Companions are of highest priority and that is why we have developed a new Performance Management Framework with a set of high level and supporting Key Performance Indicators.

Emmaus North East often provides opportunities to people that other organisations are reluctant to work with. This includes people who have a wide variety of issues and needs. But the complex nature of people looking for places is increasing and there is a need to be realistic about the support that Emmaus North East can offer. Another issue recognised by partners and staff is the number of Companions presenting with more complex mental health issues.,

Everyone who lands at Emmaus North East is on a journey. The reality for people struggling with addiction, mental illness and childhood trauma is this is rarely a straightforward journey. At ENE we support people who are determined to change but will often experience setbacks along the way. Not every person we support has a happy ending and not everyone succeeds on their first, second or third encounter ENE. But our ethos is to only judge in the present time and to give people periods of their live where they can experience meaning, purpose and hope.

The impact of ENE and the support offered is measured using an outcome model. On arrival within the community, Companions will agree an individual support plan and will have regular sessions of support, the timing of each based on their needs. They are registered immediately with a GP and referred to appropriate support where this cannot be provided 'in house'. The Companions progress and wellbeing is assessed in many areas, self-esteem, confidence, employability, mental health, financial management and readiness to move on. Progress is assessed carefully and the results of these assessments used to guide future improvements and changes to the pathway of care and support. ENE has launched a new case management system which will improve performance reporting and provide vital information in relation to the demographics of the community against the nine protected characteristics.

Progressions are a key part of ENE and for many the progression involves securing their own tenancy. ENE does not have a time limit on how long someone can stay, and the turnover of Companions depends on many factors. The Charity works with a wide range of partners to promote its activities and to reach the people who will benefit most from its work. ENE is involved in a fortnightly multi agency rough sleepers group and is represented on many strategic partnerships. ENE seen as an essential part of public safety within South Tyneside.

Volunteers and Companions also come to us from a wide variety of sources including their own recognition that it is time for a change. The new structured volunteering program will result in more positive outcomes for volunteers and the Charity as a whole.

ENE is pleased to report that its partnerships further developed over the year and these partnerships became a key part of the work the Charity's operation. The Charity has a wide range of partners who contribute to different elements of ENE and ENE is a member of the South Tyneside Pledge.

Case studies

Meet Lee - Companion

Before I came to Emmaus, I worked all my life, 26 years in construction. I was married with children but ended up getting divorced. After this, I ended up in a house on my own. I developed physical injuries to my knees and lost my job which led to me spiralling into anxiety and depression. Once I realised, I had missed so many bills and then I became homeless.

I stayed with family as much as I could but then I found out about Emmaus through a friend. I contacted Emmaus North East and they were brilliant. They took my details, and soon after, offered me a place. Since joining this community, I have stopped taking my anxiety medication. Emmaus has been brilliant with me – I would recommend it to anyone who is homeless. They are dead supportive, and the staff are lovely.

I am still waiting for my knee operation and up until then, I am coming to work at Lucie's Loft, the Emmaus charity shop in Low Fell. I work the till and I'm quite good at sales so can talk the hind legs off a donkey! Emmaus are great and they have put their trust in me; it's rewarding working for the charity and to be able to give something after getting their support.

Living in the community

I have moved on from my past life, which was chaotic. There is a variety of characters in the community, and I've found out that I am a good listener and people come to me to talk.

I've not been through similar things to some people and it's a real eye opener. It is doing my mental health a world of good being able to give back.

Future plans

I would like to see myself fully working again, as I always have, maybe in a support worker role. Emmaus are going to offer me training. It has been hard not working in construction; I was rock bottom because of it but the opportunities here are really good.

I want to keep helping people. We have a disabled volunteer, and I find it really rewarding working with him and helping him understand the tills. It can be a challenge, but you get a lot of support from the team, they are brilliant.

Meet Owen- Companion

I didn't have the best upbringing and family life. It was quite traumatising and when I was 20 years old. I left home, I was clueless about where to go, and I ended up finding places that weren't nice.

I was doing personal training in college while I was at home. At the time a lot was going on but I did pass the course. I had to pay for it, and my family weren't wanting to pay, and I didn't have that type of money.

When things went west with my family, my whole career was put on hold. I was jobless and homeless. This is when my mental health was really bad.

I tried to sort myself out by joining the army, to better my life. A lot of things went wrong in the army, and it didn't work out.

Getting back on track

Wendy, my support worker in the army told me about Emmaus North East. Emmaus was dead welcoming and it was just what I needed after everything I went through.

I mainly work on the van, where I meet customers in their homes while picking up or delivering furniture. I also do shifts in the shop helping customers, working the till, and keeping busy. I help cover the laundrette when needed, though I prefer the van and shop work. Outside of volunteering, I help a lot around the house by getting up early to do the hoovering or cleaning.

Emmaus has built me up as a person. Everyone there made me confident. Growing up what I could eat, and drink was limited and now I don't have to worry. I feel fit, healthy and confident. If I am uncertain about doing anything, the support staff tell me I can do it. It's a great place, and if you're homeless, it's the best place to build yourself back up.

New year, new me

I will be moving on from Emmaus. I've got my Level 3 Personal Training qualification, so now I am looking for a job. I have been applying and have a few interviews coming up which is great. Once I have a job, I will be looking for a house to rent and to bigger things coming after that.

The aim is to make a career out of personal training. I train myself every day and it is something I'm passionate about. I can't wait; I'm absolutely buzzing to start.

Meet Costi – Companion

My childhood was the toughest, I wouldn't wish it on anyone else. I grew up with parents who didn't care about me. In Romania, child homelessness is really common, and I became homeless myself at just nine years old. My father was an alcoholic, which is why I will never touch alcohol, because I know firsthand what it can do. I had no choice but to become homeless. My father was violent, and I knew I would die if I didn't get out.

I was living on the streets for two years until I took myself to an orphanage. When I got there I was filthy and I heard a staff member say : "You can fire me now but I'm not touching him". A child who was watching came to help me wash and told me he'd once been like I was. In time the house gave me the best education I could get. I got a job in my teens and saved up whilst living in the orphanage, I had saved 70% of my wages.

In 2011 I went back to visit my father and tried to forgive him, but he didn't want to accept it. He chose not to be loved. A few years later, I decided to try again. I had some money from redundancy, so I took bags of food for him and found him dead, it was a very cold November. He was barefoot in his PJs — exactly how I was left when I was a

child. He died in the same way I was left. He predicted this for himself; he used to say he would die alone, and he did.

Coming to the UK

It started with a challenge, I was struggling to find a job in Romania but then I found one. I was working in customs, it was very strict. However, I didn't have a driving license and I was struggling to get one. I did a few jobs without contracts and my employer wouldn't give me one. I had to quit my job because I had no contract for doctors and stuff like that. I fell behind on rent without a job and was told I had two weeks to pay or I was to leave.

A friend from the UK called me and told me to come here and stay with him in Darlington — he had a job for me. I was sceptical because there's loads of human trafficking that happens. I was hesitant but knew I needed to make a choice, so I took the risk. He even sent the money for my travel. He let me live with him and didn't make me pay rent for the first month.

The job was in a factory, but it was only a temp job. After that job ran out, I struggled to find another — until I landed a zero hours contract. But this meant I wasn't getting enough hours, and I couldn't pay the rent. My friend helped as much as he could, but after a while, I had to leave because I just couldn't pay him. I became homeless once again, this time in the UK.

Being homeless in the UK

Sleeping on the streets was really rough. I couldn't even believe how bad it was. I stayed in Newcastle because I thought there would be more opportunities but it wasn't the case. I went to the council and they said they could help if I had proof of residency in Newcastle for 6 months but I didn't have that. There was nothing in Darlington so I couldn't go back there either. So I was staying on the streets in Newcastle. Changing Lives came to see me on the streets and offered me a shower and breakfast and I couldn't believe how much they were willing to help. That's how I managed to survive: soup kitchens, day centres, they kept me alive.

Crisis were trying to help me and could give me two days in with people who have housing benefit, but I couldn't get housing benefits so I only had a couple of days there.

I met a pastor who was preaching on the streets, and he could tell I was homeless, even though I tried hard not to come across that way. That night, I prayed to God. The next day, the pastor called me and asked why I hadn't told him I was struggling, and I admitted I was ashamed. He said he wanted to help me and found a place in rehab — even though I didn't drink or take drugs — but I was desperate, so I accepted it.

However, it wasn't the right place for me. I felt like a prisoner, as they treated me like I was struggling with addiction when I wasn't. Then someone told me about Emmaus North East, and that's when things began to change.

Coming to Emmaus North East

I went to the library, researched Emmaus, and it sounded right for me. I called the pastor and told him I would like to visit Emmaus North East, and he arranged transport.

I arrived early, dressed smartly, and was welcomed with a cup of tea, treated like a human being. I thought, this is the place. I was open and honest about everything and was so happy to become an official member. Since 8 January 2018, I've had a roof over my head, a room of my own, and a sense of purpose. I am truly grateful.

I work in the shops, sort through donations and make sure they are ready for selling. I really enjoy this. It's good to be able to keep busy and feel like you are giving back to the charity, after all they have done for me. Here at Emmaus North East I get to develop skills, and I have done training in things like warehousing, safety self awareness, fire safety and customer service. In the future I am looking to do a translation course. I am really happy here and feel like this place is my home. The support I get is brilliant. If I need something they will help me out. I feel like a human here.

I always like to remember how far I've come, so I'll end my story with this:

Whenever you feel high, look down, appreciate what you have got in life, and see how different it could be. We really need to be grateful for the littlest things.

Referral Partners

Our referral partners work with us regarding referring people to become Companions or volunteers in the Charity. Our partners in this area include;

- DWP for referrals on work placements through the local job centres as the Charity is able to offer volunteer placements in its workshop and other enterprises. This allows both the recruitment of a large pool of volunteers to support our enterprises and helps people back into work;
- The Probation service. ENE works closely with the Probation Service providers in the local area. They are an increasingly valuable source of referrals for volunteers for our shops and other enterprises. The Charity has had considerable success retaining volunteers who have been referred through the probation service;
- Prisons – ENE works closely with HMP Northumberland to advertise the opportunity for both Companions and volunteers as people are approaching the end of their sentences;
- South Tyneside Homes;
- South Tyneside Council and other Local Authorities;
- De Paul;

- Basis;
- Betel
- Centrepoint;
- The Salvation Army;
- Northumbria Police;
- EUK;
- Oasis Community Housing;
- SAAFA;
- Crisis Skylight;
- Shelter; and many more

Fund and contract providers

The Charity was also supported by many companies and charitable organisations who gave grants to ENE during the year and, also many private individuals. Major fund providers and contractors during the year were;

Lloyds Bank Foundation for England and Wales;

EUK;

The Barbour Foundation;

Community Foundation North East;

Newcastle Building Society;

South Tyneside Know Your Neighbourhood Fund;

South Tyneside Council

Durham County Council

Department of Culture Media and Sports;

Albert Gubay Foundation;

Albert Hunt Trust;

The Sackler Trust;

Riverside Housing;

Bernicia Foundation;

The Rothley Trust;

John Laing Foundation;

Keith Pattinson Estates;

Sports England;

Ringtons;

Platten Family Trust;

Hobson Charitable Trust;

ENE is also grateful to all of the individual supporters who have given regular small donations, all of which help us to support more homeless people and to the doners who have wanted to remain anonymous.

We also want to thank Andy Mears and friends and Whickham Ladies for their kindness and commitment to raising funds for Emmaus North East.

In terms of marketing and communication ENE 's Facebook page allows the show casing of our work. The ENE website provides a focus for all of the Charity's work and key announcements. This year the Charity saw a significant increase in usage of these social media tools along with significant interest in the Charity from local and regional papers. A new Communications and Marketing Strategy has since been developed for 2026 with the aim on increasing awareness of ENE and public confidence in it.

Public benefit statement

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission for England and Wales in exercising their powers or duties.

The objectives of the Charity are the alleviation of homelessness and relief of poverty, hardship and the distress these cause to those in need. Our aims for achieving this are:

- working with Companions to realise their aspirations and potential
- developing and sustaining our social enterprise to provide volunteering opportunities for Companions and an income stream for the Charity

- demonstrating organisational sustainability
- demonstrating operational sustainability.

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees:

John Machin (Chair)

Gemma Trainor

Jessica Cook

Debbie Hamilton

Shelley Armstrong (resigned 2025)

Jake Hanmore (resigned 2025).

Jonathan Rook (Treasurer) (appointed 5 October 2021)

Jane Playle

Key Personnel:

CEO

Ruth Parker (appointed July 2022)

Finance Manager

Sandy Lambrou

Company Secretary

David Knox

Company Registered Number

6820441

Charity Registered Number:

1131408

Registered Office:

257 Stanhope Road

South Shields

NE33 4RT

Independent Examiners:

Jim Dodds

33 The Glebe

Morpeth

Northumberland

NE61 6HW

Bankers:

HSBC Bank plc

110, Grey Street

Newcastle upon Tyne,

NE1 6JG

Affiliations:

Emmaus North East (ENE) is a member of the Emmaus Federation in the UK (EUK) and a full member of Emmaus Europe and Emmaus International.

Structure, governance, and management

The Charity is a limited liability company being limited by guarantee and not having a share capital. It was registered in England and Wales under the Companies Act 2006 on 6 February 2009 and its governing documents are its Memorandum and Articles of Association. The Charity was registered as a Charity with the Charity Commission for England and Wales on 27 August 2009.

The Charity is a member of the Emmaus Federation in the UK and a full member of Emmaus International and Emmaus Europe.

Emmaus UK organises and operates two important groups in which the Charity participates. The first group is the “Chairs Peer Group”. Here, all Chairs of Emmaus

communities in the UK can get together in the presence of senior Emmaus UK personnel to discuss issues relating to Emmaus in the UK in general and their own community. The second group is the "Executive Leads Peer Group". Here, all Chief Executives of Emmaus communities in the UK can get together in the presence of senior Emmaus UK personnel to discuss issues relating to Emmaus in the UK in general and their own community.

The direction and governance of the Charity is the responsibility of its Board of Trustees who are elected and co-opted under the terms of the Articles of Association. Trustees who served during the period under review are shown on page 1.

The Charity is committed to ensuring a proper balance between paying our staff fairly, so that we attract and retain the best people for the job, and careful management of our Charity funds.

The Board presently operates one additional committee which is a Finance Committee,

Recruitment of Trustees

The management of the Charity is the responsibility of the Trustees, who are elected and co-opted under the terms of the Articles of Association.

Trustee nominations either come from other Trustees within the Charity and its supporters or via open advertisement and must be approved by existing Trustees, in accordance with the Articles of Association. When specific skills are required, approaches are made to people with relevant expertise who are sympathetic to the ethos of the Charity. If necessary, a Trustee would be co-opted specifically to cover the requirement function.

Each new Trustee is required to undertake an induction programme which includes briefings on their legal and ethical responsibilities as Trustees, the ethos and values of the Emmaus movement together with the governance, history and operation of ENE. It is intended to introduce annual appraisals of Trustees to measure their collective and individual performance and suitable training is offered in line with the NCVO Code of Governance.

The main Board meets bi-monthly with monthly finance committee meetings. There are standing agenda items on agenda with specific mention to Safeguarding and Health and Safety with additional areas regarding policy reviews and governance.

An independent Board Effectiveness Review has happened, the results of which are available and positive.

Financial Review

Income from charitable activities reduced in the period to £292K (2024: £389K) due to lower grants and donations compared to the exceptional amounts received in the prior year, the details of which are shown in the financial statement attached. In the year the Durham SHAP contract commenced and so this is a new income stream for 2025, generating £58k in income.
The Charity's social enterprises (shops in Low Fell, Hebburn and Jarrow), the workshop in South Shields and other activities such as house clearances and On-Line retail achieved combined sales for the year of £295k an increase of £81K on the sales achieved in 2024.
Housing Benefit received in the year was £275K (2024: 195K) this is from Companions residing in the Stanhope Road residence.
Overall, for the year, the Charity incurred a surplus of 9K (2024: 72k). Of this £58K deficit (2024: £66K surplus) came from restricted funds and a surplus of £67K (2024: £6K) from unrestricted funds.
Carried forward reserves of £867K (2024: £858K) is represented by £23K (2024: £80K) of restricted funds and a balance of £844K (2024: £778K) in unrestricted funds, most of which is in relation to the property owned by the Charity.

Fixed costs for the year were £876K (2024: 783K) an increase of £93K over the previous year. Trustees are fully aware of the increasing cost base of the Charity. Expenditure is tightly controlled and monitored. However, the charity continues to be in a growth phase with the new Durham SHAP contract along with plans to have more accommodation specifically for Women, there is an expectation that costs will increase, however the focus for the Trustees is on self-sufficiency of the Charity.

Reserves policy

The Reserves Policy has been reviewed by the Trustees. The objective of having an operational reserve equivalent to 3 month's operational costs still stands. The Trustees monitor to maintain protection under the FSCS compensation scheme. Reserves will be built up using income achieved from the Charity's trading operations.

Investment policy

The Charity has the power under the Memorandum and Articles of Association to make any investment which the Trustees see fit. Given the level of funds generated to date it is considered appropriate to keep funds in a form that is immediately accessible.

Risk management

The Board of Trustees regularly review the risks the Charity may face and is satisfied that systems are in place to mitigate exposure. However, the Trustees recognise that as the project progresses further factors may arise and will undertake further reviews from time to time. A Strategic Risk Register is in place which is reviewed by the CEO on a monthly basis and presented to the Board, the aim of which is to ensure mitigating action is taken to reduce risks to their lowest possible level. This is further supported by an Operational Risk Register reviewed on a monthly basis.

Principal risks and uncertainties

The introduction of the Supported Housing (Regulatory Oversight) Act will bring significant changes to the housing sector and will bring benefits to residents. The uncertainty of approach by Local Authorities presents a risk. This is being mitigated with regular meetings and contact with council staff and leaders.

Going concern

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. The Trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

Plans for the Future

The Charity's primary objective is for the social enterprises to be profitable and generate income to invest back into supporting Companions. Keeping properties at maximum occupancy levels and having positive outcomes for Companions is imperative.

Learning and evaluating the Durham SHAP contract is also of high priority and will inform future longer term developments.

Trustees' responsibilities

Company and Charity law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Charity and of the incoming reserves and application of reserves, including the income and expenditure of the charitable company for that period.

In preparing financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently,
- 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;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which 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 detection and prevention of fraud and other irregularities.

This report was approved by the Trustees on: 10 March 2026

and signed on their behalf by:

John Machin

John Machin

Chair of the Board of Trustees

Jonathan Rook

Trustee

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john

EMMAUS NORTH EAST
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
For the year ended 30 June 2025

I report on the financial statements of Emmaus North East for the year ended 30 June 2025, which are set out on pages 26 to 39.

Respective responsibilities of Trustees and Examiner

The Charity's Trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Association of Charity Independent Examiners.

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

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

Basis of independent examiner's statement

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

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Jim Dodds FCIE
33 The Glebe
Morpeth
NE61 6HW

Date: 10 March 2026

EMMAUS NORTH EAST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)
For the year ended 30 June 2025

	Notes	Unrestricted Funds £	Restricted Funds £	**Total 2025 £**	Total 2024 £
Income from:					
Donations and legacies	6	20,987	-	**20,987**	55,249
Charitable activities					
Grants and contracts	7	137,845	154,192	**292,037**	389,028
Other trading activities	8	571,977	-	**571,977**	410,544
Investments	9	40	-	**40**	-
Total income		730,849	154,192	**885,041**	854,821
Expenditure on:					
Raising funds	10	12,558	-	**12,558**	17,250
Charity shops trading cost	11	316,339	-	**316,339**	345,454
Charitable activities					
Operation of the charity	12	335,309	211,693	**547,002**	420,203
Total expenditure		664,206	211,693	**875,899**	782,907
Net income/(expenditure) and net movement of funds		66,643	(57,501)	**9,142**	71,914
Reconciliation of funds					
Total funds brought forward		777,534	80,328	**857,862**	785,948
Total funds carried forward		844,177	22,827	**867,004**	857,862

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 29 to 39 form an integral part of these accounts.

EMMAUS NORTH EAST
(A company limited by guarantee)

Charity Number 1131408
Company Number 06820441

BALANCE SHEET
As at 30 June 2025

	Notes	£	Total 2025 £	£	Total 2024 £
Fixed assets					
Tangible assets	20		906,306		925,400
Total fixed assets			**906,306**		**925,400**
Current assets					
Debtors	21	78,032		130,581	
Cash at bank and in hand	22	139,865		39,215	
Total current assets		**217,897**		**169,796**	
Creditors: amounts falling due within one year	23	**(76,083)**		**(61,449)**	
Net current assets			**141,814**		**108,347**
Total assets less current liabilities			**1,048,120**		**1,033,747**
Creditors: amounts falling due after more than one year	24	**(181,116)**		**(175,885)**	
Total net assets or liabilities			**867,004**		**857,862**
Funds of the charity					
Unrestricted income funds			145,844		777,534
Designated income funds			698,333		
Restricted income funds			22,827		80,328
Total funds			**867,004**		**857,862**

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.
The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.
These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 29 to 39 form an integral part of these accounts.

These financial statements were approved by the Board on: 10 March 2026

and are signed on its behalf by: Jonathan Rook FCA
Treasurer

EMMAUS NORTH EAST
(A company limited by guarantee)

Charity Number 1131408
Company Number 06820441

STATEMENT OF CASH FLOWS
For the year ended 30 June 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Net income/(expenditure) for the reporting period		9,142	71,914
Depreciation charges		45,394	42,250
Investment income		(40)	-
Loss/(profit) on the sale of fixed assets		1,053	-
Decrease in debtors		52,549	(104,414)
Increase in creditors		26,602	19,141
Net cash from operating activities		**134,700**	**28,891**
Cash flow from investing activities			
Purchase of property, plant and equipment		(29,603)	(11,971)
Proceeds from the sale of property, plant and equipment		2,250	-
Interest received		40	-
Net cash used in investing activities		**(27,313)**	**(11,971)**
Cash flow from financing activities			
Cash inflows from new borrowing		25,001	-
Repayment of borrowing		(19,113)	(26,200)
Net cash used in financing activities		**5,888**	**(26,200)**
Increase in cash and cash equivalents		**100,650**	(9,280)
Cash and cash equivalents at start of year		**39,215**	48,495
Cash and cash equivalents at end of year		**139,865**	**39,215**

The notes on pages 29 to 39 form an integral part of these accounts.

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Emmaus North East meets the definition of a public benefit entity under FRS 102.

2.2 Preparation of the accounts on a going concern basis

The charity reported unrestricted funds at the year end of £844,177, and have already secured a significant amount of funding for the current year. The trustees are of the view that the immediate future of the charity for the next 12 to 18 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability.

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, 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.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

3.4 Donated goods and services

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

3.5 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the Trustees' Annual Report.

3.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

3.7 Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.8 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

3.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of supporting companions with independent living and employment to combat homelessness and other activities undertaken to further the purposes of the charity and their associated support costs.

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

5 Assets

5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis, the charity does not currently have any tangible fixed

Freehold property	Straight line over 50 years
Property improvements	Straight line over 6 years
Fixtures and fittings	Straight line over 6 years
Motor vehicles	Reducing balance 25% pa

Analysis of income

6 **Donations and legacies**	Unrestricted Funds £	Restricted Funds £	**Total 2025 £**	Total 2024 £
Donations	6,496	-	**6,496**	26,030
Donations - Emmaus UK	6,916	-	**6,916**	6,276
Drummond Central	2,000	-	**2,000**	-
Legacy - Olive Rourke	-	-	**-**	6,000
Northern Gas Networks	-	-	**-**	16,144
HMRC Gift Aid	5,575	-	**5,575**	799
	20,987	-	**20,987**	55,249

7 **Charitable activities**				
Income from grants				
Emmaus UK	-	29,001	**29,001**	39,886
Lloyds Bank Foundation for England & Wales	25,000	-	**25,000**	25,000
Newcastle Building Society Community Fund	-	-	**-**	4,887
Ringtons Fund	-	-	**-**	5,000
Riverside Foundation	4,525	-	**4,525**	2,765
Sport England	-	-	**-**	9,960
South Tyneside Council WTAW	-	83,776	**83,776**	17,484
The Albert Gubay Charitable Foundation	-	-	**-**	60,000
The Albert Hunt Trust	7,000	-	**7,000**	7,000
The Bernicia Foundation	-	-	**-**	9,900
The Barbour Foundation	15,000	-	**15,000**	12,000
The Hobson Charity	-	3,827	**3,827**	2,173
The National Lottery	-	-	**-**	75,000
The Rothley Trust	-	1,000	**1,000**	-
The Pattinson Estate Agent Fund	-	1,000	**1,000**	1,000
The Platten Family Fund	-	-	**-**	5,000
The Sackler Trust	10,000	-	**10,000**	-
Tyne and Wear Community Foundation Know Your Neighbourhood Fund	-	35,588	**35,588**	105,453
Other income	12,547	-	**12,547**	6,520
Income from contracts				
Durham County Council SHAP	58,398	-	**58,398**	-
South Tyneside Council	5,375	-	**5,375**	-
	137,845	154,192	**292,037**	389,028

Analysis of income continued

8 **Other trading activities**	Unrestricted Funds £	Restricted Funds £	**Total 2025 £**	Total 2024 £
Charity shop sales	239,254	-	**239,254**	202,069
Online sales	33,806	-	**33,806**	8,926
House clearances	22,094	-	**22,094**	3,427
Housing benefit	274,619	-	**274,619**	195,392
Rental income	2,204	-	**2,204**	730
	571,977	-	**571,977**	410,544

9 **Income from investments**				
Bank interest	40	-	**40**	-
	40	-	**40**	-

Income was £885,041 (2024: £854,821) of which £730,849 was unrestricted or designated (2024: £756,901) and £154,192 was restricted (2024: £97,920).

Analysis of expenditure on raising funds

10 **Raising funds**	Unrestricted Funds £	Restricted Funds £	**Total 2025 £**	Total 2024 £
Incurred seeking grants	12,558	-	**12,558**	17,250
	12,558	-	**12,558**	17,250

11 **Charity shops trading cost**				
Staff salaries	142,848	-	**142,848**	155,135
Direct costs	141,243	-	**141,243**	151,568
Cost of sales	20,636	-	**20,636**	24,531
Support costs	11,612	-	**11,612**	14,220
	316,339	-	**316,339**	345,454

Expenditure on raising funds was £316,339 (2024: £251,445) of which £316,339 was unrestricted or designated (2024: £216,650) and £0 was restricted (2024: £34,795).

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	**Total 2025 £**	Total 2024 £
12 ***Charitable activities***				
Direct costs				
Staff salaries	66,365	145,601	**211,966**	119,192
Staff other costs	27,140	6,391	**33,531**	10,139
Volunteer expenses	412	15	**427**	619
Companion costs	64,247	17,991	**82,238**	96,068
Adverting and marketing	10,288	4,179	**14,467**	6,742
Rent and rates	10,183	2,608	**12,791**	14,825
Utilities	29,792	3,849	**33,641**	40,059
Other establishment costs	909	2,692	**3,601**	1,957
Repairs and renewals	10,051	18,339	**28,390**	15,902
Insurance	2,455	-	**2,455**	2,209
Vehicle costs	2,804	587	**3,391**	3,919
Professional fees	25,472	1,582	**27,054**	29,969
Returned funds	-	-	**-**	9,200
Small equipment	5,792	6,591	**12,383**	6,564
Depreciation	46,447	-	**46,447**	42,250
Bank charges and interest	8,866	-	**8,866**	421
Support costs				
Office costs	10,971	1,268	**12,239**	9,898
Subscriptions	10,315	-	**10,315**	7,600
Governance costs				
Independent examiner's fees for reporting on the accounts	2,800	-	**2,800**	2,670
	335,309	211,693	**547,002**	420,203

Expenditure on charitable activities was £547,002 (2024: £399,781) of which £335,309 was unrestricted or designated (2024: £310,649) and £211,693 was restricted (2024: £89,132).

13 **Fees for examination of the accounts**

	2025 £	2024 £
Independent examiner's fees for reporting on the accounts	**1,400**	1,335
Other accountancy services paid to the examiner	**1,400**	1,335
	2,800	2,670

14 **Analysis of staff costs and the cost of key management personnel**

	2025	2024
	£	£
Salaries and wages	**315,935**	247,467
Social security costs	**32,888**	23,427
Pension costs (defined contribution pension plan)	**5,991**	4,629
	354,814	275,523

One employee received remuneration between £70,000 and £80,000 (2024: one)

The key management personnel of the charity, comprise the Trustees and the CEO. The total employee benefits of the key management personnel of the charity were £74,760 (2024:£71,205).

15 **Staff numbers**

The average monthly head count was 16 staff (2024: 9 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

The parts of the charity in which the employee's work	**2025** **Number**	2024 Number
Community operations	**10.0**	3.5
Generation of funds	**4.8**	4.8
	14.8	8.3

16 **Transactions with Trustees**

None of the Trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

Trustees' expenses

No Trustee expenses have been incurred in the year.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

17 **Defined contribution pension scheme**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £5,991 (2024: £4,629). There was £1,264 outstanding as at 30 June 2025 (2024: £1,190).

18 **Corporation 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 objectives.

19 **Volunteer time**

The Charity places a great value on the contributions that volunteers made to the organisation. Over the course of the year, we benefitted greatly not only from the considerable time, energy and expertise given by the Board of Trustees and the companions but other volunteers as well. Companions work for at least 40 hours each week within the Charity's commercial and social enterprises, mainly retail. The average number of companions with the Charity during the year was 17.

Other volunteers spend time on specific projects and events. Volunteers time was donated by 7 individuals during 2024/25 , offering in the region of 5,800 hours.

20 **Tangible fixed assets**

	Motor vehicles	Property improvements	Fixtures fittings and equipment	Freehold Property	Total
	£	£	£	£	£
Cost					
Balance brought forward	42,149	96,750	72,844	970,918	**1,182,661**
Additions	21,229	-	8,374	-	**29,603**
Disposals	(14,750)	-	-	-	**(14,750)**
Balance carried forward	48,628	96,750	81,218	970,918	**1,197,514**
Depreciation					
Basis	RB	SL	SL	SL	
Rate	25%	17%	17%	2%	
Balance brought forward	28,828	49,584	55,107	123,742	**257,261**
Depreciation charge for year	4,483	12,663	8,830	19,418	**45,394**
Disposals	(11,447)	-	-	-	**(11,447)**
Balance carried forward	21,864	62,247	63,937	143,160	**291,208**
Net book value					
Brought forward	13,321	47,166	17,737	847,176	**925,400**
Carried forward	26,764	34,503	17,281	827,758	**906,306**

21 **Debtors and prepayments (receivable within 1 year)**

	2025	2024
	£	£
Trade debtors	**33,278**	93,456
Prepayments	**28,032**	24,716
Other debtors	**16,722**	12,409
	78,032	130,581

22 **Cash at bank and in hand**

	2025	2024
	£	£
Cash at bank and in hand	**139,865**	39,215
	139,865	39,215

23 **Creditors and accruals (payable within 1 year)**

	2025	2024
	£	£
Trade creditors	**24,825**	21,750
Taxation and social security	**8,353**	5,997
Other creditors	**4,714**	3,642
Loan	**26,857**	26,200
Pension	**1,264**	1,190
Accruals		
Independent examination of accounts	**2,800**	2,670
Deferred income	**7,270**	-
	76,083	61,449

24 **Creditors and accruals (payable after more than 1 year)**

	2025	2024
	£	£
Long term loan	**181,116**	175,885
	181,116	175,885

The loan is subject to interest at 4% and is secured on the company's property at Stanhope Road. Included within the loan is an amount of £210,000 repayable by instalments over 25 years commencing 30 June 2018, an amount of £79,093 repayable by instalments over 5 years commencing January 2019 and a further amount of £25,001 subject to interest at £3.5% above the base rate of the Bank of England repayable by instalments over 9 years commencing March 2026.

	2025	2024
	£	£
Between 2 and 5 years	67,108	69,800
After 5 years	114,008	106,085
	181,116	175,885
Within 1 year	**26,857**	26,200
	207,973	202,085

25 **Operating lease commitments**

At 30 June 2022 the charity had annual commitments under non-cancellable operating leases as follows:

	2025	2024
Expiry date	**£**	£
Within one year	**35,200**	35,200
Between one and five years	**32,825**	68,025
	68,025	103,225

26 **Events after the end of the reporting period**

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

27 **Analysis of charitable funds**

Analysis of movements in unrestricted funds

Unrestricted funds	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
General unrestricted fund	777,534	730,849	(664,206)	(698,333)	**145,844**
Designated funds					
Capital Fund	-	-	-	698,333	**698,333**
Totals	777,534	730,849	(664,206)	-	**844,177**

Purpose of unrestricted funds

General unrestricted fund	The 'free reserves' after allowing for designated funds
Designated Fund	
Capital Fund	The current value of designated funds invested in tangible fixed assets.less long term loans.

Analysis of movement in restricted funds

Restricted funds	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Emmaus UK	-	29,001	(29,001)	-	**-**
Newcastle Building Society Community Fund	4,637	-	(4,452)	-	**185**
Ringtons Fund	4,143	-	(1,086)	-	**3,057**
Sport England	9,960	-	(4,853)	-	**5,107**
South Tyneside Council WTAW	-	83,776	(75,110)	-	**8,666**
The Albert Gubay Charitable Foundation	50,304	-	(44,990)	-	**5,314**
The Bernicia Foundation	6,734	-	(6,734)	-	**-**
The Hobson Charity	-	3,827	(4,177)	-	**(350)**
The Pattinson Estate Agent Fund	-	1,000	(152)	-	**848**
The Platten Family Fund	4,550	-	(4,550)	-	**-**
The Rothley Trust	-	1,000	(1,000)	-	**-**
Tyne and Wear Community Foundation Know Your Neighbourhood Fund	-	35,588	(35,588)	-	**-**
Totals	80,328	154,192	(211,693)	-	**22,827**

27 **Analysis of charitable funds** continued

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Emmaus UK	To contribute to the area managers salary.
Newcastle Building Society Community Fund	To improve companions mental and emotional wellbeing, capacity for independent living and to directly reach 45 companions.
Ringtons Fund	To support companions who have left the community.
Sport England	To be use for cycles, equipment and trip and £960 for professional fees of cycling instructors.
South Tyneside Council WTAW	To support people into volunteering opportunities with Emmaus North East with a particular focus on people facing social isolation and chronic loneliness.
The Albert Gubay Charitable Foundation	To provide safe housing for 6 survivors of domestic violence. Furniture, alarm and security features, staff costs, moving on starter pack and personal support fund.
The Bernicia Foundation	To extend the community activator work into Northumberland and recruiting a retail assistant.
The Hobson Charity	Refurbishment of two women only apartments.
The Pattinson Estate Agent Fund	To support former companions.
The Platten Family Fund	To enable companions to gain formal City and Guilds type accreditations.
The Rothley Trust	To contribute towards building security by installing CCTV.
Tyne and Wear Community Foundation Know Your Neighbourhood Fund	To support economically inactive people into support, work experience, training and employment improving their employability prospects.

28 **Analysis of net assets between funds 2025**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	**Total 2025 £**
Tangible fixed assets	-	906,306	-	**906,306**
Cash at bank and in hand	117,038	-	22,827	**139,865**
Other net current assets/(liabilities)	28,806	(26,857)	-	**1,949**
Long term assets/(liabilities)	-	(181,116)	-	**(181,116)**
	145,844	698,333	22,827	**867,004**

Analysis of net assets between funds 2024

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	**Total 2024 £**
Tangible fixed assets	925,400	-	-	**925,400**
Cash at bank and in hand	18,887	-	20,328	**39,215**
Other net current assets/(liabilities)	9,132	-	60,000	**69,132**
Long term assets/(liabilities)	(175,885)	-	-	**(175,885)**
	777,534	-	80,328	**857,862**

EMMAUS NORTH EAST

England & Wales - Charity number 1131408

Accounts

EMMAUS NORTH EAST
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2024

Charity Number 1131408
Company Number 06820441

EMMAUS NORTH EAST

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 30 June 2024

The Trustees, who are also the Directors of the Charity for the purposes of the Companies Act, submit their report and financial statements of Emmaus North East (ENE; the Charity) for the year ended 30 June 2024. The financial statements comply with the Charities Act 2011, the companies Act 2006, the Memorandum and Articles of Association and the requirements of Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable to the United Kingdom.

Chairs Statement – John Machin

23/24 was a positive year for the Charity. Income increased by 63% to £855K compared to the £524K achieved in 22/23. This income growth was driven by increased grant and contract funding (£277K, 388%) as many funders strongly supported the work being carried out by Emmaus North East (ENE) and bought into the change initiatives being pursued by the Charity. Income from our Social Enterprises was £410K – an increase of 7% from the 22/23 level of £385K.

A major highlight of the year was the Charity being strongly recognised at the recent North East Charity Awards where it won an award for the best Social Enterprise of the year – recognising the work the Charity had done with Lucie's Laundry and was on a shortlist of three for the best Charity Board of the year. These nominations recognised the strong development of the Charity over the last few years and were an appreciation of the commitment, enthusiasm and tireless work of all people associated with the Charity, staff, volunteers, trustees, funders, other outside stakeholders and the Companions who we support.

In late 2024, ENE was awarded a three-year contract from Durham County Council (DCC) with regard to the Council's work in their Single Homelessness Accommodation Programme (SHAP). As part of this programme, ENE will operate three accommodation homes in Durham holding up to 17 homeless people, and work with these people using the programmes and pathways used in the Charity's own accommodation premises in South Shields. The total value of this contract is more than £1 Million. This is a major award for the Charity and a recognition both of its growing reputation and the confidence outside stakeholders have in ENE.

The Charity's SHAP work with DCC will be a major focus in 24/25 as will be the further development of ENE's Social Enterprises, particularly retail. It is hoped to open another large retail outlet in the Tyneside area in 24/25. In order to support the Charity's expansion into the Durham area with the DCC SHAP project, the Charity will also investigate the possibility of opening a retail outlet in the Durham area.

Our fundraising work in 23/24 was extremely successful. We will continue with this in 24/25 and use the monies raised to further develop, expand and consolidate the Charity.

Gaining financial sustainability is still foremost amongst our strategic objectives. To achieve this the Charity in 23/24 initiated a major project known as Project Radical. This project looks at the activities performed within ENE and determines ways to restructure and re-engineer the Charity so that financial sustainability will be achieved. The project is ongoing, and several initiatives have been successfully undertaken. As part of Project Radical, the ENE board decided to mortgage (via the Charity Bank) one of its properties to the sum of £100K. This cash will be used by the Charity to invest in programmes, assets and activities to strengthen and develop the Charity. It will not be used for day-day operational expenses.

Finally, I must again thank all our funders and those people and organisations who donated either money, services, time or goods to Emmaus North East. Without you, it would not be possible to operate our charity and help the people that we do.

John Machin

Chair of Board of Trustees Emmaus North East

CEO's Statement – Ruth Parker Chief Executive Officer

My time in post since 2022 has been both challenging and rewarding and it is quite remarkable what the charity has achieved in a relatively short period of time.2024 is the year that Emmaus North East celebrates its 15th Anniversary and I am proud to be at the forefront, leading an excellent team of people who are committed to supporting people facing homelessness.

In 2023, the Board set a challenge named Project Radical with a remit to look at the current activities of Emmaus North East and make suggestions to ensure future growth and sustainability. It was both energising and motivational that the Board entrusted me to lead the work with the overall team and the Board were brave in reviewing the findings and setting a new vision and strategy for the charity. What we were all clear on is that the Companions welfare and progress had to be at the heart of it and to offer more to them, we needed to increase our income and the opportunities available.

We know that 94% of homeless people have suffered trauma at some point in their lives and we introduced a trauma informed approach to their support that also included a dedicated counselling service. We revamped the Companions homes and introduced dedicated female only accommodation. We also developed a 3 tiered pathway to ensure that we are able to support homeless people with multiple complexities and those who only need short term support. What is clear from feedback and outcomes is that the model works in supporting people to transform their lives.

In September 2023, we extended our social enterprises with the introduction of our new store Lucies Legacy in Jarrow which has been financially transformative, we renamed and relaunched our Low Fell store and celebrated one year of opening of our free community laundry. We increased our acts of solidarity, helping the community in South Tyneside, particularly people and families in poverty.

Diversifying our income streams resulted in an increase in income of over £300K and this has been used to offer more to more homeless people. Despite this, we still face barriers with the lack of decent affordable homes and we continue to campaign for change. The increase in government funding to support homeless people and the introduction of the Supported Housing Regulations will hopefully improve the landscape ensuring higher quality support that meets the needs of its residents. To align with this, Emmaus North East has a new set of Quality Standards which is our own internal benchmark to ensure high quality provision.

We could not have achieved the above without the grants and donations from several funders who help us to make a difference to the lives of homeless people every single day. We are grateful for this and the relationships developed with them have proved beneficial. We would not be able to deliver what we do without grants and donations. The support provided by Ability Consultants must also be recognised.

I am proud to be leading such a hardworking and committed team of people without whom we could not have achieved what we have. As a result, in 2024 this was publicly recognised with a #Love South Tyneside team award, a North East Charity Award for Outstanding Social Enterprise, shortlisting for Trustee Board of the Year and a national Investors in the Environment award.

With special thanks also to the Companions whose courage and determination continue to drive what we do, to the Board of Trustees, South Tyneside Council and to my colleagues in Emmaus UK and other Emmaus communities.

The year ahead is exciting with the award of a new contract named SHAP with Durham County Council and further plans to expand our support to homeless people and our social enterprises. I invite you to follow our journey!

With best wishes

Ruth CEO

Policies and Objectives

In setting the Charity's objectives, plans and activities, the Trustees have given due consideration to guidance published by the Charity Commission relating to public benefit and to its supplementary public benefit guidance.

The medium - long-term objectives for the Charity are:

1. To ensure that the social enterprises are not only self-sufficient but generate income to support other areas of our work
2. To continue to deliver against our income strategy to allow growth and sustainability
3. To increase the size of its community facilities and Companion numbers, either by development of a further residence or the acquisition of "move on" flats for Companions who are transitioning between residing in the community and independent living in their own accommodation
4. To improve the opportunities for Companions to "move on" from ENE and gain worthwhile employment in the outside world, extending their work experience and training opportunities available to them
5. To have ENE recognised as a major charity in the North East of England, influencing positive change for those who have suffered or are suffering from homelessness.
6. Deliver the 3 year Durham County Council SHAP project meeting all KPI's.
7. Expand its operations and services to all areas of the North East.

The Charity's short-term objectives are to:

1. Expand its retail operations, introducing a second new Superstore and expanding On-Line sales

2. Develop a profitable social enterprise workshop where furniture and other wood-based items are manufactured or upcycled and sold in the retail outlets and online

3. Find and develop other social enterprise income streams and additional projects

4. Improve the training and development pathways ENE offers to its Companions.

5. Develop the brand image and awareness of ENE in North East England and beyond

6. Continue to develop the experience and skills of the staff team with an aim of introducing new specialist roles

7. Continue to offer trauma informed counselling to all Companions, Staff and Volunteers.

Emmaus North East has a Strategy in place until the end of 2025 that was reviewed at a Board Day in May 2024. The Strategy is focussed on 4 key areas.

- To be financially secure – We will be financially secure and a sustainable charity.
- To improve Companion outcomes – We will improve Companion experiences and outcomes.
- To Improve our Organisation – We will improve our organisation and efficiency.
- To influence positive change – We will raise our profile and influence positive change.

The CEO Board reports are focussed on updates in each of the four strategy areas and the operational plan aligns with it. It is pleasing to report strong progress against each of the areas.

About Emmaus

South Tyneside has more homeless people than some of the larger cities in the North East and is classed as one of the most deprived areas in the region with 1 in 500 people considered homeless.

This has been further exacerbated by the cost-of-living crisis with an estimate that over 3000 households in the area will be threatened with homelessness. Unfortunately, nearly 30% of children are living in poverty and over 40% of people are classed as deprived. This means that there is a greater need than ever for our services.

It is difficult to say how many people are homeless in England and how to assess this. Homelessness not only includes rough sleepers but also those sofa surfing and staying with friends and families. There are many issues creating this centred around the lack of social housing and the lack of long-term secure homes that are affordable. Life on the streets can be humiliating and degrading and creates mental health struggles in many. We know that because our companions have told us so.

We are going to strengthen and extend our services to more people and make sure that we continue with our solidarity. This includes being the voice of our communities and representing vulnerable people and families.

Emmaus is a homelessness charity with a difference. Emmaus does not just give people a bed for the night; it offers 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. Being on your own can be soul destroying, leaving you feeling worthless. Emmaus is different because it provides a home for as long as someone needs it. This gives Companions, as we call our residents, the opportunity to take stock of their lives, deal with any issues they might have, and often reestablish relationships with loved ones.

Emmaus North East also provides immediate access to dedicated trauma informed counselling and dependency support when needed.

Emmaus North East's work impacts on improved public safety, a reduction in victims of crime and savings for the NHS.

The Emmaus movement (including Emmaus International)

The Emmaus movement and its 425 member organisations in Europe, Africa, Asia, and the Americas continue to engage at a local level with people who have experienced social exclusion to access their fundamental rights and, through their collective action, demonstrate there are credible alternatives to injustice.

The first UK Emmaus Community was established in 1992. Today 30 Emmaus communities are operational, with others in the course of development. An Emmaus UK Community offers homeless people a chance to regain their self-respect through living and working in a supportive environment which combines residential accommodation with self-supporting social enterprises. These enterprises, mainly retail, are based largely on the collection and sale of donated goods as well as refurbishment and recycling of various goods and scrap materials in line with the principles of a circular, low waste economy. Additionally, Emmaus Communities work with a "solidarity concept" whereby they help sister Communities by donating goods for sale in their retail outlets and financial support if needed. Each Emmaus Community in the UK whilst being an independent legal entity commits to follow the values and ethos of the Emmaus movement as a whole. Emmaus UK (EUK). Emmaus UK is the federal body for Emmaus in the UK. Each member of Emmaus UK - either a community or group - is an independent charity, governed by a local board of trustees.

Emmaus North East (ENE)

This year, Emmaus North East has celebrated its 15th Anniversary. ENE is a legally independent charity based in South Tyneside in North East England. It focuses upon

providing support to homeless people and works within the Emmaus movement's ethos and values. ENE is a member of the EUK Federation and the Emmaus International movement. ENE aims to combat homelessness. It provides people with a home, work and encourages solidarity with others in a similar position. It gives Companions a choice and a chance. It welcomes people from all backgrounds and all causes of homelessness. ENE is supported by a wide range of funders and partners who provide both financial and in-kind support. This funding both supports the community and helps the ENE social enterprises grow and thrive. ENE's vision is "to help create a North East England where homelessness and hopelessness have been abolished". ENE's mission is "to enable homeless people in the North East rebuild their lives through social enterprises which also involve and enrich the local community". The core values of the charity are Empowerment, Enablement and Involvement.

ENE's operations are centred around its community residences at 253, 255 and 257 Stanhope Road, South Shields where ENE is able to offer permanent accommodation and support to 21 companions with ambitions to expand further. Referrals are received from across the North East and beyond and ENE is now recognised as an integral part of the community in South Tyneside. The Charity provides safe accommodation, meaningful work and peer and pastoral support to its Companions. This way of working means Companions are able to recover their confidence and self-respect and make a fresh start to rebuild their lives. ENE tries to ensure all Companions are able to move onto independent living and employment when they are ready, but there is no time limit for this and Companions are welcome to stay in the community for as long as they like and need with several companions making their homes at ENE for over 5 years. ENE focuses upon its Companions and seeks to ensure they have a consistent core offer outlining the mutual expectations of both ENE and themselves. All Companions are enabled and encouraged to participate fully in ENE and its activities. There are three critical features of ENE that make it different to some of the other support offered to homeless people: ENE provides a home – Companions have a room to call their own and a place to call home alongside other people who understand their situation. The house has clear rules, meaning it provides a safe and secure environment for everyone; Safeguarding is of highest priority with annual reviews of processes and policies. ENE gives people focus, meaning and structure – Companions support the social enterprises and this offers them training, activities to improve health and wellbeing and access to an in house trauma informed therapy. This provides the Companions with structure and a focus for each day and productive activity to engage with. The Community Wellness pilot has been of national focus with several communities trying to replicate it. ENE judges people on today's actions not yesterday's – Companions have

the opportunity to change and are given the chance to change. Emmaus North East will not work for everyone, but everyone is given a chance. Emmaus North East has three strands of delivery:

- Home – providing up to 21 Companions with community living at its South Shields residences.
- Work – all Companions support the Charity's businesses and social enterprises that provide Companions with a structure, routine and increases their skills and work based experience.
- Solidarity – providing opportunities for Companions to feel part of community groups, giving them a sense of belonging and pride in the area.

In terms of its social enterprises, ENE operates three (3) retail outlets in various areas of the North East (Jarrow, Low Fell and Hebburn), a fully equipped workshop in South Shields where furniture is upcycled and restored and various items made from wood are designed and produced. We also have a house clearing service, an on-line retail business and opened Lucie's Laundry in April 2023, offering free services to the community to combat the cost of living crisis. This has also become a registered community warm space and ENE recently celebrated receiving a national award.

Review of Achievements and Performance in 2023 / 2024.

Income in 2023/2024 increased by £300K with £754K being unrestricted. There was a slight increase in expenditure from £651K to £782K. The increase in income was due to generous grants from several institutions (the details of which are shown in the financial statement attached) and an increase from the social enterprises due to the opening of Lucie's Legacy and a renewed focus on e commerce. The appointment of an Area Retail Manager and Supervisor has had a positive impact on trading.

The Trustees view the Charity as being in a growth phase where significant investments are required and have been made – with the natural outcome of increased fixed costs. It is anticipated fixed costs should stabilise within the next 12 - 18 months together with continued increases in income to support the increased cost base.

The community has been at 80% capacity for most of the year and a one of the properties became a dedicated female only residence, supporting females who are homeless and may have been domestically abused... Time and money have been spent on refurbishing the properties to a good standard, improving comfort and living conditions for the Companions

ENE continues with several additional grant funded projects.

- Know your Neighbourhood / Community Activator (funded by DCMS) – focusses on supporting people facing social isolation and loneliness, offering them volunteering experience and access to training and counselling. This project runs until 2025.
- Where there is a Will – supporting Companions and the community with training, education and work experience (funded by the UK Shared Prosperity Fund and South Tyneside Council)
- Ride , Walk and Play – providing bikes and activities to improve Companion health and wellbeing (funded by Sports England)
- Community Wellness – offering dedicated counselling (funded by Newcastle Building Society
- Revive and thrive – supporting homeless females (funded by The Albert Gubay Foundation
- Lloyds Bank Foundation have provided 3 years of core funding and a menu of support.

In 2024, ENE was awarded the bronze accreditation for Investors in the Environment and a national Investors in the Environment Award. There is a team made up of Staff and Companions working on Going Green and the Better Health at Work Award.

In terms of benchmarking the business and operations, ENE has been assessed against B Corp and there is a B Corp Action Plan in place. All staff attended a business planning event and sitting alongside the ENE Strategy is a clear operational plan. We continue to promote our Social Impact aligning it with the 17 international Sustainable Development goals.

We continue to monitor performance against KPIs and have a new Quality Assessment tool aligned to the Supported Housing changes. Some key highlights are;

- Registered 100% of Companions with a GP
- Supported over 100 Companions by offering them a home, training and work experience
- 98% of Companions have a bank account and a form of ID
- 185 Volunteers have engaged in the Community Activator project

Five Companions have entered employment and moved into their own housing. Companions we can help and in turn increase profitable social enterprises. The support provided by EUK is appreciated and demonstrates the benefit of being part of this federation. We continue to work in partnership with EUK and other Emmaus's, sharing best practice and committing to various national strategic groups. The CEO of Emaus

North East continues to Chair the Scotland and North East Regional Partnership and is a member of the EUK Federation.

The primary beneficiaries of the work of ENE are its Companions who live in the community and work in the enterprises ENE operates. ENE, however, also supports a much broader range of people. These include volunteers, who help the running of the shops and workshop, and the wider community, who are supported through other activities. Demand for the services and opportunities provided by the ENE offer remains strong. The Charity also recognises that growing its community means commensurately growing the range of businesses on offer to provide a sustainable income stream and to offer a range of opportunities for Companions. Homelessness can happen to anyone, and the variety of reasons for which people find themselves homeless are wide and varied. This inevitably means the outcomes people experience will also vary. Outcomes for the Companions are of highest priority and the impact of ENE is set out below in Tony's case study.

Tony - Life before Emmaus

My name is Tony, I'm 62 years old. I've been here at Emmaus since 2016. I'm from the North East but moved to Manchester in the 1980s.

I'd been married for quite a few years and I've got kids who are all grown up now. I was working for a supermarket and then I started going through depression. Like a typical bloke I didn't admit it to myself until it was too late, by this point it had ruined my marriage. I became homeless after my marriage had broken down and I was sleeping in my car until it died on me. I got to the stage where I found myself sitting at the edge of a cliff. A dog walker found me and managed to talk me out of it.

I was homeless on and off for about 20 years, sleeping on people's sofas, in hostels, and even on the street. I stayed in a couple of bedsits but nothing was ever permanent, I was always moving from place to place.

Emmaus

A friend told me about Emmaus one day so I thought I'd give it a try. At the time Emmaus Bolton was my closest one so I applied and moved in around 2016. I remember being nervous before I moved in because I didn't know what to expect but when I got to know people there, I really enjoyed it. At Bolton, I was driving the van and I was happy because it gave me something to do.

I decided to move up to Emmaus North East about 4 years ago because my dad lived up here and I wanted to be close to him. Here I've done a couple of NVQs in manual handling, and after a few months of living here I applied to the companion support fund so I could buy some decent running things. Running is a

big hobby of mine. It gets me out of the house and gives me time to think about life.

Recently I started volunteering at the children's park run, it's a bit like the adult one but its 2km and open to kids aged 4 to 14. It's free and gives kids the opportunity to get fit and enjoy running. I do a bit of everything, from photography to marshalling and timekeeping, there's not much I haven't done! I've been doing this since January 2023 and I really enjoy it. It's great seeing the kids having such a good time out in the fresh air. It's really good for my own well-being, you know, seeing the kids still smiling even when it's lashing it down.

Last year wasn't a good year for my health, I ended up fracturing my ankle which meant I couldn't run for a while. Then in December, I had to do a bowel cancer test kit, because of my age. Anyway, it came back that I had bowel cancer. In April they did keyhole surgery and managed to remove the cancer. As far as I know, they have got it out but I have to keep going back for tests over the next five years to check if everything is okay. It was a scary time. I've been through depression before and I wanted to end my life but then when I found out I had cancer I thought 'No I don't want to die'.

I got lots of support from everyone here, Emmaus staff were amazing. I let everyone in the community know and they were so supportive, flinging their arms around me. Everyone thinks when a person is homeless, they're either a drug addict or an alcoholic, but it's not the case. For me, it was a marriage breakdown and that can happen to anyone.

If someone was thinking about joining Emmaus, I'd say just go for it. There are loads of opportunities for people to learn things and get training in whatever they want. I'm really happy here, it's a peaceful life. If I want alone time I can have it, if I want to socialise with the others I can. If someone was thinking about joining Emmaus, I'd say just go for it. There are loads of opportunities for people to learn things and get training in whatever they want.

In 2024, ENE introduced a new case management system that tracks a Companions journey. The impact of ENE and the support offered is measured using a Star Outcome. On arrival within the community, Companions will agree an individual support plan with a dedicated Support Worker. They are registered immediately with a GP and referred to appropriate support where this cannot be provided 'in house'. The Companions progress and wellbeing is assessed in many areas, self-esteem, confidence, employability, mental health, financial management and readiness to move on. Progress is assessed carefully and the results of these assessments used to guide future improvements and changes to the pathway of care and support. Progression is a key part of ENE and for many the progression involves securing their own tenancy. ENE does not have a time limit on how long someone can stay, and the turnover of Companions depends on many factors. The Charity works with a wide range of partners

to promote its activities and to reach the people who will benefit most from its work. ENE is involved in a fortnightly multi agency rough sleepers' group and is represented on many strategic partnerships. ENE is seen as an essential part of public safety within South Tyneside.

Volunteers and Companions also come to us from a wide variety of sources including their own recognition that it is time for a change. The new structured volunteering program will result in more positive outcomes for volunteers and the Charity as a whole. ENE is pleased to report that its partnerships further developed over the year and these partnerships became a key part of the work the Charity's operation. The Charity has a wide range of partners who contribute to different elements of ENE and ENE is a member of the South Tyneside Pledge.

We are grateful to our funders, without whom, we could not offer the extensive support we do to people who are homeless. In addition to very generous donations from our supporters, in 2024, we received much needed grants from:

Lloyds Bank Foundation

EUK

Newcastle Building Society

Department of Culture, Media and Sports

The Barbour Foundation

The Platten Family Trust

The Albert Gubay Foundation

The UK Shared Prosperity Trust and South Tyneside Council

Sports England

The Albert Hunt Trust

Bernicia Foundation

Community Foundation – South Tyneside Council (KYN)

The National Lottery – Community Cost of Li ving Fund

The Hobson Charity

Keith Pattinson Estate Agents

Ringtons

The Rothley Trust

2025 looks positive with the award of a 3 year contract worth over £1 million from Durham County Council to run its SHAP project. This enables ENE to expand its worth significantly and help more homeless people. There are plans in the near future to add further social enterprises to the operations, not only to offer more work experience but

also to increase income. The staff team will be expanding by 8 staff members and by April 2025, ENE will be supporting 38 homeless people.

Reference and Administrative Details

Trustees: John Machin (Chair), Gemma Trainor, Jessica Cook, Debbie Hamilton, Shelley Armstrong, Jake Hanmore Jonathan Rook (Treasurer) and Jane Playle

Key Personnel:

CEO Ruth Parker

Finance Manager Sandy Lambrou

Company Secretary David Knox

Company Registered Number 6820441 Charity Registered Number: 1131408
Registered Office: 257 Stanhope Road, South Shields, NE33 4RT.

Examiners: Jim Dodds 33 The Glebe Morpeth, NE61 6HW

Bankers: HSBC Bank plc 110, Grey Street Newcastle upon Tyne, NE1 6JG

Emmaus North East (ENE) is a member of the Emmaus Federation in the UK (EUK) and a full member of Emmaus Europe and Emmaus International.

Structure, Governance, and Management

The Charity is a limited liability company being limited by guarantee and not having a share capital. It was registered in England and Wales under the Companies Act 2006 on 6 February 2009 and its governing documents are its Memorandum and Articles of Association. The Charity was registered as a Charity with the Charity Commission for England and Wales on 27 August 2009.

The Charity is a member of the Emmaus Federation in the UK and a full member of Emmaus International and Emmaus Europe.

Emmaus UK organises and operates two important groups in which the Charity participates. The first group is the "*Chairs Peer Group*". Here, all Chairs of Emmaus communities in the UK can get together in the presence of senior Emmaus UK personnel to discuss issues relating to Emmaus in the UK in general and their own community. The second group is the "*Executive Leads Peer Group*". Here, all Chief Executives of Emmaus communities in the UK can get together in the presence of senior Emmaus UK personnel to discuss issues relating to Emmaus in the UK in general and their own community.

The direction and governance of the Charity is the responsibility of its Board of Trustees who are elected and co-opted under the terms of the Articles of Association. Trustees who served during the period under review are shown on page 1.

The Charity is committed to ensuring a proper balance between paying our staff fairly, so that we attract and retain the best people for the job, and careful management of our Charity funds.

The Board presently operates one additional committee which is a Finance Committee, there are plans to develop other lead groups attached to the new Strategic Plan for 2023/2025.

Recruitment of Trustees

The management of the Charity is the responsibility of the Trustees, who are elected and co-opted under the terms of the Articles of Association.

Trustee nominations either come from other Trustees within the Charity and its supporters or via open advertisement and must be approved by existing Trustees, in accordance with the Articles of Association. When specific skills are required, approaches are made to people with relevant expertise who are sympathetic to the ethos of the Charity. If necessary, a Trustee would be co-opted specifically to cover the requirement function.

Each new Trustee is required to undertake an induction programme which includes briefings on their legal and ethical responsibilities as Trustees, the ethos and values of the Emmaus movement together with the governance, history and operation of ENE. It is intended to introduce annual appraisals of Trustees to measure their collective and individual performance and suitable training is offered in line with the NCVO Code of Governance.

The main Board meets bi-monthly with monthly finance committee meetings. There are standing agenda items on agenda with specific mention to Safeguarding and Health and Safety with additional areas regarding policy reviews and governance.

A plan is in place to carry out a Board effectiveness review, reviewing the skills and expertise of Board members.

Financial Review

Income from charitable activities in the period of £389K (2023: £112K) was due to generous grants from several institutions, the details of which are shown in the financial statement attached.

The Charity's social enterprises (shops in Low Fell, Hebburn and South Shields), the workshop in South Shields and other activities such as house clearances and On-Line retail achieved combined sales for the year of £202K – an increase of £36K on the sales achieved in 2023. The figure achieved was well below the expected level based on normal trading.

Housing Benefit received in the year was £195K (2023: 217K) this is from Companions residing in the Stanhope Road residence.

Overall, for the year, the Charity incurred a surplus of 72K (2023: deficit of -£127K). Of this surplus £66K (2023: deficit -£33K) came from restricted funds and a surplus of £6K (2023: deficit -£93K) from unrestricted funds.

Carried forward reserves of £858K (2023: £786K) is represented by £80K (2023: £14K) of restricted funds and a balance of £778K (2023: £772K) in unrestricted funds, most of which is in relation to the property owned by the Charity.

Capital Expenditure for the year was £12K (2023: £1K), which was funded from the Charity's own resources.

Fixed costs for the year were £783K (2023: 651K) an increase of £132K over the previous year. Trustees are fully aware of the increasing cost base of the Charity. Expenditure is tightly controlled and monitored. However, the Trustees view the Charity as being in a growth phase where significant investments are required – with the natural outcome of increased fixed costs. It is anticipated fixed costs should stabilise within the next 12 - 18 months.

Reserves Policy

The Reserves Policy has been reviewed by the Trustees. The objective of having an operational reserve equivalent to 3 month's operational costs still stands. This means the aim is to have £163K in reserves, currently £28K (2023: £18K) although it will take some time to reach this level on a consistent basis. The Trustees monitor to maintain protection under the FSCS compensation scheme. Reserves will be built up using income achieved from the Charity's trading operations.

Investment Policy

The Charity has the power under the Memorandum and Articles of Association to make any investment which the Trustees see fit. Given the level of funds generated to date it is considered appropriate to keep funds in a form that is immediately accessible.

Risk Management

The Board of Trustees regularly review the risks the Charity may face and is satisfied that systems are in place to mitigate exposure. However, the Trustees recognise that as the project progresses further factors may arise and will undertake further reviews from time to time. A Strategic Risk Register is in place which is reviewed by the CEO on a monthly basis and presented to the Board, the aim of which is to ensure mitigating action is taken to reduce risks to their lowest possible level. This is further supported by an Operational Risk Register reviewed on a monthly basis.

Principal Risks and Uncertainties

Short term, the principal risk facing the Charity centres around income. Should our retail outlets fail to develop and grow and should our fund-raising fall below expectation then this will put pressure on the finances of ENE.

Regarding retail, Operational and Finance management closely monitor this on a monthly basis and year-to-date sales through our KUDOS EPOS system which can follow sales on a daily basis from each of our outlets.

Fund raising is closely targeted on funds which will support activities required by the Charity.

A Fundraising Strategy is in place for 2023/2025 with the aim of diversifying income streams to ensure growth and sustainability of ENE.

Going Concern

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. The Trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

Trustees' Responsibilities

Company and Charity law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Charity and of the incoming reserves and application of reserves, including the income and expenditure of the charitable company for that period.

In preparing financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently,
- 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;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which 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 detection and prevention of fraud and other irregularities.

This report was approved by the Trustees on:

and signed on their behalf by:

John Machin

Chair of the Board of Trustees

Jonathan Rook

Trustee

EMMAUS NORTH EAST
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
For the year ended 30 June 2024

I report on the financial statements of Emmaus North East for the year ended 30 June 2024, which are set out on pages 19 to 32.

Respective responsibilities of Trustees and Examiner

The Charity's Trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Association of Charity Independent Examiners.

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

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

Basis of independent examiner's statement

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

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Jim Dodds FCIE
33 The Glebe
Morpeth
NE61 6HW

Date:

EMMAUS NORTH EAST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)
For the year ended 30 June 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Income from:					
Donations and legacies	6	55,249	-	**55,249**	26,824
Charitable activities					
Grants and contracts	7	291,108	97,920	**389,028**	111,706
Other trading activities	8	410,544	-	**410,544**	385,613
Investments	9	-	-	-	356
Total income		756,901	97,920	**854,821**	524,499
Expenditure on:					
Raising funds		362,704	-	**362,704**	251,445
Charitable activities					
Operation of the charity		388,509	31,694	**420,203**	399,781
Total expenditure		751,213	31,694	**782,907**	651,226
Net income/(expenditure) and net movement of funds		5,688	66,226	**71,914**	(126,727)
Reconciliation of funds					
Total funds brought forward		771,846	14,102	**785,948**	912,675
Total funds carried forward		777,534	80,328	**857,862**	785,948

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 22 to 32 form an integral part of these accounts.

EMMAUS NORTH EAST
(A company limited by guarantee)

Charity Number 1131408
Company Number 06820441

BALANCE SHEET
As at 30 June 2024

	Notes	£	Total 2024 £	£	Total 2023 £
Fixed assets					
Tangible assets	19		925,400		955,679
Total fixed assets			**925,400**		**955,679**
Current assets					
Debtors	20	130,581		26,167	
Cash at bank and in hand	21	39,215		48,495	
Total current assets		**169,796**		**74,662**	
Creditors: amounts falling due within one year	22	**(61,449)**		**(42,308)**	
Net current assets			**108,347**		**32,354**
Total assets less current liabilities			**1,033,747**		**988,033**
Creditors: amounts falling due after more than one year	23	**(175,885)**		**(202,085)**	
Total net assets or liabilities			**857,862**		**785,948**
Funds of the charity					
Unrestricted income funds			777,534		771,846
Restricted income funds			80,328		14,102
Total funds			**857,862**		**785,948**

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.
The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.
These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 22 to 32 form an integral part of these accounts.

These financial statements were approved by the Board on:

and are signed on its behalf by: Jonathan Rook FCA
Treasurer

EMMAUS NORTH EAST
(A company limited by guarantee)

Charity Number 1131408
Company Number 06820441

STATEMENT OF CASH FLOWS
For the year ended 30 June 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Net movement in funds		71,914	(126,727)
Depreciation		42,250	46,191
Investment income		-	(356)
Increase in trade receivables		(104,414)	22,627
Increase in trade payables		19,141	4,550
Net cash from operating activities		**28,891**	**(53,715)**
Cash flow from investing activities			
Purchase of property, plant and equipment		(11,971)	(809)
Sale of property, plant and equipment		-	-
Interest received		-	356
Net cash used in investing activities		**(11,971)**	**(453)**
Cash flow from financing activities			
Increase in long term loan		-	-
Repayment of borrowing		(26,200)	(82)
Net cash used in financing activities		**(26,200)**	**(82)**
Decrease in cash and cash equivalents		**(9,280)**	(54,250)
Cash and cash equivalents at start of year		**48,495**	102,745
Cash and cash equivalents at end of year		**39,215**	**48,495**

The notes on pages 22 to 32 form an integral part of these accounts.

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Emmaus North East meets the definition of a public benefit entity under FRS 102.

2.2 Preparation of the accounts on a going concern basis

The charity reported unrestricted funds at the year end of £777,534, and have already secured a significant amount of funding for the current year. The trustees are of the view that the immediate future of the charity for the next 12 to 18 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability.

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether 'capital' grants or 'revenue' grants, 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.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

3.4 Donated goods and services

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

3.5 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the Trustees' Annual Report.

3.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

3.7 Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.8 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

3.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of supporting companions with independent living and employment to combat homelessness and other activities undertaken to further the purposes of the charity and their associated support costs.

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

5 Assets

5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis, the charity does not currently have any tangible fixed

Freehold property	Straight line over 50 years
Property improvements	Straight line over 6 years
Fixtures and fittings	Straight line over 6 years
Motor vehicles	Reducing balance 25% pa

Analysis of income

6 Donations and legacies	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Donations	26,030	-	26,030	9,697
Donations - Emmaus UK	6,276	-	6,276	6,497
Legacy - Barbara Kitchen	-	-	-	10,002
Legacy - Olive Rourke	6,000	-	6,000	-
Northern Gas Networks	16,144	-	16,144	-
HMRC Gift Aid	799	-	799	628
	55,249	-	55,249	26,824

7 Charitable activities

Income from grants				
Community Foundation	-	-	-	3,000
Emmaus UK	39,886	-	39,886	8,376
Lloyds Bank Foundation for England & Wales	25,000	-	25,000	27,250
Newcastle Building Society Community Fund	-	4,887	4,887	-
Ringtons Fund	-	5,000	5,000	-
Riverside Foundation	2,765	-	2,765	-
Sir James Knott Trust	-	-	-	10,000
Sport England	-	9,960	9,960	-
The Albert Gubay Charitable Foundation	-	60,000	60,000	-
The Albert Hunt Trust	7,000	-	7,000	-
The Bernicia Foundation	-	9,900	9,900	-
The Barbour Foundation	12,000	-	12,000	10,000
The Hobson Charity	-	2,173	2,173	3,300
The National Lottery	75,000	-	75,000	-
The Rank Foundation	-	-	-	15,474
The Ridley Family Trust	-	-	-	5,000
The Pattinson Estate Agent Fund	-	1,000	1,000	-
The Platten Family Fund	-	5,000	5,000	-
Other small grants less than £2,000	-	-	-	4,065
Other income	6,520	-	6,520	7,350
Income from contracts				-
South Tyneside Council WTAW	17,484	-	17,484	-
Tyne and Wear Community Foundation Know Your Neighbourhood Fund	105,453	-	105,453	17,891
	291,108	97,920	389,028	111,706

Analysis of income continued

	Unrestricted Funds £	Restricted Funds £	**Total 2024 £**	Total 2023 £
8 Other trading activities				
Charity shop sales	202,069	-	**202,069**	166,034
Online sales	8,926	-	**8,926**	-
House clearances	3,427	-	**3,427**	-
Housing benefit	195,392	-	**195,392**	217,469
Rental income	730	-	**730**	2,110
	410,544	-	**410,544**	385,613
9 Income from investments				
Bank interest	-	-	-	356
	-	-	-	356

Income was £854,821 (2023: £524,499) of which £756,901 was unrestricted or designated (2023: £433,934) and £97,920 was restricted (2023: £90,565).

Analysis of expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	**Total 2024 £**	Total 2023 £
10 *Raising funds*				
Incurred seeking grants	17,250	-	**17,250**	6,697
Charity Shops				
Staff salaries	155,135	-	**155,135**	106,169
Direct costs	151,568	-	**151,568**	117,382
Cost of sales	24,531	-	**24,531**	6,266
Support costs	14,220	-	**14,220**	14,931
	362,704	-	**362,704**	251,445

Expenditure on raising funds was £362,704 (2023: £251,445) of which £362,704 was unrestricted or designated (2023: £216,650) and £0 was restricted (2023: £34,795).

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
11 *Charitable activities*				
Direct costs				
Staff salaries	107,724	11,468	**119,192**	114,078
Staff other costs	9,614	525	**10,139**	3,913
Volunteer expenses	619	-	**619**	215
Companion costs	94,448	1,620	**96,068**	95,133
Adverting and marketing	5,092	1,650	**6,742**	7,036
Rent and rates	14,825	-	**14,825**	8,844
Utilities	40,059	-	**40,059**	30,688
Other establishment costs	1,957	-	**1,957**	1,545
Repairs and renewals	11,012	4,890	**15,902**	30,550
Insurance	2,209	-	**2,209**	1,952
Vehicle costs	3,919	-	**3,919**	5,899
Professional fees	29,969	-	**29,969**	22,469
Returned funds	932	8,268	**9,200**	-
Small equipment	3,633	2,931	**6,564**	3,702
Depreciation	42,250	-	**42,250**	46,191
Bank charges and interest	421	-	**421**	4,338
Support costs				
Office costs	9,556	342	**9,898**	13,539
Subscriptions	7,600	-	**7,600**	6,619
Governance costs				
Independent examiner's fees for reporting on the accounts	2,670	-	**2,670**	2,580
Trustee meeting costs	-	-	**-**	490
	388,509	31,694	**420,203**	399,781

Expenditure on charitable activities was £420,203 (2023: £399,781) of which £388,509 was unrestricted or designated (2023: £310,649) and £31,694 was restricted (2023: £89,132).

12 Fees for examination of the accounts

	2024 £	2023 £
Independent examiner's fees for reporting on the accounts	**1,335**	1,290
Other accountancy services paid to the examiner	**1,335**	1,290
	2,670	2,580

13 Analysis of staff costs and the cost of key management personnel

	2024 £	2023 £
Salaries and wages	247,467	197,887
Social security costs	23,427	18,724
Pension costs (defined contribution pension plan)	4,629	3,636
	275,523	220,247

One employee received remuneration between £70,000 and £80,000 (2023: nil)

The key management personnel of the charity, comprise the Trustees and the CEO. The total employee benefits of the key management personnel of the charity were £71,205 (2023:£55,625).

14 Staff numbers

The average monthly head count was 9 staff (2023: 7 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

The parts of the charity in which the employee's work	2024 Number	2023 Number
Community operations	3.5	3.5
Generation of funds	4.8	3.0
	8.3	6.5

15 Transactions with Trustees

None of the Trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

Trustees' expenses

No Trustee expenses have been incurred in the year.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

16 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £4,629 (2023: £3,636). There was £1,190 outstanding as at 30 June 2024 (2023: £0).

17 Corporation 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 objectives.

18 Volunteer time

The Charity places a great value on the contributions that volunteers made to the organisation. Over the course of the year, we benefitted greatly not only from the considerable time, energy and expertise given by the Board of Trustees and the companions but other volunteers as well. Companions work for at least 40 hours each week within the Charity's commercial and social enterprises, mainly retail. The average number of companions with the Charity during the year was 15.

Other volunteers spend time on specific projects and events. Volunteers time was donated by 7 individuals during 2022/23 , offering in the region of 4,500 hours.

19 Tangible fixed assets

	Motor vehicles	Property improvements	Fixtures fittings and equipment	Freehold Property	Total
	£	£	£	£	£
Cost					
Balance brought forward	42,149	96,750	60,873	970,918	**1,170,690**
Additions	-	-	11,971	-	**11,971**
Disposals	-	-	-	-	-
Balance carried forward	42,149	96,750	72,844	970,918	**1,182,661**
Depreciation					
Basis	RB	SL	SL	SL	
Rate	25%	17%	17%	2%	
Balance brought forward	24,387	38,187	48,113	104,324	**215,011**
Depreciation charge for year	19,418	11,397	6,994	4,441	**42,250**
Disposals	-	-	-	-	-
Balance carried forward	43,805	49,584	55,107	108,765	**257,261**
Net book value					
Brought forward	17,762	58,563	12,760	866,594	**955,679**
Carried forward	(1,656)	47,166	17,737	862,153	**925,400**

20 Debtors and prepayments (receivable within 1 year)

	2024	2023
	£	£
Trade debtors	**93,456**	5,641
Prepayments	**24,716**	15,527
Other debtors	**12,409**	4,999
	130,581	26,167

21 Cash at bank and in hand

	2024	2023
	£	£
Cash at bank and in hand	**39,215**	48,495
	39,215	48,495

22 Creditors and accruals (payable within 1 year)

	2024 £	2023 £
Trade creditors	**27,747**	10,831
Other creditors	**4,832**	2,372
Loan	**26,200**	26,525
Accruals		
Independent examination of accounts	**2,670**	2,580
	61,449	42,308

23 Creditors and accruals (payable after more than 1 year)

	2024 £	2023 £
Long term loan	**175,885**	202,085
	175,885	202,085

The loan is subject to interest at 4% and is secured on the company's property at Stanhope Road. Included within the loan is an amount of £210,000 repayable by instalments over 25 years commencing 30 June 2018 and an amount of £79,093 repayable by instalments over 5 years commencing January 2019.

	2024 £	2023 £
Between 2 and 5 years	69,800	55,230
After 5 years	106,085	146,855
	175,885	202,085
Within 1 year	**26,200**	26,525
	202,085	228,610

24 Operating lease commitments

At 30 June 2022 the charity had annual commitments under non-cancellable operating leases as follows:

Expiry date	2024 £	2023 £
Within one year	**14,250**	14,250
Between one and five years	**28,500**	42,750
Greater than five years	**-**	-
	42,750	57,000

25 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

26 Analysis of charitable funds

Analysis of movements in unrestricted funds

Unrestricted funds	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
General unrestricted fund	771,846	756,901	(751,213)	-	**777,534**
Totals	771,846	756,901	(751,213)	-	**777,534**

Purpose of unrestricted funds

General unrestricted fund	The 'free reserves' of the charity.

Analysis of movement in restricted funds

Restricted funds	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Newcastle Building Society Community Fund	-	4,887	(250)	-	**4,637**
Ringtons Fund	-	5,000	(857)	-	**4,143**
Sport England	-	9,960	-	-	**9,960**
The Albert Gubay Charitable Foundation	-	60,000	(9,696)	-	**50,304**
The Bernicia Foundation	-	9,900	(3,166)	-	**6,734**
The Hobson Charity	-	2,173	(2,173)	-	-
The Edward Gostling Foundation	78	-	(78)	-	-
The Pattinson Estate Agent Fund	-	1,000	(1,000)	-	-
The Platten Family Fund	-	5,000	(450)	-	**4,550**
The Rank Foundation	8,268	-	(8,268)	-	-
The South Tyneside Know Your Neighbourhood Fund	4,856	-	(4,856)	-	-
Other small grants less than £2,000	900	-	(900)	-	-
Totals	14,102	97,920	(31,694)	-	**80,328**

26 **Analysis of charitable funds** continued

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Newcastle Building Society Community Fund	To improve companions mental and emotional wellbeing, capacity for independent living and to directly reach 45 companions.
Ringtons Fund	To support companions who have left the community.
Sport England	To be use for cycles, equipment and trip and £960 for professional fees of cycling instructors.
The Albert Gubay Charitable Foundation	To provide safe housing for 6 survivors of domestic violence. Furniture, alarm and security features, staff costs, moving on starter pack and personal support fund.
The Bernicia Foundation	To extend the community activator work into Northumberland and recruiting a retail assistant.
The Hobson Charity	Refurbishment of two women only apartments.
The Edward Gostling Foundation	Revive and Thrive programme costs.
The Pattinson Estate Agent Fund	To support former companions.
The Platten Family Fund	To enable companions to gain formal City and Guilds type accreditations.
The Rank Foundation	Contribution to salary Costs for the Marketing Officer.
The South Tyneside Know Your Neighbourhood Fund	The "Community Activator" initiative is a multifaceted community project designed to enhance collaboration between companions and the South Tyneside community. Its primary goals are to provide peer-to-peer support, foster skill development, and mitigate chronic loneliness and social isolation.

27 **Analysis of net assets between funds 2024**

	Unrestricted Funds £	Restricted Funds £	**Total 2024 £**
Tangible fixed assets	925,400	-	**925,400**
Cash at bank and in hand	18,887	20,328	**39,215**
Other net current assets/(liabilities)	9,132	60,000	**69,132**
Long term assets/(liabilities)	(175,885)	-	**(175,885)**
	777,534	80,328	**857,862**

Analysis of net assets between funds 2023

	Unrestricted Funds £	Restricted Funds £	**Total 2023 £**
Tangible fixed assets	955,679	-	**955,679**
Cash at bank and in hand	34,393	14,102	**48,495**
Other net current assets/(liabilities)	(16,141)	-	**(16,141)**
Long term assets/(liabilities)	(202,085)	-	**(202,085)**
	771,846	14,102	**785,948**

EMMAUS NORTH EAST

England & Wales - Charity number 1131408

Accounts

EMMAUS NORTH EAST

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2023

Charity Number 1131408
Company Number 06820441

The Trustees, who are also the directors of the Charity for the purposes of the Companies Act, submit their report and financial statements of Emmaus North East (ENE; the Charity) for the year ended 30 June 2023. The financial statements comply with the Charities Act 2011, the companies Act 2006, the Memorandum and Articles of Association and the requirements of Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable to the United Kingdom (FRS102).

Chairs Statement – John Machin

Following a very challenging 21/22, the last twelve months have, thankfully, been less turbulent. The Charity received several grants, and these allied to improved performances from its Social Enterprises meant the Charity had an income in excess of £500,000 for the first time. A landmark indeed!

Following on from last year's recruitment of Ruth Parker as ENE's CEO, the Charity further professionalised and upskilled its Management Team with the appointment of a new Retail Manager, Community Manager and Volunteer Co-ordinator. I believe this new management team has immeasurably strengthened ENE and gives the Charity every possibility to develop strongly in the coming years.

Last year we expanded the room capacity of the Charity. This allowed us to look after 21 Companions compared to our previous capacity of 15 Companions. I am pleased to report that the Charity has been successful in filling these rooms and thus helping more people in our area.

A highlight of recent times was the opening of ENE's new and flagship shop, Lucie's Legacy, in the Viking Centre, Jarrow. This store is trading well and starting to impact ENE's profitability in a positive way. In 23/24, we intend to further develop our retail activities along with developing other income streams.

Gaining financial sustainability is foremost amongst our strategic objectives along with improving the outcomes and experiences of the Companions we support within ENE. To achieve this the Charity has initiated a major project known as Project Radical. Project Radical will look at the activities we perform within ENE and determine to ways to restructure and re-engineer the Charity so that financial sustainability will be achieved. This is a major project for the Charity and will go a long way to determine our future and the activities we will undertake.

Finally, I must also thank all our funders and those people and organisations who donated either cash, services, or goods to Emmaus North East. Without you, it would not be possible to operate our Charity and help the people that we do.

John Machin
Chair of Board of Trustees
Emmaus North East

CEO's Statement – Ruth Parker

Chief Executive Officer

Having celebrated a year in post at Emmaus North East in July 2023, the role has been both challenging, rewarding and often very unpredictable. Seeing someone enter Emmaus with many deep rooted problems and witnessing their journey to a more positive future will continue to drive what I do. The need to change takes courage and determination and it is important that those in influential positions within government understand this and also understand the many varied reasons why people end up homeless. The cost of living crisis, lack of affordable housing and economic climate has increased the number of homeless people, including homeless young people. This is rarely a journey of choice and more funding is needed to ensure that we combat this issue.

The year has been financially challenging for the Charity and there have been several changes to the staff team. It was pleasing to see the opening of our first superstore, Lucies' Legacy and this has the ability to change the financial landscape of ENE. We are not stopping there though and there are plans for further growth in early 2024. Additional income means that we are able to offer more to more homeless people and this is at the heart of what we do. It is also pleasing to report that our income exceeded the £500K which was achieved through the generosity of funders and doners.

The Board have agreed a new Strategic Plan with the main focus being on Companion wellbeing, making positive changes to the Charity and the impact it has on the community and being financially secure. There has been significant changes to the staff team and the improved skills and experience will enable the strategic and operational objectives to be achieved. I am proud to be leading such a hard working and committed team of people. The increase in volunteer numbers under the newly launched Community Activator project will greatly assist and I am looking forward to seeing how this project develops.

We will continue to use the voice of our beneficiaries to scrutinise our work with a main focus being on Companion outcomes and experience. We are increasing our influence within Emmaus UK, being active members of numerous EUK peer groups and leading some of the Regional work for Scotland and the North East. This is also happening at a local level with ENE being active members of several multi agency partnerships and an integral part of the community.

We will continue to create a North East England where homeless people are supported by us to rebuild their lives through training and our social enterprises, making sure that we are an integral part of the local community. Companion wellbeing and confidence will remain at the heart of what we do and we will strive to continue to help more and more people.

I would like to thank the staff team, companions, volunteers and Trustees for their commitment, hard work, determination and scrutiny. This is a unique partnership that works and will, continue to make our vision a reality in the years to come. The appreciation must

also be extended to our doners without whom we would not be able to support the numbers of people we do.

With best wishes
Ruth

RUTH PARKER
CEO

Policies and Objectives

In setting the Charity's objectives, plans and activities, the Trustees have given due consideration to guidance published by the Charity Commission relating to public benefit and to its supplementary public benefit guidance.

The **medium - long-term objectives** for the Charity are:

1. To ensure that the social enterprises are self-sufficient, whereby the income generated from their activities cover all their operating expenses
2. To agree an income strategy to allow growth and sustainability
3. To increase the size of its community facilities and Companion numbers, either by development of a further residence or the acquisition of "*move on*" flats for Companions who are transitioning between residing in the community and independent living in their own accommodation
4. To improve the opportunities for Companions to "move on" from ENE and gain worthwhile employment in the outside world, extending their work experience and training opportunities available to them
5. To have ENE recognised as a major charity in the North East of England, influencing positive change for those who have suffered or are suffering from homelessness.

The Charity's **short-term objectives** are to:

1. Expand its retail operations, introducing a new Superstore and expanding On-Line sales
2. Develop a profitable social enterprise workshop where furniture and other wood-based items are manufactured or upcycled and sold in the retail outlets and online
3. Find and develop other social enterprise income streams and additional projects
4. Improve the training and development pathways ENE offers to its Companions.
5. Develop the brand image and awareness of ENE in North East England and beyond
6. Develop the experience and skills of the staff team with an aim of introducing new specialist roles

Once its objectives are achieved, the Charity will be in a strong position to support and fully contribute to the ethos and values of the Emmaus movement.

About Emmaus

Emmaus is a homelessness charity with a difference. Emmaus does not just give people a bed for the night; it offers 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. Being on your own can be soul destroying, leaving you feeling worthless. Emmaus is different because it provides a home for as long as someone needs it; in an Emmaus community. This gives Companions, as we call our residents, the opportunity to take stock of their lives, deal with any issues they might have, and often re-establish relationships with loved ones.

The Emmaus movement (including Emmaus International).

The Emmaus movement and its 425 member organisations in Europe, Africa, Asia, and the Americas continue to engage at a local level with people who have experienced social exclusion to access their fundamental rights and, through their collective action, demonstrate there are credible alternatives to injustice.

Emmaus in the UK.

The first UK Emmaus Community was established in 1992. Today 29 Emmaus communities are operational, with others in the course of development.

An Emmaus UK Community offers homeless people a chance to regain their self-respect through living and working in a supportive environment which combines residential accommodation with self-supporting social enterprises. These enterprises, mainly retail, are based largely on the collection and sale of donated goods as well as refurbishment and recycling of various goods and scrap materials in line with the principles of a circular, low waste economy.

Additionally, Emmaus Communities work with a “solidarity concept” whereby they help sister Communities by donating goods for sale in their retail outlets and financial support if needed.

Each Emmaus Community in the UK whilst being an independent legal entity commits to follow the values and ethos of the Emmaus movement as a whole.

Emmaus UK (EUK).

Emmaus UK is the federal body for Emmaus in the UK. Each member of Emmaus UK - either a community or group - is an independent charity, governed by a local board of trustees.

The Federation also offers fundraising and publicity support and provides grants and loans to enable further development of existing Emmaus communities and groups, and the expansion of Emmaus in the UK.

Emmaus North East (ENE).

Established fourteen years ago, ENE is a legally independent charity based in South Tyneside in North East England. It focuses upon providing support to homeless people and works within

the Emmaus movement's ethos and values. ENE is a member of the EUK Federation and Emmaus International movement.

ENE aims to combat homelessness. It provides people with a home, work and encourages solidarity with others in a similar position. It gives Companions a choice and a chance. It welcomes people from all backgrounds and all causes of homelessness. ENE is supported by a wide range of funders and partners who provide both financial and in-kind support. This funding both supports the community and helps the ENE social enterprises grow and thrive.

ENE's vision is *"to help create a North East England where homelessness and hopelessness have been abolished"*.

ENE's mission is *"to enable homeless people in the North East rebuild their lives through social enterprises which also involve and enrich the local community*".

The core values of the charity are:

Value and **respect** every person, opposing injustice.
Be **transparent** and **honest** in all our dealings.
Demonstrate **solidarity** and support for those in need.
Create an environment of **empowerment.**
Share and exchange resources, skills and learning.
Support and foster **interdependence** and **independence.**
Work to love and give.

ENE's operations are centred around its community residences at 253, 255 and 257 Stanhope Road, South Shields where ENE is able to offer permanent accommodation and support to 21 companions with ambitions to expand further. Referrals are received from across the North East and beyond and ENE is now recognised as an integral part of the community in South Tyneside.

The Charity provides safe accommodation, meaningful work and peer and pastoral support to its Companions. This way of working means Companions are able to recover their confidence and self-respect and make a fresh start to rebuild their lives. ENE tries to ensure all Companions are able to move onto independent living and employment when they are ready, but there is no time limit for this and Companions are welcome to stay in the community for as long as they like and need with several companions making their homes at ENE for over 5 years.

ENE focuses upon its Companions and seeks to ensure they have a consistent core offer outlining the mutual expectations of both ENE and themselves. All Companions are enabled and encouraged to participate fully in ENE and its activities.

There are three critical features of ENE that make it different to some of the other support offered to homeless people:

ENE provides a home – Companions have a room to call their own and a place to call home alongside other people who understand their situation. The house has clear rules, meaning it provides a safe and secure environment for everyone; Safeguarding is of highest priority with annual reviews of processes and policies.

ENE gives people focus, meaning and structure – Companions volunteer for a 40-hour week at ENE. This includes training, activities to improve health and wellbeing and access to an in

house trauma informed therapist. This provides the Companions with structure and a focus for each day and productive activity to engage with. The Community Wellness pilot has been of national focus with several communities trying to replicate it.

ENE judges people on today's actions not yesterday's – Companions have the opportunity to change and are given the chance to change. Emmaus North East will not work for everyone, but everyone is given a chance.

Emmaus North East has three strands of delivery:

- *Home – providing up to 21 Companions with community living at its South Shields residences.*
- *Work – all Companions volunteer in the Charity's businesses and social enterprises. The Social Enterprises provide Companions with a structure,routine and increases their skills and work based experience.*
- *Solidarity – ensuring all work provides opportunities for Companions to feel part of groups,to feel like they are part of something bigger and are giving back to the community.*

In terms of its social enterprises, ENE operates three (3) retail outlets in various areas of the North East (Jarrow, Low Fell and Hebburn), a fully equipped workshop in South Shields where furniture is upcycled and restored and various items made from wood are designed and produced. We also have a house clearing services an on-line retail business and opened Lucie's Laundry in April 2023, offering free services to the community to combat the cost of living crisis. This has also become a registered community warm space and ENE recently celebrated receiving a national award.

Legal work is underway to extend the retail enterprises in Jarrow with ENE planning to move into a former Argos store in 2024. This is just the first stages of planned growth.

Emmaus North East (ENE) - Review of achievements and performance in 2022 / 2023.

Brief Overview

Income from charitable activities in the period of £112K (£110K, 2021/2022) was due to generous grants from several institutions, the details of which are shown in the financial statement attached.

For the year ended 30 June 2023 the Charity's social enterprises (shops in Low Fell, Hebburn and South Shields), the workshop in South Shields and other activities such as house clearances and On-Line retail achieved combined sales for the year of £166K – an increase of £3K on the sales achieved in 2021/ 2022. Whilst it was pleasing to see a modest increase the figure achieved was well below the expected level based on normal trading. However with a new Retail Manager in position and the commencement of trading Lucie's Legacy in Jarrow in September 2023 it is expected that retail incomes will increase in subsequent years.

Housing Benefit received in the year was £217K compared to £170K in 2021/2022 This increase was driven by higher Companion numbers residing in the Stanhope Road residence during the year driven by more active management of the referral pathways and a new housing benefit settlement agreed with South Tyneside Council.

Overall, for the year, the Charity incurred a deficit of £127K compared to 2021/2022 when a deficit of £73K was recorded. Of this 2022/2023 deficit £33K arose from restricted funds and £94K from unrestricted funds. Carried forward reserves of £786K (£913K, 2021/2022) is represented by £14K of restricted funds (£47K, 2021/2022) and a balance of £772K (£865K, 2021/2022) in unrestricted funds, most of which is in relation to the property owned by the Charity. It is the Trustees' policy to try to hold a minimum of three months' expenditure in reserve.

Following significant Capital Expenditure in the 2021/2022 on the refurbishment of 253 and 255 Stanhope Road (£81K), there has been minimal Capital Expenditure of £1K in 2022/2023.

Fixed costs for the year were £651K an increase of £116K (22%) over the previous year. Trustees are fully aware of the increasing cost base of the Charity. Expenditure is tightly controlled and monitored. However, the Trustees view the Charity as being in a growth phase where significant investments are required and have been made – with the natural outcome of increased fixed costs. It is anticipated fixed costs should stabilise within the next 12 - 18 months together with continued increases in income to support the increased cost base.

- *The community residence at 257 Stanhope Road has been at 75% capacity for most of the financial year.*
- *Completion of the Northern Gas Customer Energy Village project.*
- *The two properties at 253 and 255 Stanhope Road have been almost fully occupied since and used for many months as female only homeless accommodation.*
- *ENE worked throughout 2023 on the plans to open the first superstore named Lucie's Legacy which has the ability to transform the financial landscape of the retail operations.*
- *ENE opened Lucie's Laundry, the only free community laundry in the country and is assisting other Local Authority areas to try to replicate this. This venture resulted in ENE receiving a national award and significantly raised the profile of the charity and social media following*
- *ENE's financial position has been challenging with the finance committee rising to the challenge to mitigate any risks.*
- *ENE was the first Emmaus community to introduce trauma informed therapy with the introduction of the Community Wellness pilot.*
- *ENE has attracted several new funders, including a potential future partnership with a corporate.*
- *Throughout 2023, ENE worked towards the launch of the Community Activator project, targeting members of the community who are lonely and socially isolated to volunteer.*
- *ENE staff members received Environmental and Sustainability training and have started the work to achieve Investors in the Environment accreditation.*
- *Published the first ENE Social Impact Report centred around the 17 international Sustainable Development goals.*
- *Registered 100% of Companions with a GP*
- *Supported over 100 Companions*

- *98% of Companions have a bank account and a form of ID*
- *A Companion won the BBC Make a Difference award in the category of bravery.*
- *CEO now the Regional Chair for the Emmaus Scotland and North East Partnership.*
- *ENE hosted a national conference for all Emmaus Executive Leads with guest speakers and several new business activities.*

Annual Report

During the period under review the Charity has succeeded in further consolidating and developing its Community in the North East and building its social enterprises. This was a main part of the 5-year plan which we are proud of, although the ambition is to continue to grow the number of Companions we can help and in turn increase profitable social enterprises.

The support provided by EUK is appreciated and demonstrates the benefit of being part of this federation. We continue to work in partnership with EUK and other Emmaus's, sharing best practice and committing to various national strategic groups.

We are now in a post lockdown period which has set a new set of issues to overcome with the 'cost of living' crisis and a greater need than ever to support those suffering from poverty and deprivation. This includes the increased costs for the charity in maintaining the community accommodation and utilities. In response to this, Emmaus North East has opened Lucie's Laundry, been successful in applying for funding to improve the energy efficiency of our accommodation and is campaigning for change for more affordable homes. The CEO, staff and Companions have been involved in several podcasts and interviewed by the media on numerous occasions.

The primary beneficiaries of the work of ENE are its Companions who live in the community and work in the enterprises ENE operates. ENE, however, also supports a much broader range of people. These include volunteers, who help the running of the shops and workshop, and the wider community, who are supported through other activities. In recent months, the volunteer numbers have more than doubled and activities have ben planned with more than 6 large groups of corporate volunteers. This is celebrated and promoted in the ENE quarterly newsletters.

Demand for the services and opportunities provided by the ENE offer remains strong. The Charity also recognises that growing its community means commensurately growing the range of businesses on offer to provide a sustainable income stream and to offer a range of opportunities for Companions.

Homelessness can happen to anyone, and the variety of reasons for which people find themselves homeless are wide and varied. This inevitably means the outcomes people experience will also vary. Outcomes for the Companions are of highest priority and that is why we have developed a new Performance Management Framework with a set of high level and supporting Key Performance Indicators. Here is some of the feedback we have received:

"Everyone thinks when a person is homeless they're either a drug addict or an alcoholic, but it's not the case. For me, it was a marriage breakdown and that can happen to anyone."

"If someone was thinking about joining Emmaus I'd say just go for it. There are loads of opportunities for people to learn things and get training in whatever they want. I'm really happy

here, it's a peaceful life. If I want alone time I can have it, if I want to socialise with the others I can."

Tony

"I still class myself as being in recovery and Emmaus is a good place to feel secure. There are rules around drugs and alcohol, and it just feels like that next step after rehab. You get help and support to allow you to get to that next stage in life".

Rob

Emmaus North East often provides opportunities to people that other organisations are reluctant to work with. This includes people who have a wide variety of issues and needs. But the complex nature of people looking for places is increasing and there is a need to be realistic about the support that Emmaus North East can offer. Another issue recognised by partners and staff is the number of Companions presenting with more complex mental health issues, some may be connected to the pandemic and the delays within the medical system to address these. This is the reason why numerous and timely pathways of support are being developed and will form part of our future plans. The quarterly reports from the Community Wellness pilot has highlighted an improvement in mental health of all Companions who have been referred to the support.

Everyone who lands at an Emmaus is on a journey. The reality for people struggling with addiction, mental illness and childhood trauma is this is rarely a straightforward journey. At ENE we support people who are determined to change but will often experience setbacks along the way. Not every person we support has a happy ending and not everyone succeeds on their first, second or third encounter with an Emmaus. But our ethos is to only judge in the present time and to give people periods of their live where they can experience meaning, purpose and hope.

The impact of ENE and the support offered is measured using an outcome model. On arrival within the community, Companions will agree an individual support plan and will have regular sessions of support, the timing of each based on their needs. They are registered immediately with a GP and referred to appropriate support where this cannot be provided 'in house'. The Companions progress and wellbeing is assessed in many areas, self-esteem, confidence, employability, mental health, financial management and readiness to move on. Progress is assessed carefully and the results of these assessments used to guide future improvements and changes to the pathway of care and support. In recent months, ENE has launched a new case management system which will improve performance reporting and provide vital information in relation to the demographics of the community against the nine protected characteristics.

Progressions are a key part of ENE and for many the progression involves securing their own tenancy. ENE does not have a time limit on how long someone can stay, and the turnover of Companions depends on many factors. The Charity works with a wide range of partners to promote its activities and to reach the people who will benefit most from its work. ENE is involved in a fortnightly multi agency rough sleepers group and is represented on many strategic partnerships. ENE seen as an essential part of public safety within South Tyneside.

Volunteers and Companions also come to us from a wide variety of sources including their own recognition that it is time for a change. The new structured volunteering program will result in more positive outcomes for volunteers and the Charity as a whole.

ENE is pleased to report that its partnerships further developed over the year and these partnerships became a key part of the work the Charity's operation.The Charity has a wide range of partners who contribute to different elements of ENE and ENE is a member of the South Tyneside Pledge.

Referral Partners

Our referral partners work with us regarding referring people to become Companions or volunteers in the Charity. Our partners in this area include;

- DWP for referrals on work placements through the local job centres as the Charity is able to offer volunteer placements in its workshop and other enterprises. This allows both the recruitment of a large pool of volunteers to support our enterprises and helps people back into work;
- The Probation service. ENE works closely with the Probation Service providers in the local area. They are an increasingly valuable source of referrals for volunteers for our shops and other enterprises. The Charity has had considerable success retaining volunteers who have been referred through the probation service;
- Prisons – ENE works closely with HMP Northumberland to advertise the opportunity for both Companions and volunteers as people are approaching the end of their sentences;
- South Tyneside Homes;
- South Tyneside Council and other Local Authorities;
- De Paul;
- Basis;
- Betel;
- Centrepoint;
- The Salvation Army;
- Northumbria Police;
- EUK;
- Oasis Community Housing;
- SAAFA;
- Crisis Skylight;
- Shelter; and many more.

Fund Providers

The Charity was also supported by many companies and charitable organisations who gave grants to ENE during the year and, also many private individuals. Major fund providers during the year were;

Lloyds Bank Foundation for England and Wales;

EUK;

The Edward Gosling Foundation;

Community Foundation Tyne and Wear P&G Fund;

Newcastle Building Society;

South Tyneside Know Your Neighbourhood Fund;

The Ridley Family Trust;

Rothley Trust;

The Rank Foundation;

Sir James Knott; and

The Barbour Foundation.

ENE is also really grateful to all of our individual supporters who have gave regular small donations, all of which help us to support more homeless people.

In terms of marketing and communication ENE has an active Twitter account where the Charity posts about its work and thank the many generous donations we receive from the wider community. ENE's Facebook page allows the showcasing some of the products we create in the workshop. The ENE website provides a focus for all of the Charity's work and key announcements. This year the Charity saw a significant increase in usage of these social media tools along with significant interest in the Charity from local and regional papers. A new Communications and Marketing Strategy has since been developed for 2023/2025 with the aim on increasing awareness of ENE and public confidence in it.

In 2022/2023 the Charity's retail activities remained stable with retail sales at £166K which compares to £163K from the previous year. Subsequent to the year- end, ENE began trading from Lucie's Legacy, with early sales being very positive. The ambition for 2024 is to open our first ENE Superstore selling many pre-loved items which has the potential to significantly increase income and change the future landscape for ENE.

Fundraising from external donors is and will remain an integral part of the Charity's activities going forward. For this financial year, £139K was raised in grants and donations and an income. A strategy is in place for 2024 to target additional donations and grants over and above that achieved in 2022/23.

Plans for the Future

The Charity's objective is to expand the number of Companions it can support by increasing accommodation across the North East area as a whole. This exercise started in 2021/2022 with the purchase of two new properties using a high percentage of the charity's reserves. The social enterprises have been extended with the opening of the first superstore, Lucie's Legacy in September 2023 with plans on the horizon to more than double the size of the store in early 2024. This will not only place Emmaus North East in a stronger financial position but is part

of the strategy to help more homeless people, offering them emotional support, work experience, training and a sense of belonging.

There has been a significant change to the staff team in 2023, increasing the skills and experience of the team to ensure that they can rise to the challenges faced and commit to the work ahead.

An income strategy was agreed in 2023 that included increased housing provision, expansion of the business side of the charity and an aim to increase grants and donations to allow us to offer more to more homeless people. This aligns with our vision, mission and values and continues our work to support communities across the North East, with solidarity being of high importance.

The Board met in 2023 to agree the new Strategic Plan for 2023/2025 that is focussed on:

- Companion outcomes
- Being financially secure
- Having a positive influence
- Improving the Organisation.

The strategy is supported by an operational plan and reviewed on a regular basis.

ENE's Social Impact Report highlights the progress Emmaus North East has made against the 17 international Sustainable Development goals and makes reference to the charity's commitment to reducing its environmental impact. This work has recently been expanded in applying for 'Going Green Together' accreditation and measuring standards against the B-Corp framework.

Public benefit statement

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission for England and Wales in exercising their powers or duties.

The objectives of the Charity are the alleviation of homelessness and relief of poverty, hardship and the distress these cause to those in need. Our aims for achieving this are:

- working with Companions to realise their aspirations and potential;
- developing and sustaining our social enterprise to provide work for Companions and an income stream for the Charity;
- demonstrating organisational sustainability;
- demonstrating operational sustainability.

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees:
John Machin (Chair)
Gemma Trainor
Jessica Cook
Debbie Hamilton
Shelley Armstrong
Jake Hanmore
Jonathan Rook (Treasurer)
Key Personnel:

CEO
Ruth Parker (appointed July 2022)

Finance Manager
Sandy Lambrou

Company Secretary
David Knox

Company Registered Number
6820441

Charity Registered Number:
1131408

Registered Office:
Lee Siding
Long Framlington
Morpeth NE65 8JG

Independent Examiners:
Jim Dodds
33 The Glebe
Morpeth, NE61 6HW

Bankers:
HSBC Bank plc
110, Grey Street
Newcastle upon Tyne, NE1 6JG

Emmaus North East (ENE) is a member of the Emmaus Federation in the UK (EUK) and a full member of Emmaus Europe and Emmaus International. ENE is also a full member of the EUK North West partnership; a group of Communities based in North West England who share best practice with each other.

Structure, governance, and management

The Charity is a limited liability company being limited by guarantee and not having a share capital. It was registered in England and Wales under the Companies Act 2006 on 6 February 2009 and its governing documents are its Memorandum and Articles of Association. The Charity was registered as a Charity with the Charity Commission for England and Wales on 27 August 2009.

The Charity is a member of the Emmaus Federation in the UK and a full member of Emmaus International and Emmaus Europe.

Emmaus UK organises and operates two important groups in which the Charity participates. The first group is the "*Chairs Peer Group*". Here, all Chairs of Emmaus communities in the UK can get together in the presence of senior Emmaus UK personnel to discuss issues relating to Emmaus in the UK in general and their own community. The second group is the "*Executive Leads Peer Group*". Here, all Chief Executives of Emmaus communities in the UK can get together in the presence of senior Emmaus UK personnel to discuss issues relating to Emmaus in the UK in general and their own community.

The direction and governance of the Charity is the responsibility of its Board of Trustees who are elected and co-opted under the terms of the Articles of Association. Trustees who served during the period under review are shown on page 1.

The Charity is committed to ensuring a proper balance between paying our staff fairly, so that we attract and retain the best people for the job, and careful management of our Charity funds.

The Board presently operates one additional committee which is a Finance Committee, there are plans to develop other lead groups attached to the new Strategic Plan for 2023/2025.

Recruitment of Trustees

The management of the Charity is the responsibility of the Trustees, who are elected and co-opted under the terms of the Articles of Association.

Trustee nominations either come from other Trustees within the Charity and its supporters or via open advertisement and must be approved by existing Trustees, in accordance with the Articles of Association. When specific skills are required, approaches are made to people with relevant expertise who are sympathetic to the ethos of the Charity. If necessary, a Trustee would be co-opted specifically to cover the requirement function.

Each new Trustee is required to undertake an induction programme which includes briefings on their legal and ethical responsibilities as Trustees, the ethos and values of the Emmaus movement together with the governance, history and operation of ENE. It is intended to introduce annual appraisals of Trustees to measure their collective and individual performance and suitable training is offered in line with the NCVO Code of Governance.

The main Board meets bi-monthly with monthly finance committee meetings. There are standing agenda items on agenda with specific mention to Safeguarding and Health and Safety with additional areas regarding policy reviews and governance.

A plan is in place to carry out a Board effectiveness review, reviewing the skills and expertise of Board members.

Brief Overview.

Income from charitable activities in the period of £112K (2022: £110) was due to generous grants from several institutions, the details of which are shown in the financial statement attached.

The Charity's social enterprises (shops in Low Fell, Hebburn and South Shields), the workshop in South Shields and other activities such as house clearances and On-Line retail achieved combined sales for the year of £166K – an increase of £3K on the sales achieved in 2022. The figure achieved was well below the expected level based on normal trading.

Housing Benefit received in the year was £217K (2022: 170K) This increase was driven by higher Companion numbers residing in the Stanhope Road residence during the year and a new housing benefit settlement agreed with South Tyneside Council.

Overall, for the year, the Charity incurred a deficit of -£127k (2022: -£73K). Of this deficit -£33K (2022: -£48K) came from restricted funds and -£93k (2022: -£25K) from unrestricted funds.

Carried forward reserves of £786K (2022: £913K) is represented by £14k (2022: £47K) of restricted funds and a balance of £772k (2022: £865K) in unrestricted funds, most of which is in relation to the property owned by the Charity.

Capital Expenditure for the year was £1k (2022: £81K), which was funded from the Charity's own resources.

Fixed costs for the year were £651K (2022: 535K) an increase of £116K (22%) over the previous year. Trustees are fully aware of the increasing cost base of the Charity. Expenditure is tightly controlled and monitored. However, the Trustees view the Charity as being in a growth phase where significant investments are required – with the natural outcome of increased fixed costs. It is anticipated fixed costs should stabilise within the next 12 - 18 months.

Reserves policy

The Reserves Policy has been reviewed by the Trustees. The objective of having an operational reserve equivalent to 3 month's operational costs still stands. This means the aim is to have £163K in reserves, currently £18k (2022: 66K) although it will take some time to reach this level on a consistent basis. The Trustees monitor to maintain protection under the FSCS compensation scheme. Reserves will be built up using income achieved from the Charity's trading operations.

Investment policy

The Charity has the power under the Memorandum and Articles of Association to make any investment which the Trustees see fit. Given the level of funds generated to date it is considered appropriate to keep funds in a form that is immediately accessible.

Risk management

The Board of Trustees regularly review the risks the Charity may face and is satisfied that systems are in place to mitigate exposure. However, the Trustees recognise that as the project progresses further factors may arise and will undertake further reviews from time to time. A Strategic Risk Register is in place which is reviewed by the CEO on a monthly basis and presented to the Board, the aim of which is to ensure mitigating action is taken to reduce risks to their lowest possible level. This is further supported by an Operational Risk Register reviewed on a monthly basis.

Principal risks and uncertainties

Short term, the principal risk facing the Charity centres around income. Should our retail outlets fail to develop and grow and should our fund-raising fall below expectation then this will put pressure on the finances of ENE.

Regarding retail, Operational and Finance management closely monitor this on a monthly basis and year-to-date sales through our KUDOS EPOS system which can follow sales on a daily basis from each of our outlets.

Fund raising is closely targeted on funds which will support activities required by the Charity.

A Fundraising Strategy is in place for 2023/2025 with the aim of diversifying income streams to ensure growth and sustainability of ENE.

Going concern

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. The Trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

Trustees' responsibilities

Company and Charity law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Charity and of the incoming reserves and application of reserves, including the income and expenditure of the charitable company for that period.
In preparing financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently,

- 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;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Charity will continue in operation.

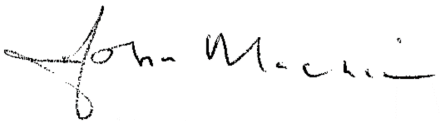
The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets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

Independent Examiner

A resolution regarding the reappointment of Jim Dodds as Independent Examiner will be proposed at the Annual General Meeting.

This report was approved by the Trustees on: 27 February 2024

and signed on their behalf by:



John Machin
Chair of the Board of Trustees

Jonathan Rook
Trustee

EMMAUS NORTH EAST
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
For the year ended 30 June 2023

I report on the financial statements of Emmaus North East for the year ended 30 June 2023, which are set out on pages 19 to 32.

Respective responsibilities of Trustees and Examiner

The Charity's Trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Association of Charity Independent Examiners.

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

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

Basis of independent examiner's statement

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

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Jim Dodds FCIE
33 The Glebe
Morpeth
NE61 6HW

Date: 27 February 2024

EMMAUS NORTH EAST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)
For the year ended 30 June 2023

	Notes	Unrestricted Funds £	Restricted Funds £	**Total 2023 £**	Total 2022 £
Income from:					
Donations and legacies	6	26,196	-	**26,196**	19,230
Charitable activities					
Grants and contracts	7	21,769	90,565	**112,334**	109,842
Other trading activities	8	385,613	-	**385,613**	333,622
Investments	9	356	-	**356**	8
Total income		433,934	90,565	**524,499**	462,702
Expenditure on:					
Raising funds		216,650	34,795	**251,445**	239,411
Charitable activities					
Operation of the charity		310,649	89,132	**399,781**	295,895
Total expenditure		527,299	123,927	**651,226**	535,306
Net income/(expenditure) and net movement of funds		(93,365)	(33,362)	**(126,727)**	(72,604)
Reconciliation of funds					
Total funds brought forward		865,211	47,464	**912,675**	985,279
Total funds carried forward		771,846	14,102	**785,948**	912,675

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 22 to 32 form an integral part of these accounts.

EMMAUS NORTH EAST
(A company limited by guarantee)

Charity Number 1131408
Company Number 06820441

BALANCE SHEET
As at 30 June 2023

	Notes	£	Total 2023 £	£	Total 2022 £
Fixed assets					
Tangible assets	19		955,679		1,001,061
Total fixed assets			**955,679**		**1,001,061**
Current assets					
Debtors	20	26,167		48,794	
Cash at bank and in hand	21	48,495		102,745	
Total current assets		**74,662**		**151,539**	
Creditors: amounts falling due within one year	22	**(42,308)**		**(37,758)**	
Net current assets			**32,354**		**113,781**
Total assets less current liabilities			**988,033**		**1,114,842**
Creditors: amounts falling due after more than one year	23	**(202,085)**		**(202,167)**	
Total net assets or liabilities			**785,948**		**912,675**
Funds of the charity					
Unrestricted income funds			771,846		865,211
Restricted income funds			14,102		47,464
Total funds			**785,948**		**912,675**

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.
The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.
These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 22 to 32 form an integral part of these accounts.

These financial statements were approved by the Board on: 27 February 2024

and are signed on its behalf by: Jonathan Rook FCA
Treasurer

EMMAUS NORTH EAST
(A company limited by guarantee)

Charity Number 1131408
Company Number 06820441

STATEMENT OF CASH FLOWS
For the year ended 30 June 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Net movement in funds		(126,727)	(72,604)
Depreciation		46,191	38,450
Investment income		(356)	(8)
Decrease in trade receivables		22,627	(22,462)
Increase in trade payables		4,550	4,397
Net cash from operating activities		**(53,715)**	**(52,227)**
Cash flow from investing activities			
Purchase of property, plant and equipment		(809)	(81,402)
Sale of property, plant and equipment		-	-
Interest received		356	8
Net cash used in investing activities		**(453)**	**(81,394)**
Cash flow from financing activities			
Increase in long term loan		-	-
Repayment of borrowing		(82)	(13,720)
Net cash used in financing activities		**(82)**	**(13,720)**
Decrease in cash and cash equivalents		**(54,250)**	(147,341)
Cash and cash equivalents at start of year		**102,745**	250,086
Cash and cash equivalents at end of year		**48,495**	**102,745**

The notes on pages 22 to 32 form an integral part of these accounts.

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Emmaus North East meets the definition of a public benefit entity under FRS 102.

2.2 Preparation of the accounts on a going concern basis

The charity reported unrestricted funds at the year end of £771,846, and have already secured a significant amount of funding for the current year. The trustees are of the view that the immediate future of the charity for the next 12 to 18 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability.

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, 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.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

3.4 Donated goods and services

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

3.5 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the Trustees' Annual Report.

3.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

3.7 Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.8 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

3.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of children's and family services and other activities undertaken to further the purposes of the charity and their associated support costs.

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

5 Assets

5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis, the charity does not currently have any tangible fixed

Freehold property	Straight line over 50 years
Property improvements	Straight line over 6 years
Fixtures and fittings	Straight line over 6 years
Motor vehicles	Reducing balance 25% pa

Analysis of income

		Unrestricted Funds £	Restricted Funds £	**Total 2023 £**	Total 2022 £
6	**Donations and legacies**				
	Donations	9,697	-	**9,697**	19,230
	Donations - Emmaus UK	6,497	-	**6,497**	-
	Legacy - Barbara Kitchen	10,002	-	**10,002**	-
		26,196	-	**26,196**	19,230
7	**Charitable activities**				
	Income from grants				
	Bernard Sunley Foundation	-	-	**-**	5,000
	Community Foundation	-	3,000	**3,000**	10,000
	CRASH	-	-	**-**	20,000
	Emmaus UK	8,376	-	**8,376**	-
	HMRC Gift Aid	628	-	**628**	-
	Lloyds Bank Foundation for England & Wales	2,250	25,000	**27,250**	25,000
	Screwfix Foundation	-	-	**-**	5,000
	Sir James Knott Trust	-	10,000	**10,000**	-
	The Barbour Foundation	-	10,000	**10,000**	-
	The Catherine Cookson Charitable Trust	-	-	**-**	5,000
	The Edward Gostling Foundation	-	-	**-**	18,000
	The Joicey Trust	-	3,300	**3,300**	-
	The Rank Foundation	-	15,474	**15,474**	8,350
	The Ridley Family Trust	-	5,000	**5,000**	5,000
	The South Tyneside Know Your Neighbourhood Fund	-	17,891	**17,891**	-
	Other small grants less than £2,000	3,165	900	**4,065**	1,000
	HMRC Job Retention Scheme	-	-	**-**	1,300
	Other income	7,350	-	**7,350**	6,192
		21,769	90,565	**112,334**	109,842
8	**Other trading activities**				
	Charity shop	166,034	-	**166,034**	163,209
	Fundraising	-	-	**-**	126
	Housing benefit	217,469	-	**217,469**	170,287
	Rental income	2,110	-	**2,110**	-
		385,613	-	**385,613**	333,622
9	**Income from investments**				
	Bank interest	356	-	**356**	8
		356	-	**356**	8

Income was £524,499 (2022: £462,720) of which £433,934 was unrestricted or designated (2022: £360,275) and £90,565 was restricted (2022: £102,445).

		Unrestricted Funds £	Restricted Funds £	**Total 2023 £**	Total 2022 £
10	***Raising funds***				
	Incurred seeking grants	6,697	-	**6,697**	2,215
	Charity Shops				
	Staff salaries	73,154	33,015	**106,169**	119,842
	Direct costs	116,064	1,318	**117,382**	100,071
	Cost of sales	5,949	317	**6,266**	6,149
	Support costs	14,786	145	**14,931**	11,134
		216,650	34,795	**251,445**	239,411
11	***Charitable activities***				
	Direct costs				
	Staff salaries	48,382	65,696	**114,078**	83,761
	Staff other costs	3,861	52	**3,913**	3,986
	Volunteer expenses	215	-	**215**	34
	Companion costs	89,237	5,896	**95,133**	71,505
	Adverting and marketing	6,867	169	**7,036**	2,555
	Rent and rates	7,534	1,310	**8,844**	13,545
	Utilities	30,631	57	**30,688**	17,051
	Other establishment costs	1,545	-	**1,545**	5,334
	Repairs and renewals	27,230	3,320	**30,550**	2,969
	Insurance	1,905	47	**1,952**	2,869
	Vehicle costs	5,291	608	**5,899**	3,997
	Professional fees	14,594	7,875	**22,469**	24,808
	Business development	-	-	**-**	6,446
	Small equipment	1,535	2,167	**3,702**	2,002
	Depreciation	46,191	-	**46,191**	38,450
	Bank charges and interest	4,338	-	**4,338**	3,953
	Support costs				
	Office costs	11,604	1,935	**13,539**	7,995
	Subscriptions	6,619	-	**6,619**	2,055
	Governance costs				
	Independent examiner's fees for reporting on the accounts	2,580	-	**2,580**	2,580
	Trustee meeting costs	490	-	**490**	-
		310,649	89,132	**399,781**	295,895

Expenditure on raising funds was £251,445 (2022: £239,411) of which £216,650 was unrestricted or designated (2022: £237,033) and £34,795 was restricted (2022: £2,378).

Expenditure on charitable activities was £399,781 (2022: £295,895) of which £310,649 was unrestricted or designated (2022: £198,118) and £89,132 was restricted (2022: £97,777).

12 **Fees for examination of the accounts**

	2023	2022
	£	£
Independent examiner's fees for reporting on the accounts	**1,290**	1,290
Other accountancy services paid to the examiner	**1,290**	1,290
	2,580	2,580

13 **Analysis of staff costs and the cost of key management personnel**

	2023	2022
	£	£
Salaries and wages	**197,887**	182,376
Social security costs	**18,724**	15,608
Pension costs (defined contribution pension plan)	**3,636**	5,619
	220,247	203,603

No employee received remuneration above £60,000 (2022: nil)

The key management personnel of the charity, comprise the Trustees and the CEO. The total employee benefits of the key management personnel of the charity were £55,625 (2022:£37,958).

14 **Staff numbers**

The average monthly head count was 7 staff (2022: 9 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

The parts of the charity in which the employee's work	**2023** **Number**	2022 Number
Community Operations	**3.5**	5.0
Generation of Funds	**3.0**	3.0
	6.5	8.0

15 **Transactions with Trustees**

None of the Trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

Trustees' expenses

No Trustee expenses have been incurred in the year.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

16 **Defined contribution pension scheme**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £3,636 (2022: £5,619). There was £0 outstanding as at 30 June 2023 (2022: £0).

17 **Corporation 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 objectives.

18 **Volunteer time**

The Charity places a great value on the contributions that volunteers made to the organisation. Over the course of the year, we benefitted greatly not only from the considerable time, energy and expertise given by the Board of Trustees and the companions but other volunteers as well. Companions work for at least 40 hours each week within the Charity's commercial and social enterprises, mainly retail. The average number of companions with the Charity during the year was 15.

Other volunteers spend time on specific projects and events. Volunteers time was donated by 7 individuals during 2022/23 , offering in the region of 4500 hours.

19 **Tangible fixed assets**

	Motor vehicles	Property improvements	Fixtures fittings and equipment	Freehold Property	Total
	£	£	£	£	£
Cost					
Balance brought forward	42,149	96,750	60,064	970,918	**1,169,881**
Additions	-	-	809	-	**809**
Disposals	-	-	-	-	**-**
Balance carried forward	42,149	96,750	60,873	970,918	**1,170,690**
Depreciation					
Basis	RB	SL	SL	SL	
Rate	25%	17%	17%	2%	
Balance brought forward	18,466	24,259	41,189	84,906	**168,820**
Depreciation charge for year	5,921	13,928	6,924	19,418	**46,191**
Disposals	-	-	-	-	**-**
Balance carried forward	24,387	38,187	48,113	104,324	**215,011**
Net book value					
Brought forward	23,683	72,491	18,875	886,012	**1,001,061**
Carried forward	17,762	58,563	12,760	866,594	**955,679**

20 **Debtors and prepayments (receivable within 1 year)**

	2023	2022
	£	£
Trade debtors	**5,641**	9,623
Prepayments	**15,527**	24,636
Other debtors	**4,999**	14,535
	26,167	48,794

21 **Cash at bank and in hand**

	2023	2022
	£	£
Cash at bank and in hand	**48,495**	102,745
	48,495	102,745

22 **Creditors and accruals (payable within 1 year)**

	2023	2022
	£	£
Trade creditors	**10,831**	10,237
Other creditors	**2,372**	2,372
Loan	**26,525**	22,569
Accruals		
Independent examination of accounts	**2,580**	2,580
	42,308	37,758

23 **Creditors and accruals (payable after more than 1 year)**

	2023	2022
	£	£
Long term loan	**202,085**	202,167
	202,085	202,167

The loan is subject to interest at 4% and is secured on the company's property at Stanhope Road. Included within the loan is an amount of £210,000 repayable by instalments over 25 years commencing 30 June 2018 and an amount of £79,093 repayable by instalments over 5 years commencing January 2019.

	2023	2022
	£	£
Between 2 and 5 years	55,230	55,321
After 5 years	146,855	146,846
	202,085	202,167
Within 1 year	**26,525**	22,569
	228,610	224,736

24 **Operating lease commitments**

At 30 June 2022 the charity had annual commitments under non-cancellable operating leases as follows:

Expiry date	**2023** **£**	2022 £
Within one year	**14,250**	14,250
Between one and five years	**42,750**	57,000
Greater than five years	**-**	-
	57,000	71,250

25 **Events after the end of the reporting period**

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

26 **Analysis of charitable funds**

Analysis of movements in unrestricted funds

Unrestricted funds	**Fund balances brought forward** £	**Incoming resources** £	**Resources expended** £	**Transfers** £	**Fund balances carried forward** **£**
General unrestricted fund	865,211	433,934	(527,299)	-	**771,846**
Totals	865,211	433,934	(527,299)	-	**771,846**

Purpose of unrestricted funds

General unrestricted fund	The 'free reserves' of the charity.

26 **Analysis of charitable funds** continued

Analysis of movement in restricted funds

Restricted funds	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Clarion Riverside	1,397	-	(1,397)	-	**-**
Community Foundation	-	3,000	(3,000)	-	**-**
Lloyds Bank Foundation for England & Wales	-	25,000	(25,000)	-	**-**
Reaching Communities	28,067	-	(28,067)	-	**-**
Sir James Knott Trust	-	10,000	(10,000)	-	**-**
The Barbour Foundation	-	10,000	(10,000)	-	**-**
The Joicey Trust	-	3,300	(3,300)	-	**-**
The Edward Gostling Foundation	18,000	-	(17,922)	-	**78**
The Rank Foundation	-	15,474	(7,206)	-	**8,268**
The Ridley Family Trust	-	5,000	(5,000)	-	**-**
The South Tyneside Know Your Neighbourhood Fund	-	17,891	(13,035)	-	**4,856**
Other small grants less than £2,000	-	900	-	-	**900**
Totals	47,464	90,565	(123,927)	-	**14,102**

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Clarion Riverside	Contribution to operating and running a foodbank.
Community Foundation	Furniture for new residence for companions.
Lloyds Bank Foundation for England & Wales	Contribution towards the Community Managers salary.
Reaching Communities	Project workers salaries.
Sir James Knott Trust	“Revive and Thrive” project to support companions with their mental health and wellbeing following the detrimental impacts of the pandemic.
The Barbour Foundation	Core funding : salaries, training, programme costs, office costs, repairs and maintenance, rent, legal and professional and/or governance.
The Joicey Trust	“Revive and Thrive” project to support companions with their mental health and wellbeing following the detrimental impacts of the pandemic.
The Edward Gostling Foundation	Revive and Thrive programme costs.
The Rank Foundation	Contribution to salary Costs for the Marketing Officer.
The Ridley Family Trust	Refurbishment of two companion flats.

26 **Analysis of charitable funds** continued

Purpose of restricted funds continued

The South Tyneside Know Your Neighbourhood Fund	The "Community Activator" initiative is a multifaceted community project designed to enhance collaboration between companions and the South Tyneside community. Its primary goals are to provide peer-to-peer support, foster skill development, and mitigate chronic loneliness and social isolation.

27 **Analysis of net assets between funds**

	Unrestricted Funds £	Restricted Funds £	**Total 2023 £**	Total 2022 £
Tangible fixed assets	955,679	-	**955,679**	1,001,061
Cash at bank and in hand	34,393	14,102	**48,495**	102,745
Other net current assets/(liabilities)	(16,141)	-	**(16,141)**	11,036
Long term assets/(liabilities)	(202,085)	-	**(202,085)**	(202,167)
	771,846	14,102	**785,948**	912,675

EMMAUS NORTH EAST

England & Wales - Charity number 1131408

Accounts

EMMAUS NORTH EAST

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2022

Charity Number 1131408
Company Number 06820441

The Trustees, who are also the directors of the Charity for the purposes of the Companies Act, submit their report and financial statements of Emmaus North East (ENE; the Charity) for the year ended 30 June 2022. The financial statements comply with the Charities Act 2011, the companies Act 2006, the Memorandum and Articles of Association and the requirements of Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable to the United Kingdom (FRS102).

Policies and Objectives

In setting the Charity's objectives, plans and activities, the Trustees have given due consideration to guidance published by the Charity Commission relating to public benefit and to its supplementary public benefit guidance.

The **medium - long-term objectives** for the Charity are:

1. To ensure that the social enterprises are self-sufficient, whereby the income generated from their activities cover all their operating expenses
2. To agree an income strategy to allow growth and sustainability
3. To increase the size of its community facilities and Companion numbers, either by development of a further residence or the acquisition of "*move on*" flats for companions who are transitioning between residing in the community and independent living in their own accommodation
4. To improve the opportunities for Companions to "move on" from ENE and gain worthwhile employment in the outside world, extending their work experience and training opportunities available to them
5. To have ENE recognised as a major charity in the North East of England, influencing positive change for those who have suffered or are suffering from homelessness.

The Charity's **short-term objectives** are to:

1. expand its retail operations, introducing a new Superstore and expanding On-Line sales
2. Develop a profitable social enterprise workshop where furniture and other wood-based items are manufactured or upcycled and sold in the retail outlets and online
3. Find and develop other social enterprise income streams and additional projects
4. Improve the training and development pathways ENE offers to its Companions.
5. Develop the brand image and awareness of ENE in North East England and beyond
6. Develop the experience and skills of the staff team with an aim of introducing some new specialist roles

Once its objectives are achieved, the Charity will be in a strong position to support and fully contribute to the ethos and values of the Emmaus movement.

About Emmaus

Emmaus is a homelessness charity with a difference. Emmaus does not just give people a bed for the night; it offers 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. Being on your own can be soul destroying, leaving you feeling worthless. Emmaus is different because it provides a home for as long as someone needs it; in an Emmaus community. This gives Companions, as we call our residents, the opportunity to take stock of their lives, deal with any issues they might have, and often re-establish relationships with loved ones.

The overall Emmaus Movement (including Emmaus International).

The Emmaus movement and its 425 member organisations in Europe, Africa, Asia, and the Americas continue to engage at a local level with people who have experienced social exclusion to access their fundamental rights and, through their collective action, demonstrate there are credible alternatives to injustice.

Emmaus in the UK.

The first UK Emmaus Community was established in 1992. Today 29 Emmaus communities are operational, with others in the course of development.

An Emmaus UK Community offers homeless people a chance to regain their self-respect through living and working in a supportive environment which combines residential accommodation with self-supporting social enterprises. These enterprises, mainly retail, are based largely on the collection and sale of donated goods as well as refurbishment and recycling of various goods and scrap materials in line with the principles of a circular, low waste economy.

Additionally, Emmaus Communities work with a “solidarity concept” whereby they help sister Communities by donating goods for sale in their retail outlets and financial support if needed.

Each Emmaus Community in the UK whilst being an independent legal entity commits to follow the values and ethos of the Emmaus movement as a whole.

Emmaus UK (EUK).

Emmaus UK is the federal body for Emmaus in the UK. Each member of Emmaus UK - either a community or group - is an independent charity, governed by a local board of trustees.

The Federation also offers fundraising and publicity support and provides grants and loans to enable further development of existing Emmaus communities and groups, and the expansion of Emmaus in the UK.

Emmaus North East (ENE).

Established thirteen years ago, ENE is a legally independent charity based in South Tyneside in North East England. It focuses upon providing support to homeless people and works within the Emmaus movement’s ethos and values. ENE is a member of the EUK Federation and Emmaus International movement.

ENE aims to combat homelessness. It provides people with a home, work and encourages solidarity with others in a similar position. It gives Companions a choice and a chance. It welcomes people from all backgrounds and all causes of homelessness. ENE is supported by a wide range of funders and partners who provide both financial and in-kind support. This funding both supports the community and helps the ENE social enterprises grow and thrive.

ENE's vision is *"to help create a North East England where homelessness and hopelessness have been abolished"*.

ENE's mission is *"to enable homeless people in the North East rebuild their lives through social enterprises which also involve and enrich the local community*".

The core values of the charity are:

Value and **respect** every person, opposing injustice.
Be **transparent** and **honest** in all our dealings.
Demonstrate **solidarity** and support for those in need.
Create an environment of **empowerment.**
Share and exchange resources, skills and learning.
Support and foster **interdependence** and **independence.**
Work to love and give.

ENE's operations are centred around its community residences at 253, 255 and 257 Stanhope Road, South Shields. Since the last Trustees Annual Report for the year ending 30th June 2021, the capacity of the community has expanded and we are now able to offer accommodation to 21 Companions in comparison to 15 in 2021. This has been celebrated as a main success, not only internally but in relation to public safety.

The Charity provides safe accommodation, meaningful work and peer and pastoral support to its Companions. This way of working means Companions are able to recover their confidence and self-respect and make a fresh start to rebuild their lives. ENE tries to ensure all Companions are able to move onto independent living and employment when they are ready, but there is no time limit for this and Companions are welcome to stay in the community for as long as they like and need.

ENE focuses upon its Companions and seeks to ensure they have a consistent core offer outlining the mutual expectations of both ENE and themselves. All Companions are enabled and encouraged to participate fully in ENE and its activities.

There are three critical features of ENE that make it different to some of the other support offered to homeless people:

ENE provides a home – Companions have a room to call their own and a place to call home alongside other people who understand their situation. The house has clear rules, meaning it provides a safe and secure environment for everyone; Safeguarding is of highest priority.

ENE gives people focus, meaning and structure – Companions work a 40-hour week at ENE. This provides them with structure and a focus for each day and productive activity to engage with.

ENE judges people on today's actions not yesterday's – Companions have the opportunity to change and are given the chance to change. Emmaus North East will not work for everyone, but everyone is given a chance.

Emmaus North East has three strands of delivery:

- *Home – providing up to 21 Companions with community living at its South Shields residences.*
- *Work – all Companions work in the Charity's businesses and social enterprises. The Social Enterprises provide Companions with a structure and routine.*
- *Solidarity – ensuring all work provides opportunities for Companions to feel part of groups and to feel like they are part of something bigger.*

In terms of its social enterprises, ENE operates three (3) retail outlets in various areas of the North East (Low Fell, South Shields and Hebburn), a fully equipped workshop in South Shields where furniture is upcycled and restored and various items made from wood are designed and produced. We also have a house clearing service and an on-line retail business. Further plans are in place for 2023 to develop Lucie's Laundry and warm space; and a community garden.

Emmaus North East (ENE) - Review of achievements and performance in 2021 / 2022.

Brief Overview

- *The community residence at 257 Stanhope Road has been near to full capacity this financiall year.*
- *The two new properties at 253 and 255 Stanhope Road have been refurbished and have almost been fully occupied since.*
- *ENE has recruited another 2 former Companions into full time paid roles. This now means that the staff team has 4 former Companions. This is something the Board and staff are really proud of and demonstrates a high level of success in tailored support offered to those who have suffered from homelessness.*
- *ENE's financial position remained satisfactory despite the challenges presented post COVID.*
- *Although the community residence has had several outbreaks of COVID, the situations have been well managed and all companions are well*
- *We have managed to attract new funders who are supporting ENE and our work*
- *Registered 100% of Companions with a GP*
- *Supported over 100 Companions*
- *98% of Companions have a bank account and a form of ID*
- *A Companion has received a Commendation from Northumbria police for an act of bravery, demonstrating ENE's commitment to the community*
- *Progressed 7 former Companions into employment and 10 into move on accommodation*

Annual Report

During the period under review the Charity has succeeded in further consolidating and developing its Community in the North East and building its social enterprises. The refurbishment of the two new properties has allowed us to extend the Companion numbers to 21 which is a great achievement and demonstrates ENE's commitment to supporting those suffering from homelessness. This was a main part of the 5-year plan which we are proud of, although the ambition is to continue to grow those numbers.

The support provided by EUK is appreciated and demonstrates the benefit of being part of this federation. We continue to work in partnership with EUK and other Emmaus's, sharing best practice and committing to various national strategic groups.

In 2020 and 2021, the pandemic continued to impact significantly on the charity with various periods of lockdown and closure of the community and social enterprises. The support given by the UK government helped the position and we are grateful to the funders who have recognised the importance of our work and the help required for those who are homeless and vulnerable as a result.

We are now in a post lockdown period which has set a new set of issues to overcome with the 'cost of living' crisis and a greater need than ever to support those suffering from poverty and deprivation. This includes the increased costs for the charity in maintaining the community accommodation and utilities.

The primary beneficiaries of the work of ENE are its Companions who live in the community and work in the enterprises ENE operates. ENE, however, also supports a much broader range of people. These include volunteers, who help the running of the shops and workshop, and the wider community, who are supported through other activities.

Demand for the services and opportunities provided by the ENE offer remains strong. The Charity also recognises that growing its community means commensurately growing the range of businesses on offer to provide a sustainable income stream and to offer a range of opportunities for Companions.

A further key progress point has been the Charity's ability to offer Companions progression into paid roles in its organisation. Presently ENE employs five (5) ex-companions in full time roles.

Homelessness can happen to anyone, and the variety of reasons for which people find themselves homeless are wide and varied. This inevitably means the outcomes people experience will also vary. Outcomes for the Companions are of highest priority and that is why we have developed a new Performance Management Framework with a set of high level and supporting Key Performance Indicators. Here is some of the feedback we have received:

"Since moving into Emmaus North East, I have discovered myself. My confidence has really grown and I've done things I never thought I could do. Never in a million years did I think I could work in a shop, never mind run one."

Erin, who is originally from Leeds found herself homeless after losing her job and falling behind on the rent. Her story is one of resilience and determination and she's now in a paid position training to be a support worker at Emmaus North East.

“I became homeless after losing my job and getting in arrears with rent payments. I sofa-surfed for a while and then went to live with my brother. It didn’t work out as we began to argue so I found myself needing a place to stay again. Living at Emmaus doesn’t feel like a hostel, it feels like a community, and everyone is so lovely and welcoming and that’s always a bonus. It’s easy to fit in and get on with it.”

“We had the team from Emmaus to clear my dad’s house last week. They were prompt, polite and extremely efficient. They worked through the house methodically, moving everything with care. I wouldn’t hesitate to recommend them. Many thanks to Lewis and team for an excellent job. "

"Swift, economic removal of unwanted stuff that helps a charity. What's not to like! "

Emmaus North East often provides opportunities to people that other organisations are reluctant to work with. This includes people who have a wide variety of issues and needs. But the complexity of people looking for places is increasing and there is a need to be realistic about the support that Emmaus North East can offer. Another issue recognised by partners and staff is the number of Companions presenting with more complex mental health issues, some may be connected to the pandemic and the delays within the medical system to address these. This is the reason why numerous and timely pathways of support are being developed and will form part of our future plans.

Everyone who lands at an Emmaus is on a journey. The reality for people struggling with addiction, mental illness of childhood trauma is this is rarely a straightforward journey. At ENE we support people who are determined to change but will often experience setbacks along the way. Not every person we support has a happy ending and not everyone succeeds on their first, second or third encounter with an Emmaus. But our ethos is to only judge in the present time and to give people periods of their live where they can experience meaning, purpose and hope.

The impact of ENE and the support offered is measured using an outcome model. On arrival within the community, Companions will agree an individual support plan and will have regular sessions of support, the timing of each based on their needs. They are registered immediately with a GP and referred to appropriate support where this cannot be provided ‘in house’. The Companions progress and wellbeing is assessed in many areas, self-esteem, confidence, employability, mental health, financial management and readiness to move on. Progress is assessed carefully and the results of these assessments used to guide future improvements and changes to the pathway of care and support.

Progressions are a key part of ENE and for many the progression involves securing their own tenancy. ENE does not have a time limit on how long someone can stay, and the turnover of Companions depends on many factors. The Charity works with a wide range of partners to promote its activities and to reach the people who will benefit most from its work.

Volunteers and Companions also come to us from a wide variety of sources including their own recognition that it is time for a change.

ENE is pleased to report that its partnerships further developed over the year and these partnerships became a key part of the work the Charity’s operation.

The Charity has a wide range of partners who contribute to different elements of ENE.

Referral Partners

Our referral partners work with us regarding referring people to become Companions or volunteers in the Charity. Our partners in this area include;

- DWP for referrals on work placements through the local job centres as the Charity is able to offer volunteer placements in its workshop and other enterprises. This allows both the recruitment of a large pool of volunteers to support our enterprises and helps people back into work;
- The Probation service. ENE works closely with the Probation Service providers in the local area. They are an increasingly valuable source of referrals for volunteers for our shops and other enterprises. The Charity has had considerable success retaining volunteers who have been referred through the probation service;
- Prisons – ENE works closely with HMP Northumberland to advertise the opportunity for both Companions and volunteers as people are approaching the end of their sentences;
- South Tyneside Homes;
- Humankind;
- Shelter;
- Blissability;
- Police;
- Oasis;
- SSAFA (Soldiers' Sailors' & Airmen's Family Association); and
- Crisis

Fund Providers

The Charity was also supported by many companies who gave grants to ENE during the year and, also many private individuals. Major fund providers during the year were;

Lloyds Bank Foundation for England and Wales;

CRASH;

The Edward Gostling Foundation;

Community Foundation;

The Rank Foundation;

The Ridley Family Trust;

The Catherine Cookson Charitable Trust;

Bernard Sunley Foundation; and

Screwfix Foundation

In terms of marketing and communication ENE has an active Twitter account where the Charity posts about its work and thank the many generous donations we receive from the

wider community. ENE's Facebook page allows the showcasing some of the products we create in the workshop. The ENE website provides a focus for all of the Charity's work and key announcements. This year the Charity saw a significant increase in usage of these social media tools along with significant interest in the Charity from local and regional papers. A new Communications and Marketing Strategy has since been developed for 2023/2025 with the aim on increasing awareness of ENE and public confidence in it.

In 2021/2022 the Charity's retail activities remained stable with retail sales at £163K which compares to £157K from the previous year. The ambition within 2023 is to open our first ENE Superstore selling many pre-loved items. This has the potential to significantly increase income and change the future landscape for ENE.

Fundraising from external donors is and will remain an integral part of the Charity's activities going forward. For this financial year, £130K was raised in grants and donations and an income strategy has been agreed for 2023 with a target for additional income being at least £189K.

Chairs Statement – John Machin

The last 12 months or so have been the most challenging for ENE since it opened its Stanhope Road residence in 2017. The pandemic and its aftermath combined with exceptional organisational challenges due to senior staff retiring on health grounds or leaving ENE to pursue new opportunities, put immense stresses and strains on the Charity.

As I write this at the end of 2022, I am pleased to report that the difficult days of the past seem behind us, and ENE is again well positioned to continue its growth and development is 2023. This means we will be able to give even better support and care to the people who need our services.

We came through the challenging last 12 months due to the extraordinary efforts of our remaining staff, trustees and volunteers combined with the strong support and understanding of our Companions, who fully contributed to ensuring ENE overcame all the issues it was facing. Tribute must also be paid to Emmaus UK whose support through advice and resources was also critical and allowed ENE to operate efficiently and safely during the most challenging of times. Finally, I must also thank all our funders and those people and organisations who donated either cash, services, or goods to Emmaus North East – without you, it would not be possible to operate our Charity and help the people that we do.

ENE now has a new organisation in place, with further additions to come. The Charity is led by its excellent new CEO (Ruth Parker) who joined us in July 2022. Ruth's efforts over the last six months have been extraordinary and we all look forward to a positive future as Ruth continues her drive to develop ENE in all areas of its operations.

The highlight of the past year was the increase in the capacity of our Stanhope Road residence. We are now able to house, help and support 20 Companions – up from its previous limit of 15 Companions.

ENE has redefined its strategy for the future and is starting to implement its vision and mission through many operational initiatives. Gaining financial security is foremost amongst our strategic objectives along with improving the outcomes and experiences of the

Companions we support. Improving our organisation and way of working through being more efficient and raising our profile in the North East are also key objectives.

The year ahead will continue to be challenging, but I am convinced that ENE will rise to the challenges and work hard to ensure that we continue to help the people most in need of our support.

John Machin
Chair of Board of Trustees
Emmaus North East

CEO's Statement – Ruth Parker

Chief Executive Officer

I am delighted to have joined Emmaus NE in July 2022 as the charity's new CEO. This is also the year that the charity celebrates its 10th anniversary of operating a social enterprise and so much has been achieved within this period. This started with our first retail shop in Low Fell, then the opening of our first community home at Stanhope Road in South Shields, the launch of our carpentry workshop and additional retail outlets in Hebburn and South Shields and a further building block was the purchase of two further properties in 2020. Although the charity was impacted by the pandemic, we remain in a strong position to move forward with an ambition for growth in the post pandemic period.

We will continue to create a North East England where homeless people are supported by us to rebuild their lives through training and our social enterprises, making sure that we are an integral part of the local community. Companion wellbeing and confidence will remain at the heart of what we do and we will strive to continue to help more and more people.

None of this would have been achieved without the support of the Board of Trustees who continue to scrutinise our work, the staff and Companions for their hard work and determination and to the volunteers and doners for giving up their free time and money to help us support more and more formerly homeless people. We really value our customers for continuing to visit and use our social enterprises. The appreciation is also extended to the Emmaus UK Federation for their continued partnership work.

I am looking forward to 2023 where we will continue to make our vision a reality.

With best wishes
Ruth

RUTH PARKER
CEO

Public benefit statement

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission for England and Wales in exercising their powers or duties.

The objectives of the Charity are the alleviation of homelessness and relief of poverty, hardship and the distress these cause to those in need. Our aims for achieving this are:

- working with Companions to realise their aspirations and potential
- developing and sustaining our social enterprise to provide work for Companions and an income stream for the Charity.
- demonstrating organisational sustainability
- demonstrating operational sustainability.

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees:
Peter Churchill (resigned 17 February 2022)
John Machin (Chair)
Donald Pinchbeck (resigned 19 May 2022)
Julian Wenman (resigned 31 May 2022)
Gemma Trainor
Siamak Kaikavoosi (resigned 26 November 2021).
Jessica Cook
Debbie Harrison
Shelley Armstrong
Jake Hanmore (appointed 24 August 2021).
Jonathan Rook (Treasurer) (appointed 5 October 2021)

Key Personnel:

CEO
Ruth Parker (appointed July 2022)

Acting General Manager
Andrew Wisbach (resigned May 2022

Finance Manager
Sandy Lambrou

Company Secretary
Northern Impact Legal Ltd (pro bono)

Company Registered Number
6820441

Charity Registered Number:
1131408

Registered Office:
Lee Siding
Long Framlington
Morpeth NE65 8JG

Independent Examiners:
Jim Dodds
33 The Glebe
Stannington
Northumberland
NE61 6HW

Bankers:
HSBC Bank plc

110, Grey Street
Newcastle upon Tyne,
NE1 6JG

Emmaus North East (ENE) is a member of the Emmaus Federation in the UK (EUK) and a full member of Emmaus Europe and Emmaus International. ENE is also a full member of the EUK North West partnership; a group of Communities based in North West England who share best practice with each other.

Structure, governance, and management

The Charity is a limited liability company being limited by guarantee and not having a share capital. It was registered in England and Wales under the Companies Act 2006 on 6 February 2009 and its governing documents are its Memorandum and Articles of Association. The Charity was registered as a Charity with the Charity Commission for England and Wales on 27 August 2009.

The Charity is a member of the Emmaus Federation in the UK and a full member of Emmaus International and Emmaus Europe.

The Charity is also a member of the North West Partnership of Emmaus Communities. This organisation, centred on Emmaus communities in the North of England, meets regularly to discuss common issues and share best practice.

Emmaus UK organises and operates two important groups in which the Charity participates. The first group is the "*Chairs Peer Group*". Here, all Chairs of Emmaus communities in the UK can get together in the presence of senior Emmaus UK personnel to discuss issues

relating to Emmaus in the UK in general and their own community. The second group is the "*Executive Leads Peer Group*". Here, all chief executives of Emmaus communities in the UK can get together in the presence of senior Emmaus UK personnel to discuss issues relating to Emmaus in the UK in general and their own community.

The direction and governance of the Charity is the responsibility of its Board of Trustees who are elected and co-opted under the terms of the Articles of Association. Trustees who served during the period under review are shown on page 1.

The Charity is committed to ensuring a proper balance between paying our staff fairly, so that we attract and retain the best people for the job, and careful management of our Charity funds.

The Board presently operates one additional committee which is a Finance Committee, there are plans to develop other lead groups attached to the new Strategic Plan for 2023/2025.

Recruitment of Trustees

The management of the Charity is the responsibility of the Trustees, who are elected and co-opted under the terms of the Articles of Association.

Trustee nominations either come from other Trustees within the Charity and its supporters or via open advertisement and must be approved by existing Trustees, in accordance with the Articles of Association. When specific skills are required, approaches are made to people with relevant expertise who are sympathetic to the ethos of the Charity. If necessary, a Trustee would be co-opted specifically to cover the requirement function.

Each new Trustee is required to undertake an induction programme which includes briefings on their legal and ethical responsibilities as Trustees, the ethos and values of the Emmaus movement together with the governance, history and operation of ENE. It is intended to introduce annual appraisals of Trustees to measure their collective and individual performance and suitable training is offered in line with the NCVO Code of Governance.

The main Board meets each calendar month although this is changing to bi-monthly from February 2023. The Board has agreed a 'Forward Look' for the next 12 months, ensuring that there are standing agenda items with specific mention to Safeguarding and Health and Safety with additional areas regarding policy reviews and governance.

A plan is in place to carry out a Board effectiveness review, reviewing the skills and expertise of Board members.

Financial review

Brief Overview.

Income from charitable activities in the period of £110K (£336K, 2020/2021) was due to generous grants from several institutions, the details of which are shown in the financial statement attached.

The Charity's social enterprises (shops in Low Fell, Hebburn and South Shields), the workshop in South Shields and other activities such as house clearances and On-Line retail achieved combined sales for the year of £163K – an increase of £6K on the sales achieved in 2020/ 2021. Whilst it was pleasing to see an increase, this was mainly due to fewer lockdowns and shop closures. The figure achieved was well below the expected level based on normal trading.

Housing Benefit received in the year was £170K compared to £146K in 2020/2021 This increase was driven by higher Companion numbers residing in the Stanhope Road residence during the year and a new housing benefit settlement agreed with South Tyneside Council.

Overall, for the year, the Charity incurred a deficit of £73K compared to 2020/2021 when a surplus of £109K was recorded. Of this 2021/2022 deficit £48K came from restricted funds and £25K from unrestricted funds.

Carried forward reserves of £913K (£985K, 2020/2021) is represented by £47K of restricted funds (£95K, 2020/2021) and a balance of £865K (£890K, 2020/2021) in unrestricted funds, most of which is in relation to the property owned by the Charity.

It is the Trustees' policy to try to hold a minimum of three months' expenditure in reserve.

Capital Expenditure for the year was £81K, of which £50K was funded by grants and £31K was funded from the Charity's own resources. Capital Expenditure in 2020/2021 was £197K.

Fixed costs for the year were £535K a decrease of £18K (3%) over the previous year. Trustees are fully aware of the increasing cost base of the Charity. Expenditure is tightly controlled and monitored. However, the Trustees view the Charity as being in a growth phase where significant investments are required – with the natural outcome of increased fixed costs. It is anticipated fixed costs should stabilise within the next 12 - 18 months.

Reserves policy

The Reserves Policy has been reviewed by the Trustees. The objective of having an operational reserve equivalent to 3 month's operational costs still stands. This means the aim is to have £140K in reserves, (currently 66K) although it will take some time to reach this level on a consistent basis. Reserves will be built up using income achieved from the Charity's trading operations.

Investment policy

The Charity has the power under the Memorandum and Articles of Association to make any investment which the Trustees see fit. Given the level of funds generated to date and the early stage of the Charity's project to establish an Emmaus Community, it is considered appropriate to keep funds in a form that is immediately accessible.

Risk management

The Board of Trustees regularly review the risks the Charity may face and is satisfied that systems are in place to mitigate exposure. However, the Trustees recognise that as the project progresses further factors may arise and will undertake further reviews from time to time. A Strategic Risk Register is in place which is reviewed by the CEO on a monthly basis and presented to the Board, the aim of which is to ensure mitigating action is taken to reduce risks to their lowest possible level. This is further supported by an Operational Risk Register reviewed on a monthly basis.

Principal risks and uncertainties

Short term, the principal risk facing the Charity centres around income. Should our retail outlets fail to develop and grow and should our fund-raising fall below expectation then this will put pressure on the finances of ENE.

Regarding retail, Operational and Finance management closely monitor this on a monthly basis and year-to-date sales through our KUDOS EPOS system which can follow sales on a daily basis from each of our outlets.

Fund raising is closely targeted on funds which will support activities required by the Charity.

A Fundraising Strategy is in place for 2023/2025 with the aim of diversifying income streams to ensure growth and sustainability of ENE.

Going concern

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cashflows. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

Plans for the Future

The Charity’s primary objective is for the social enterprises to be self-sufficient which will allow scope to ceaselessly work on the Charity’s mission with regarding homelessness and giving Companions work, training and a sense of belonging; the opportunity to contribute.

Self-sufficiency will come from expanding the Charity’s retail activities and opening a larger Superstore. The Board have also agreed that an income strategy is necessary to support the work of ENE with an aim of offering more to more people, influencing the community around us.

Trustees' responsibilities

Company and Charity law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Charity and of the incoming reserves and application of reserves, including the income and expenditure of the charitable company for that period. In preparing financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently,
- 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;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which 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 detection and prevention of fraud and other irregularities.

Independent Examiner

A resolution regarding the reappointment of Jim Dodds as Independent Examiner will be proposed at the Annual General Meeting.

This report was approved by the Trustees on: 14 March 2023

and signed on their behalf by:

John Machin

John Machin (Apr 14, 2023 13:43 GMT+1)

Jonathan Rook (Apr 14, 2023 13:45 GMT+1)

John Machin PhD
Chair of the Board of Trustees

Jonathan Rook FCA
Trustee

EMMAUS NORTH EAST
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
For the year ended 30 June 2022

I report on the financial statements of Emmaus North East for the year ended 30 June 2022, which are set out on pages 17 to 30.

Respective responsibilities of Trustees and Examiner

The Charity's Trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Association of Charity Independent Examiners.

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

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

Basis of independent examiner's statement

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

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Jim Dodds FCIE
33 The Glebe
Stannington
Northumberland
NE61 6HW

Jim Dodds (Apr 17, 2023 13:55 GMT+1)

Date: 14 March 2023

EMMAUS NORTH EAST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)
For the year ended 30 June 2022

	Notes	Unrestricted Funds £	Restricted Funds £	**Total 2022 £**	Total 2021 £
Income from:					
Donations and legacies	6	18,955	275	**19,230**	23,347
Charitable activities					
Grants and contracts	7	7,672	102,170	**109,842**	336,492
Other trading activities	8	333,622	-	**333,622**	302,940
Investments	9	8	-	**8**	22
Total income		360,257	102,445	**462,702**	662,801
Expenditure on:					
Raising funds		239,412	2,378	**241,790**	267,093
Charitable activities					
Operation of the charity		195,739	97,777	**293,516**	286,383
Total expenditure		435,151	100,155	**535,306**	553,476
Net income/(expenditure)		(74,894)	2,290	**(72,604)**	109,325
Transfers between funds		50,000	(50,000)	**-**	-
Net movement of funds		(24,894)	(47,710)	**(72,604)**	109,325
Reconciliation of funds					
Total funds brought forward		890,105	95,174	**985,279**	875,954
Total funds carried forward		865,211	47,464	**912,675**	985,279

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 20 to 30 form an integral part of these accounts.

EMMAUS NORTH EAST
(A company limited by guarantee)

Charity Number 1131408
Company Number 06820441

BALANCE SHEET
As at 30 June 2022

	Notes	£	Total 2022 £	£	Total 2021 £
Fixed assets					
Tangible assets	18		1,001,061		958,109
Total fixed assets			**1,001,061**		**958,109**
Current assets					
Debtors	19	48,794		26,332	
Cash at bank and in hand	20	102,745		250,086	
Total current assets		**151,539**		**276,418**	
Creditors: amounts falling due within one year	21	**(37,758)**		**(33,361)**	
Net current assets			**113,781**		**243,057**
Total assets less current liabilities			**1,114,842**		**1,201,166**
Creditors: amounts falling due after more than one year	23	**(202,167)**		**(215,887)**	
Total net assets or liabilities			**912,675**		**985,279**
Funds of the charity					
Unrestricted income funds			865,211		890,105
Restricted income funds			47,464		95,174
Total funds			**912,675**		**985,279**

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.
The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.
These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 20 to 30 form an integral part of these accounts.

These financial statements were approved by the Board on: 14 March 2023

and are signed on its behalf by: Jonathan Rook FCA
Treasurer

Jonathan Rook (Apr 14, 2023 13:45 GMT+1)

EMMAUS NORTH EAST
(A company limited by guarantee)

Charity Number 1131408
Company Number 06820441

STATEMENT OF CASH FLOWS
For the year ended 30 June 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Net movement in funds		(72,604)	109,325
Depreciation		38,450	27,383
Investment income		(8)	(22)
Increase in trade receivables		(22,462)	(17,975)
Increase in trade payables		4,397	9,210
Net cash from operating activities		**(52,227)**	**127,921**
Cash flow from investing activities			
Purchase of property, plant and equipment		(81,402)	(197,397)
Sale of property, plant and equipment		-	5,700
Interest received		8	22
Net cash used in investing activities		**(81,394)**	**(191,675)**
Cash flow from financing activities			
Increase in long term loan		-	-
Repayment of borrowing		(13,720)	(26,773)
Net cash used in financing activities		**(13,720)**	**(26,773)**
Decrease in cash and cash equivalents		**(147,341)**	(90,527)
Cash and cash equivalents at start of year		**250,086**	340,613
Cash and cash equivalents at end of year		**102,745**	**250,086**

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Emmaus North East meets the definition of a public benefit entity under FRS 102.

2.2 Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. In response to the COVID-19 pandemic and its aftermath, the Trustees have revised their forecasts to take into account measures that they can take with the current resources available to mitigate the impact of the current adverse conditions. The Trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability.

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, 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.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

3.4 **Donated goods and services**

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

3.5 **Volunteer help**

The value of volunteer help received is not included in the accounts but is described in the Trustees' Annual Report.

3.6 **Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

3.7 **Income from membership subscriptions**

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.8 **Investment gains and losses**

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

3.9 **Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

4 **Expenditure and liabilities**

4.1 **Liability recognition**

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of children's and family services and other activities undertaken to further the purposes of the charity and their associated support costs.

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

5 Assets

5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis, the charity does not currently have any tangible fixed

Freehold property	Straight line over 50 years
Property improvements	Straight line over 6 years
Fixtures and fittings	Straight line over 6 years
Motor vehicles	Reducing balance 25% pa

Analysis of income

		Unrestricted Funds	Restricted Funds	**Total 2022**	Total 2021
6	**Donations and legacies**	£	£	**£**	£
	Donations	18,955	275	**19,230**	23,347
		18,955	275	**19,230**	23,347
7	**Charitable activities**				
	Income from grants				
	B&Q Foundation	-	-	**-**	5,000
	Bernard Sunley Foundation	-	5,000	**5,000**	-
	Community Foundation	-	10,000	**10,000**	-
	CRASH	-	20,000	**20,000**	-
	Emmaus UK	-	-	**-**	100,000
	Freemasons (Emmaus UK)	-	-	**-**	10,000
	Government support Covid-19	-	-	**-**	43,340
	Lloyds Bank Foundation for England & Wales	-	25,000	**25,000**	33,000
	Reaching Communities England	-	-	**-**	53,000
	Screwfix Foundation	-	5,000	**5,000**	-
	The Catherine Cookson Charitable Trust	-	5,000	**5,000**	-
	The Edward Gostling Foundation	-	18,000	**18,000**	-
	The Rank Foundation	-	8,350	**8,350**	35,195
	The Ridley Family Trust	-	5,000	**5,000**	-
	Other small grants less than £2,000	180	820	**1,000**	6,225
	HMRC Job Retention Scheme	1,300	-	**1,300**	45,905
	Other income	6,192	-	**6,192**	4,827
		7,672	102,170	**109,842**	336,492
8	**Other trading activities**				
	Charity shop	163,209	-	**163,209**	157,122
	Fundraising	126	-	**126**	199
	Housing benefit	170,287	-	**170,287**	145,619
		333,622	-	**333,622**	302,940
9	**Income from investments**				
	Bank interest	8	-	**8**	22
		8	-	**8**	22

Income was £462,702 (2021: £662,803) of which £360,257 was unrestricted or designated (2021: £431,255) and £102,445 was restricted (2021: £231,548).

Analysis of expenditure on charitable activities

10 ***Analysis of expenditure by activities***

	Direct Staff Costs £	Direct Other Costs £	Support Costs £	**Total 2022 £**	Total 2021 £
Raising funds					
Charity shop	119,842	116,922	432	**237,196**	267,093
Charitable activities					
Community establishment	83,761	208,370	2,906	**295,037**	283,443
Governance costs	-	-	2,580	**2,580**	2,940
Total 2022	203,603	325,292	5,918	**534,813**	553,476

Expenditure on raising funds was £241,790 (2021: £267,093) of which £239,412 was unrestricted or designated (2021: £267,093) and £2,378 was restricted (2021: £0).

Expenditure on charitable activities was £293,516 (2021: £286,383) of which £195,739 was unrestricted or designated (2021: £116,120) and £97,777 was restricted (2021: £170,263).

Support costs consist of the following:

	2022 £	2021 £
Premises and administration	**5,918**	2,940
	5,918	2,940

11 **Fees for examination of the accounts**

	2022 £	2021 £
Independent examiner's fees for reporting on the accounts	**1,290**	1,600
Other accountancy services paid to the examiner	**1,290**	2,499
	2,580	4,099

12 **Analysis of staff costs and the cost of key management personnel**

	2022	2021
	£	£
Salaries and wages	**182,376**	221,171
Social security costs	**15,608**	17,592
Pension costs (defined contribution pension plan)	**5,619**	4,250
	203,603	243,013

No employee received remuneration above £60,000 (2021: nil)

The key management personnel of the charity, comprise the Trustees and the CEO. The total employee benefits of the key management personnel of the charity were £37,958 (2021:£44,153).

13 **Staff numbers**

The average monthly head count was 9 staff (2021: 9 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2022	2021
The parts of the charity in which the employee's work	**Number**	Number
Community Operations	**5.0**	5.0
Generation of Funds	**3.0**	3.0
	8.0	8.0

14 **Transactions with Trustees**

None of the Trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

Trustees' expenses

No Trustee expenses have been incurred in the year.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

15 **Defined contribution pension scheme**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £5,619 (2021: £4,250). There was £0 outstanding as at 30 June 2022 (2021: £0).

16 **Corporation 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 objectives.

17 **Volunteer time**

The Charity places a great value on the contributions that volunteers made to the organisation. Over the course of the year, we benefitted greatly not only from the considerable time, energy and expertise given by the Board of Trustees and the companions but other volunteers as well. Companions work for at least 40 hours each week within the Charity's commercial and social enterprises, mainly retail. The average number of companions with the Charity during the year was 12.

Other volunteers spend time on specific projects and events. Volunteers time was donated by 15 individuals during 2022/23 , offering in the region of 4500 hours.

18 **Tangible fixed assets**

	Motor vehicles	Property improvements	Fixtures fittings and equipment	Freehold Property	Total
	£	£	£	£	£
Cost					
Balance brought forward	42,149	20,777	54,635	970,918	**1,088,479**
Additions	-	75,973	5,429	-	**81,402**
Disposals	-	-	-	-	**-**
Balance carried forward	42,149	96,750	60,064	970,918	**1,169,881**
Depreciation					
Basis	RB	SL	SL	SL	
Rate	2%	2%	25%	25%	
Balance brought forward	10,570	20,777	33,535	65,488	**130,370**
Depreciation charge for year	7,896	3,482	7,654	19,418	**38,450**
Disposals	-	-	-	-	**-**
Balance carried forward	18,466	24,259	41,189	84,906	**168,820**
Net book value					
Brought forward	31,579	-	21,100	905,430	**958,109**
Carried forward	23,683	72,491	18,875	886,012	**1,001,061**

19 **Debtors and prepayments (receivable within 1 year)**

	2022	2021
	£	£
Trade debtors	**9,623**	1,354
Prepayments	**24,636**	19,292
Other debtors	**14,535**	5,686
	48,794	26,332

20 **Cash at bank and in hand**

	2022	2021
	£	£
Cash at bank and in hand	**102,745**	250,086
	102,745	250,086

21 **Creditors and accruals (payable within 1 year)**

	2022	2021
	£	£
Trade creditors	**10,237**	3,440
Other creditors	**2,372**	648
Loan	**22,569**	16,333
Accruals		
Independent examination of accounts	**2,580**	2,940
Deferred income		
The Ridley Family Trust	**-**	5,000
Screwfix Foundation	**-**	5,000
	37,758	33,361

22 **Deferred income**

Deferred income comprises of advance payments from grants that relate to future periods

	2022
	£
Balance brought forward	**10,000**
Amount released to income earned from charitable activities	**(10,000)**
Amount deferred in year	**-**
Balance carried forward	**-**

23 **Creditors and accruals (payable after more than 1 year)**

	2022	2021
	£	£
Long Term Loan	**202,167**	215,887
	202,167	215,887

The loan is subject to interest at 4% and is secured on the company's property at Stanhope Road. Included within the loan is an amount of £210,000 repayable by instalments over 25 years commencing 30 June 2018 and an amount of £79,093 repayable by instalments over 5 years commencing January 2019.

	2022	2021
	£	£
Between 2 and 5 years	**55,321**	65,332
After 5 years	**146,846**	150,555
	202,167	215,887
Within 1 year	**22,569**	16,333
	224,736	232,220

24 **Operating lease commitments**

At 30 June 2022 the charity had annual commitments under non-cancellable operating leases as follows:

Expiry date	**2022** **£**	2021 £
Within one year	**14,250**	14,250
Between one and five years	**57,000**	57,000
Greater than five years	**-**	14,250
	71,250	85,500

25 **Events after the end of the reporting period**

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

26 **Analysis of charitable funds**

Analysis of movements in unrestricted funds

Unrestricted funds	**balances balances brought forward** £	**Incoming resources** £	**Resources expended** £	**Transfers** £	**Fund balances carried forward** **£**
General unrestricted fund	890,105	360,257	(435,151)	50,000	**865,211**
Totals	890,105	360,257	(435,151)	50,000	**865,211**

Purpose of unrestricted funds

General unrestricted fund — The 'free reserves' of the charity.

26 **Analysis of charitable funds** continued

Analysis of movement in restricted funds

Restricted funds	balances balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Bernard Sunley Foundation	-	5,000	-	(5,000)	**-**
Clarion Riverside	2,755	820	(2,178)	-	**1,397**
Community Foundation	1,440	10,000	(1,440)	(10,000)	**-**
CRASH	-	20,000	-	(20,000)	**-**
Emmaus Base	968	-	(968)	-	**-**
Emmaus CTF	1,447	275	(1,722)	-	**-**
Good Things Foundation	856	-	(856)	-	**-**
Lloyds Bank Foundation for England & Wales	-	25,000	(25,000)	-	**-**
Nationwide Building Society - Community Grant	14,258	-	(14,258)	-	**-**
Neighbourly Community Fund	400	-	(400)	-	**-**
Reaching Communities	65,030	-	(36,963)	-	**28,067**
Screwfix Foundation	-	5,000	-	(5,000)	**-**
The Catherine Cookson Charitable Trust	-	5,000	-	(5,000)	**-**
The Edward Gostling Foundation	-	18,000	-	-	**18,000**
The Rank Foundation	1,759	-	(1,759)	-	**-**
The Rank Foundation - A Scullion	6,261	8,350	(14,611)	-	**-**
The Ridley Family Trust	-	5,000	-	(5,000)	**-**
Totals	95,174	102,445	(100,155)	(50,000)	**47,464**

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Bernard Sunley Foundation	Refurbishment of two companion flats.
Clarion Riverside	Contribution to operating and running a foodbank.
Community Foundation	Furniture for new residence for companions.
CRASH	Refurbishment of two companion flats.
Emmaus Base	Workshop equipment.
Emmaus CTF	Companion activities.
Good Things Foundation	Companion training courses.
Lloyds Bank Foundation for England & Wales	Contribution towards the Community Managers salary.
Nationwide Building Society - Community Grant	Contribution to salary costs for the Business Enterprise Manager and Community Manager.
Neighbourly Community Fund	Companion training courses.

26 **Analysis of charitable funds** continued

Purpose of restricted funds continued

Reaching Communities	Project workers salaries.
Screwfix Foundation	Refurbishment of two companion flats.
The Catherine Cookson Charitable Trust	Refurbishment of two companion flats.
The Edward Gostling Foundation	Revive and Thrive programme costs.
The Rank Foundation	Contribution to salary Costs for the Marketing Officer.
The Rank Foundation - A Scullion	Contribution to salary costs for Companion Development Worker.
The Ridley Family Trust	Refurbishment of two companion flats.

Transfers between funds	**Reason for transfer**	**Amount £**
Between restricted funds and restricted assets	Value of fixed assets (property improvements) purchased by restricted funds transferred to unrestricted funds to be depreciated over future years.	**50,000**

27 **Analysis of net assets between funds**

	Unrestricted Funds £	Restricted Funds £	**Total 2022 £**	Total 2021 £
Tangible fixed assets	1,001,061	-	**1,001,061**	958,109
Cash at bank and in hand	55,281	47,464	**102,745**	250,086
Other net current assets/(liabilities)	11,036	-	**11,036**	(7,029)
Long term assets/(liabilities)	(202,167)	-	**(202,167)**	(215,887)
	865,211	47,464	**912,675**	985,279

28 **Financial Instruments Note**

	2022 £	2021 £
Carrying amount of financial assets		
Measured at amortised cost	**7,040**	7,040
	7,040	7,040
Carrying amount of financial liabilities		
Measured at amortised cost	**214,431**	219,327
	221,471	226,367

Emmaus North East year ended 30 June 22 draft accounts full document v3

Final Audit Report 2023-04-17

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EMMAUS NORTH EAST

England & Wales - Charity number 1131408

Accounts

EMMAUS NORTH EAST

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2021

Charity Number 1131408
Company Number 6820441

EMMAUS NORTH EAST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2021

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EMMAUS NORTH EAST
(A company limited by guarantee)

TRUSTEES ANNUAL REPORT
For the year ended 30 June 2021

The Trustees, who are also the directors of the Charity for the purposes of the Companies Act, submit their report and financial statements of Emmaus North East (ENE; the Charity) for the year ended 30 June 2021. The financial statements comply with the Charities Act 2011, the companies Act 2006, the Memorandum and Articles of Association and the requirements of Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable to the United Kingdom (FRS102).

Policies and Objectives

In setting the Charity's objectives, plans and activities, the Trustees have given due consideration to guidance published by the Charity Commission relating to public benefit and to its supplementary public benefit guidance.

The **medium - long-term objectives** for the Charity are;

1. to be financially self-sufficient, whereby the income generated from its operational activities cover all operating expenses and negate the need for external funding or grants.
2. to increase the size of its community facilities and Companion numbers, either by expansion of its present Stanhope Road residence, development of a further residence or the acquisition of "*move on*" flats for companions who are transitioning between residing in the community and independent living in their own accommodation.
3. to improve the opportunities for Companions to "move on" from ENE and gain worthwhile employment in the outside world.
4. to have ENE recognised as a major charity in the North East of England.

The Charity's **short-term objectives** are to,

1. expand its retail operations, particularly On-Line sales.
2. Develop a profitable social enterprise workshop where furniture and other wood-based items are manufactured or upcycled.
3. find and develop other social enterprise income streams.
4. improve the training and development pathways ENE offers to its Companions.
5. develop the brand image and awareness of ENE in North Eastern England, particularly South and North Tyneside and surrounding areas.

Once its objectives are achieved, the Charity will be in a strong position to support and fully contribute to the ethos and values of the Emmaus movement.

About Emmaus

Emmaus is a homelessness charity with a difference. Emmaus does not just give people a bed for the night; it offers 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. Being on your own, with no support around you can be

soul destroying, leaving you feeling worthless. Emmaus is different because it provides a home for as long as someone needs it, in an Emmaus community. This gives companions, as we call our residents, the opportunity to take stock of their lives, deal with any issues they might have, and often re-establish relationships with loved ones.

The overall Emmaus Movement (including Emmaus International).

The Emmaus movement and its 425 member organisations in Europe, Africa, Asia, and the Americas continue to engage at a local level with people who have experienced social exclusion to access their fundamental rights and, through their collective action, demonstrate there are credible alternatives to injustice.

Emmaus in the UK.

The first UK Emmaus Community was established in 1992. Today 29 Emmaus communities are operational, with others in the course of development.

An Emmaus UK Community offers homeless people a chance to regain their self-respect through living and working in a supportive environment which combines residential accommodation with self-supporting social enterprises. These enterprises, mainly retail, are based largely on the collection and sale of donated goods as well as refurbishment and recycling of various goods and scrap materials in line with the principles of a circular, low waste economy.

Every UK Emmaus Community aspires to become self-sufficient through its social enterprise activities. Additionally, Emmaus Communities work with a “solidarity concept” whereby they help sister Communities by donating goods for sale in their retail outlets and financial support if needed.

Each Emmaus Community in the UK whilst being an independent legal entity commits to follow the values and ethos of the Emmaus movement as a whole.

Emmaus UK (EUK).

Emmaus UK is the federal body for Emmaus in the UK. Each member of Emmaus UK - either a community or group - is an independent charity, governed by a local board of trustees. Ultimately each Emmaus community aims to become self-funding through social enterprise.

Emmaus UK supports its member organisations as they work towards this goal, sharing best practice, coordinating federation-wide meetings, and providing direct capacity building and support in areas such as governance, business development and companion support. The charity also offers fundraising and publicity support and provides grants and loans to enable further development of existing Emmaus communities and groups, and the expansion of Emmaus in the UK.

Emmaus North East (ENE).

Established thirteen years ago, ENE is a legally independent charity based in South Tyneside in North East England. It focuses upon providing support to homeless people and

works within the Emmaus movement's ethos and values. ENE is a member of the EUK Federation and Emmaus International movement.

ENE aims to combat homelessness. It provides people with a home, work and encourages solidarity with others in a similar position. It gives Companions (those who live in the community) a choice and a chance. It welcomes people from all backgrounds and all causes of homelessness. ENE is supported by a wide range of funders and partners who provide both financial and in-kind support. This funding both supports the community and helps the ENE social enterprises grow and thrive.

ENE's vision is *"to help create a North East England where homelessness and hopelessness have been abolished"*.

ENE's mission is *"to enable homeless people in the North East rebuild their lives through social enterprises which also involve and enrich the local community*".

ENE's operations are centred around its community residence in South Shields. This residence has rooms for 15 Companions.

The Charity provides safe accommodation, meaningful work and peer and pastoral support to its Companions. This way of working means Companions are able to recover their confidence and self-respect and make a fresh start to rebuild their lives. ENE tries to ensure all Companions are able to move onto independent living and employment when they are ready, but there is no time limit for this and Companions are welcome to stay in the community for as long as they like and need.

ENE focuses upon its companions and seeks to ensure they have a consistent core offer outlining the mutual expectations of both ENE and themselves. All Companions are enabled and encouraged to participate fully in ENE and its activities.

There are three critical features of ENE that make it different to some of the other support offered to homeless people:

ENE provides a home – Companions have a room to call their own and a place to call home alongside other people who understand their situation. The house has clear rules, meaning it provides a safe and secure environment for everyone.

ENE gives people focus, meaning and structure – Companions work a 40-hour week at ENE. This provides them with structure and a focus for each day and productive activity to engage with.

ENE judges people on today's actions not yesterday's – Companions have the opportunity to change and are given the chance to change. Emmaus North East will not work for everyone, but everyone is given a chance.

Emmaus North East has three strands of delivery:

- *Home – providing up to 15 Companions with community living at its South Shields residence.*
- *Work – all Companions work in the Charity's businesses and social enterprises. The Social Enterprises provide Companions with a structure and routine.*
- *Solidarity – ensuring all work provides opportunities for Companions to feel part of groups and to feel like they are part of something bigger.*

In terms of its social enterprises, ENE operates three (3) retail outlets in various towns of the North East (Low Fell, South Shields and Hebburn), a fully equipped workshop in South Shields where furniture is upcycled and restored and various items made from wood are designed and produced, a membership-based food pantry (South Shields) for locally disadvantaged people, a house clearing service and an On-Line retail business.

Emmaus North East (ENE) - Review of achievements and performance in 2020 / 2021.

Brief Overview

- *COVID was the main challenge faced by the Charity in 2020 / 2021 and seriously impacted its operations in the financial year.*
- *ENE management handled the COVID situation well. There was an outbreak of COVID in the year which was contained in the residence and no Companion or member of staff became seriously ill.*
- *The financial support provided by the UK government (job retention and business support schemes) combined with the generosity of many companies and individuals evidenced by the number of financial grants and donations given to the Charity, were highly appreciated and made a positive financial impact on the Charity during the year.*
- *The second year of COVID led to a "standstill" in the development of the charity. Further progress is hoped to be made in 21/22*
- *The main highlight of the year was the purchase of two properties next door to ENE's main residence in South Shields. This will allow ENE to house 20 companions – an increase in 5 from our present level.*
- *ENE's financial position remained satisfactory despite the challenges presented by the COVID situation.*
- *The community residence in South Shields continued to operate at near full capacity (15 companions).*
- *The Reaching Communities project continued to have a measurable and positive impact on improving the "life skills" of the Charity's companions and volunteers.*

Annual Report

During the period under review the Charity succeeded in further consolidating and developing its Community in the Northeast and building its social enterprises. This was done in addition to coping with the challenges of the COVID pandemic.

Throughout 2020 and 2021, Covid-19 continued to have a significant impact, resulting in the closure of our shops during the first three months of 2021 due to the national lockdown. Although ENE received financial support from many sources, there was a serious impact on our ability to grow and develop our social enterprises.

During "lockdown" periods, ENE's staff working in its social enterprises were furloughed. The Community at South Shields remained operational and Community staff remained in post although no new Companions were accepted.

Just before the OMICRON outbreak a small number of companions contracted COVID. This outbreak was dealt with by Community Management and no serious illness resulted. Over

the year most companions and members of staff received two doses of COVID vaccine along with a booster jab.

During “lockdown” periods the Charity received strong support from the UK government through its job retention and business support schemes. This support was extremely welcome. Many companies and private individuals were also extremely generous, with many grants and donations being received.

All Companions had different experiences of Covid-19 but through the worst of the lockdowns the community came together and supported each other.

257 Stanhope Road, South Shields, the former Children’s home acquired in December 2015 for conversion into an Emmaus residence and which became fully operational in February 2017, remains the centre and focus of ENE activities. In 2020/2021 full occupancy (15 companions) or close to full occupancy was achieved for significant parts of the year.

A highlight of the year was the purchase of two properties next door to the Stanhope Road residence. After refurbishment, these properties will allow the housing of a further 5-6 Companions bringing our total room availability to 20/21. This increase in Companion numbers is a key part of the recently developed 5-year plan where our overall ambition is to increase Companion numbers too between 25-30. It is pleasing to have made this major step forward so early in the timescale of the plan. The new properties should be fully operational in February 2022. This after extensive refurbishment work. We thank EUK for their help in providing part-funding for the purchase of these properties. Overall EUK provided (via a grant) just slightly less than 50% of the purchase and refurbishment costs of the two properties – showing the benefit of ENE being part of the EUK federation. The remainder was funded from ENE’s own resources – showing the significant improvement in ENE finances which allowed us to do this.

The primary beneficiaries of the work of ENE are its Companions who live in the community and work in the enterprises ENE operates. ENE, however, also supports a much broader range of people. These include volunteers, who help the running of the shops and workshop, and the wider community, who are supported through activities like the Food Pantry, where low-cost food is provided to the wider community.

Demand for the services and opportunities provided by the ENE offer remains strong. The Charity also recognises that growing its community means commensurately growing the range of businesses on offer to provide a sustainable income stream and to offer a range of opportunities for Companions.

As reported in recent years, ENE was successful in June 2018 in securing a grant from The National Lottery Community Fund - Reaching Communities (RC). The focus of the Charity’s work with the RC grant has been the Charity’s growth and development.

The RC project continues to progress. Following on from the progress described in last year’s report, and despite the drawbacks of dealing with the COVID situation, the Charity in 2020/2021 continued to develop its workshop to allow for higher quality, more consistent products to be produced. The highlight was the “Heart of Tyne” product range launched in the winter of 2020 which proved extraordinarily successful.

A further key progress point has been the Charity’s ability to offer Companions progression into paid roles in its organisation. Presently ENE employs three (3) ex-companions in full time roles.

Overall progress in the RC project can best be shown in the following two tables.

Table 1 shows the progress made towards reaching our overall Reaching Communities targets that are relevant to both Companions and Volunteers. In the two years we have been running, we have worked with 120 people. We have reached the number of people we intended to reach.

Table 1 - Progress towards Reaching Communities targets (targets relevant to volunteers and Companions

Outcome	Change Indicators	Number reached	Percentage achieving target*
Beneficiaries (Companions, Volunteers, Others) participate in structured volunteering and work opportunities and gain transferable skills,	Beneficiaries show improved motivation and taking of responsibility	120	86%
	Beneficiaries show improved ability to make meaningful use of their time	120	77%
	Beneficiaries report having gained transferable skills, increased confidence, or raised aspirations	150	84%

*Note - * this is the number of people for who we have documented data they have achieved an outcome*

Homelessness can happen to anyone, and the variety of reasons for which people find themselves homeless is wide and varied. This inevitably means the outcomes people experience will also vary.

'The worst was the Friday and Saturday nights, and theses drunk people would walk past you and shout insults - the main one that I don't understand why people would say this is you're "too fat to be homeless". How can someone be too fat to be homeless? Companion.

'I don't like being on my own, so I am not ready to face being on my own at this time because I need to get my mental health and everything back on track and to stay clean before my children come back to live with us'. Companion.

'I was homeless and had just been released from prison and was living in a tent' Companion

'For me it was a relationship breakdown, and I was too proud to go and ask me mam if I could move back home'. Companion.

'That's what drug addiction does, it strips you of all of your layers of goodness. I have come out of my shell. But it's good, I was fading away, becoming a recluse. I could see myself becoming more and more of a recluse and I was happy with that, so Emmaus has brought that out of me.' Companion.

The final year of Reaching Communities funding will allow us to reach a greater number of Companions and Volunteers and support them to make positive changes.

Table 2 shows the progress made towards achieving the Companions targets.

Figure 2 - Progress towards Reaching Communities targets (targets relevant to Companions)

Outcome	Change Indicators	3-Year Target	Progress Number*
Companions engage in a healthy lifestyle, are equipped to make positive life choices, and progress towards independent living	Companions show reduced problems with drugs and alcohol	15	14
	Companions have less tendency to reoffend	15	17
	Companions report improved management of physical, emotional or mental health	30	27
Companions participate in communal living, develop social networks, integrate locally, and enjoy enhanced wellbeing and self-esteem.	Companions demonstrate better ability to manage self-care and living	30	27
	Companions report improved social networks and relationships	30	26
Companions that stay more than one month achieve independent living during the project period, (re)gaining independence and dignity.	Companions demonstrate improved ability to live independently	25	23
	Companions report improved confidence in managing tenancies and accommodation	25	21
	Companions report better ability to manage money	25	18

*Note - * this is the number of people for who we have documented data they have achieved an outcome*

The data helps show how the project supports people to make a difference in their lives. At ENE the focus is on providing a framework of support that allows a person to change. This, because it creates an opportunity for people.

ENE creates a place where people can feel safe and where they are trusted and supported.

"It was a bit overwhelming when I first arrived, it sounded too good to be true. I've loved it ever since. It's mad because like when you are on the streets you are not trusted at all…but here you are given responsibilities and trust straightaway' Companion

It allows you to take a deep breath and think for the first time it's going to be okay' Companion

The feedback from companions illustrates how being part of Emmaus North East gave them stability, a routine and confidence.

'It gets you into a routine, when I was homeless, there is no routine…here you get your breakfast, you go to work and then you chill' Companion.

'At first, I had no confidence, I had all the confidence knocked out of me being homeless'
'I need stability, I need to get work focused again, get into a routine…some days I couldn't even get out of bed'. I have confidence, people skills and I look after myself more now' Companion.

During Covid-19 a wider variety of homelessness services were developed by various agencies. This includes Housing First. We see this as hugely beneficial as it increases the

variety of opportunities for homeless people and increases the likelihood of people finding an offer that will work for them.

Emmaus North East often provides opportunities to people that other organisations are reluctant to work with. This includes people who have a wide variety of issues and needs. But the complexity of people looking for places is increasing and there is a need to be realistic about the support that Emmaus North East can offer.

The data helps show how the project supports people to make a difference in their lives. At Emmaus the focus is on providing a framework of support that allows a person to change. This comes not only from the support staff but also from Companions supporting each other.

Everyone who lands at an Emmaus is on a journey. The reality for people struggling with addiction, mental illness of childhood trauma is this is rarely a straightforward journey. At ENE we support people who are determined to change but will often experience setbacks along the way. Not every person we support has a happy ending and not everyone succeeds on their first, second or third encounter with an Emmaus. But our ethos is to only judge in the present time and to give people periods of their live where they can experience meaning, purpose and hope.

Progressions are a key part of ENE and for many the progression involves securing their own tenancy.

ENE does not have a time limit on how long someone can stay, and the turnover of Companions depends on many factors.

The Charity works with a wide range of partners to promote its activities and to reach the people who will benefit most from its work.

Volunteers and Companions also come to us from a wide variety of sources including their own recognition that it is time for a change.

ENE is pleased to report that its partnerships further developed over the year and these partnerships became a key part of the work the Charity's operation.

The Charity has a wide range of partners who contribute to different elements of ENE.

Referral Partners

Our referral partners work with us regarding referring people to become Companions or volunteers in the Charity. Our partners in this area include:

- DWP for referrals on work placements through the local job centres as the Charity is able to offer volunteer placements in its workshop and other enterprises. This allows both the recruitment of a large pool of volunteers to support our enterprises and helps people back into work.
- The Probation service. ENE works closely with the Probation Service providers in the local area. They are an increasingly valuable source of referrals for volunteers for our shops and other enterprises. The Charity has had considerable success retaining volunteers who have been referred through the probation service.

- Prisons – ENE works closely with HMP Northumberland to advertise the opportunity for both Companions and volunteers as people are approaching the end of their sentences.
- South Tyneside Home
- Humankind
- Shelter
- Blissability
- Police

Operational partners

ENE's operational partners support its day-day operations. These partners include:

- Virgin Money – connection means people without ID can set up a basic bank account – means their allowance is paid into that and it helps them manage their money
- FareShare, Asda, Lidl – provide food for both our residential accommodation and our pantry
- MH Southerns – provide scrap wood for use in the ENE workshop.

Strategic Partners

The Charity plays an active role in local forums and with local partnerships and take part in the following forums:

- South Tyneside Church Action for Refugees
- South Tyneside Homelessness Reduction forum
- South Tyneside Regional Equalities Forum

Fund Providers

The Charity was also supported by many companies who gave grants to ENE during the year and, also many private individuals. Major fund providers during the year were;

- Reaching Communities (National Lottery)
- Lloyds Foundation

In terms of marketing and communication ENE has an active Twitter account where the Charity posts about its work and thank the many generous donations we receive from the wider community. ENE's Facebook page allows the showcasing some of the products we create in the workshop. The ENE website provides a focus for all of the Charity's work and key announcements. This year the Charity saw a significant increase in usage of these social media tools along with significant interest in the Charity from local and regional papers.

In 2020/2021 the Charity's retail activities remained stable. COVID negatively affected the business and sales were well down on levels associated with normal operating conditions. Retail sales at £157K, were £14K ahead of last year – mainly due to fewer periods of lockdown and thus shop closures.

Fundraising from external donors is and will remain an integral part of the Charity's activities going forward. The Trustees were satisfied with the amount raised in the year, namely £242,420 which was an increase compared to the 2019/2020 level of £221,363. This increase was driven by the £100K donation from EUK. This donation was used to help fund the two properties acquired during the year.

Public benefit statement

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission for England and Wales in exercising their powers or duties.

The objectives of the Charity are the alleviation of homelessness and relief of poverty, hardship and the distress these cause to those in need. Our aims for achieving this are:

- working with companions to realise their aspirations and potential
- developing and sustaining our social enterprise to provide work for companions and an income stream for the Charity.
- demonstrating organisational sustainability
- demonstrating operational sustainability.

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees:
Peter Churchill
John Machin (Chair)
Donald Pinchbeck
Julian Wenman
David Knox (resigned May 2021)
Gemma Trainor
Siamak Kaikavoosi (appointed September 2020, resigned November 2021).
Jessica Cook (appointed June 2021)
Debbie Hamilton (appointed June 2021)
Shelley Armstrong (appointed June 2021)
Jake Hanmore (appointed August 2021).
Jonathan Rook (Trustee Treasurer) (appointed October 2021)

Key Personnel:

Community Manager
John Harrison (resigned 22nd October 2021)

Acting General Manager
Andrew Wisbach (appointed 1st November 2021)

Finance Manager
Sandy Lambrou

Company Secretary
David Knox

Company Registered Number
6820441

Charity Registered Number:
1131408

Registered Office:
Lee Siding
Long Framlington
Morpeth NE65 8JG

Independent Examiners:
Jim Dodds
Connected Voice Business Services
Higham House
Newcastle upon Tyne
NE1 8AF

Bankers:
HSBC Bank plc

110, Grey Street
Newcastle upon Tyne,
NE1 6JG

Emmaus North East (ENE) is a member of the Emmaus Federation in the UK (EUK) and a full member of Emmaus Europe and Emmaus International. ENE is also a full member of the EUK North West partnership; a group of Communities based in North West England who share best practice with each other.

Structure, governance, and management

The Charity is a limited liability company being limited by guarantee and not having a share capital. It was registered in England and Wales under the Companies Act 2006 on 6 February 2009 and its governing documents are its Memorandum and Articles of Association. The Charity was registered as a Charity with the Charity Commission for England and Wales on 27 August 2009.

The Charity is a member of the Emmaus Federation in the UK and a full member of Emmaus International and Emmaus Europe.

The Charity is also a member of the North West Partnership of Emmaus Communities. This organisation, centred on Emmaus communities in the North of England, meets regularly to discuss common issues and share best practice.

Emmaus UK organises and operates two important groups in which the Charity participates. The first group is the "*Chairs Peer Group*". Here, all Chairs of Emmaus communities in the UK can get together in the presence of senior Emmaus UK personnel to discuss issues relating to Emmaus in the UK in general and their own community. The second group is the "*Executive Leads Peer Group*". Here, all chief executives of Emmaus communities in the UK can get together in the presence of senior Emmaus UK personnel to discuss issues relating to Emmaus in the UK in general and their own community.

The direction and governance of the Charity is the responsibility of its Board of Trustees who are elected and co-opted under the terms of the Articles of Association. Trustees who served during the period under review are shown on page 1.

2020/2021 did not see too many changes to the board or trustees compared to recent years. I am pleased to report that the Charity has at last been able to appoint a trustee / treasurer! Jonathan Rook was appointed in October 2021. Jonathan brings many years of high-level financial experience to the board.

Jessica Cook, Shelley Armstrong and Debbie Hamilton were appointed trustees in June 2021. Jake Hanmore was appointed a trustee in August 2021. Siamak Kaikavoosi resigned as a trustee in November 2021. The board presently has ten (10) trustees. A minimum of 8 are called for in the Charity's Articles of Association.

The Charity is committed to ensuring a proper balance between paying our staff fairly, so that we attract and retain the best people for the job, and careful management of our Charity funds. Since 2019/2020 the Charity pays its relevant staff the Real Living Wage

The Board presently operates two sub-committees, a decrease of one (1) from last year. The board operates a Fundraising committee and a Finance committee. The Property sub-committee was dissolved upon the purchase of the two new properties in late 2020.

Recruitment of Trustees

The management of the Charity is the responsibility of the Trustees, who are elected and co-opted under the terms of the Articles of Association.

Trustee nominations either come from other Trustees within the Charity and its supporters or via open advertisement and must be approved by existing Trustees, in accordance with the Articles of Association. When specific skills are required, approaches are made to people with relevant expertise who are sympathetic to the ethos of the Charity. If necessary, a Trustee would be co-opted specifically to cover the requirement function.

Each new Trustee is required to undertake an induction programme which includes briefings on their legal and ethical responsibilities as Trustees, the ethos and values of the Emmaus movement together with the governance, history and operation of ENE. It is intended to introduce annual appraisals of Trustees to measure their collective and individual performance and suitable training is offered in line with the NCVO Code of Governance.

The main Board meets each calendar month.

Financial review

Brief Overview.

- Considering the COVID situation the Charity's financial performance was reasonable in 2020/2021.
- Income of £663K in 2020/2021 – up 13% from the 2019/2020 income of £588K.
- Income was boosted by the receipt of a grant from EUK (£100K) toward the purchase of two properties made during the year.
- Net income for the year of £109K – compared to £121K last year.
- Total Funds carried forward of £985K – up £109K compared to last year.
- Income from grants £336K – significantly up from last year's level of £289K.
- Shop income of £157K up from last year's level of £143K. This was driven primarily by fewer periods of lockdown and consequent shop closures.
- Housing Benefit Income of £146K - up 10% compared to last year.

Details

Income from charitable activities in the period of £336,492 (£288,604, 2019/2020) was due to generous grants from several institutions, the details of which are shown in the financial statement attached. A particular mention goes to EUK who provided £100K via a grant to assist with the purchase of the two properties made by the Charity in the year.

The Charity's social enterprises (shops in Low Fell, Hebburn & South Shields), the workshop in South Shields and other activities such as house clearances and On-Line retail achieved combined sales for the year of £157K – an increase of £14K on the sales achieved in 2019/ 2020. Whilst it was pleasing to see an increase, this was mainly due to fewer lockdowns and shop closures. The figure achieved was well below the expected level based on normal trading.

Housing Benefit received in the year was £145,619 compared to £131,475 in 2019/2020. This increase was driven by higher Companion numbers residing in the Stanhope Road residence during the year and a new housing benefit settlement agreed with South Tyneside Council.

Overall, for the year, the Charity incurred a surplus £109,328 which was a slight reduction to 2019/2020 when a surplus of £120,881 was recorded. Of this 2020/2021 surplus, £61K came from restricted funds and £48K from unrestricted funds.

Carried forward reserves of £985,280 (£875,952, 2019/2020) is represented by £95,174 of restricted funds (£157,314, 2019/2020) and a balance of £890,106 (£718,638, 2019/2020) in unrestricted funds, most of which is in relation to the property owned by the Charity.

It is the Trustees' policy to try to hold a minimum of three months' expenditure in reserve.

Capital Expenditure for the year was £205K, of which £133K was funded by grants and £72K was funded from the Charity's own resources. Capex in 2019/2020 was £8K.

Fixed costs again increased in 2020/ 021 due to running Stanhope Road with more companions and investments in extra resources to grow the Charity, particularly its income from its social enterprise activities. Fixed costs for the year were £553,476, an increase of £86,183 (18%) over the previous year. Trustees are fully aware of the increasing cost base of the Charity. Expenditure is tightly controlled and monitored. However, the Trustees view the Charity as being in a growth phase where significant investments are required – with the natural outcome of increased fixed costs. It is anticipated fixed costs should stabilise within the next 12 - 18 months.

Reserves policy

The Reserves Policy has been reviewed by the Trustees. The objective of having an operational reserve equivalent to 3 month's operational costs still stands. This means the aim is to have £140,000 in reserves, although it will take some time to reach this level on a consistent basis. The Trustees monitor to maintain protection under the FSCS compensation scheme. Reserves will be built up using income achieved from the Charity's trading operations.

Investment policy

The Charity has the power under the Memorandum and Articles of Association to make any investment which the Trustees see fit. Given the level of funds generated to date and the early stage of the Charity's project to establish an Emmaus Community, it is considered appropriate to keep funds in a form that is immediately accessible.

Risk management

The Board of Trustees regularly review the risks the Charity may face and is satisfied that systems are in place to mitigate exposure. However, the Trustees recognise that as the

project progresses further factors may arise and will undertake further reviews from time to time.

Principal risks and uncertainties

Short term, the principal risk facing the Charity centres around income. Should our retail outlets fail to develop and grow and should our fund-raising fall below expectation then this will put pressure on the finances of ENE.

Regarding retail, Operational and Finance management closely monitor on a monthly basis monthly and year-to-date sales through our KUDOS EPOS system which can follow sales on a daily basis from each of our outlets.

Fund raising is closely targeted on funds which will support activities required by the Charity.

In the medium-term the Charity faces two main risks. Firstly, being able to pay for the extra resources funded by the Reaching Communities grant when this ends in around 6-months. It is essential the resources we have added create value by driving growth in the Charity's income generation so the Charity can fund these positions from its own resources upon cessation of the Reaching Communities grant.

Going concern

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. In response to the COVID-19 pandemic, the trustees have revised their forecasts to consider measures they can take with the available current resources to mitigate the impact of the present adverse conditions. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

Plans for the Future

The Charity's primary objective is financial self-sufficiency and a financial situation which will allow scope to ceaselessly work on the Charity's mission with regarding homelessness and giving Companions work, training and a sense of belonging; the opportunity to contribute.

Self-sufficiency will come from expanding the Charity's retail activities and creating higher added value products through its social enterprise workshop.

Trustees' responsibilities

Company and Charity law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair

view of the state of affairs of the Charity and of the incoming reserves and application of reserves, including the income and expenditure of the charitable company for that period. In preparing financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently,
- 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;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Charity will continue in operation.

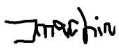
The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets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

Independent Examiner

A resolution regarding the reappointment of Connected Voice Business Services Ltd as Independent Examiner will be proposed at the Annual General Meeting.

This report was approved by the Trustees on: 22/02/2022

and signed on their behalf by:



John Machin
Chair of the Board of Trustees

EMMAUS NORTH EAST

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 30 June 2021

I report on the financial statements of Emmaus North East for the year ended 30 June 2021, which are set out on pages 18 to 31.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Association of Charity Independent Examiners.

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

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

Basis of independent examiner's statement

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

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Jim Dodds
Connected Voice Business Services Ltd
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF
Date: 22/02/2022

EMMAUS NORTH EAST

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)

For the year ended 30 June 2021

	Notes	Unrestricted Funds £	Restricted Funds £	**Total 2021 £**	Total 2020 £
Income from:					
Donations and legacies	6	23,347	-	**23,347**	20,550
Charitable activities					
Grants and contracts	7	104,944	231,548	**336,492**	288,604
Other trading activities	8	302,942	-	**302,942**	278,623
Investments	9	22	-	**22**	397
Total income		431,255	231,548	**662,803**	588,174
Expenditure on:					
Raising funds	10	267,093	-	**267,093**	143,120
Charitable activities					
Operation of the charity	10	116,120	170,263	**286,383**	324,172
Total expenditure		383,212	170,263	**553,476**	467,293
Net income/(expenditure)		48,043	61,285	**109,328**	120,881
Transfers between funds		123,424	(123,424)	**-**	-
Net movement of funds		171,467	(62,140)	**109,328**	120,881
Reconciliation of funds					
Total funds brought forward		718,638	157,314	**875,952**	755,071
Total funds carried forward		890,106	95,174	**985,280**	875,952

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 21 to 31 form an integral part of these accounts.

EMMAUS NORTH EAST
(A company limited by guarantee)

Charity Number 1131408
Company Number 6820441

BALANCE SHEET
As at 30 June 2021

	Notes	£	Total 2021 £	£	Total 2020 £
Fixed assets					
Tangible assets	18		958,109		793,793
Total fixed assets			**958,109**		**793,793**
Current assets					
Debtors	19	26,332		8,358	
Cash at bank and in hand	20	250,086		340,613	
Total current assets		**276,418**		**348,970**	
Creditors: amounts falling due within one year	21	**(33,361)**		**(24,151)**	
Net current assets			**243,057**		**324,819**
Total assets less current liabilities			**1,201,166**		**1,118,612**
Creditors: amounts falling due after more than one year	22	**(215,887)**		**(242,660)**	
Total net assets or liabilities			**985,280**		**875,952**
Funds of the charity					
Unrestricted income funds			890,106		718,638
Restricted income funds			95,174		157,314
Total funds			**985,280**		**875,952**

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.
The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.
These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 21 to 31 form an integral part of these accounts.

These financial statements were approved by the Board on: 22/02/2022

and are signed on its behalf by: Jonathan Rock
Treasurer

EMMAUS NORTH EAST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
For the year ended 30 June 2021

	2021 £	2020 £
Cash flows from operating activities		
Net movement in funds	109,328	120,881
Depreciation	27,383	27,863
Deduct interest income shown in investing activities	(22)	(397)
Decrease (increase) in debtors	(17,974)	9,515
(Decrease) increase in creditors	9,210	(430)
Net cash from operating activities	**127,923**	**157,432**
Cash flow from investing activities		
Purchase of tangible fixed assets	(197,399)	(7,764)
Sale of property, plant and equipment	5,700	55,000
Interest received	22	397
Net cash used in investing activities	**(191,677)**	**47,633**
Cash flow from financing activities		
Increase in long term loan	-	-
Repayment of borrowing	(26,773)	(9,155)
Net cash used in investing activities	**(26,773)**	**(9,155)**
Increase (decrease) in cash and cash equivalents	**(90,527)**	**195,910**
Cash and cash equivalents at start of year	**340,613**	**144,702**
Cash and cash equivalents at end of year	**250,086**	**340,613**

The notes on pages 21 to 31 form an integral part of these accounts.

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Emmaus North East meets the definition of a public benefit entity under FRS 102.

2.2 Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. In response to the COVID-19 pandemic, the trustees have revised their forecasts to take into account measures that they can take with the current resources available to mitigate the impact of the current adverse conditions. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, 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.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

3.4 **Donated goods and services**

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

3.5 **Volunteer help**

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

3.6 **Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

3.7 **Income from membership subscriptions**

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.8 **Investment gains and losses**

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

3.9 **Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the

4 **Expenditure and liabilities**

4.1 **Liability recognition**

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 **Charitable activities**

Expenditure on charitable activities includes the costs of work with homeless people and other activities undertaken to further the purposes of the charity and their associated support costs.

4.3 **Governance and support costs**

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 **Irrecoverable VAT**

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

4.5 **Creditors**

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 **Provisions for liabilities**

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

5 **Assets**

5.1 **Tangible fixed assets for use by the charity**

Individual fixed assets costing under £1,000 are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis, the charity does not currently have any tangible fixed assets:

Freehold Property	Straight line over 50 years
Leasehold Property	Straight line over six years
Fixtures, fittings and equipment	Straight line over six years
Motor vehicles	Reducing balance at 25% pa

Analysis of income

		Unrestricted Funds £	Restricted Funds £	**Total 2021 £**	Total 2020 £
6	**Donations and legacies**				
	Regular and ad-hoc donations	23,347	-	**23,347**	20,550
		23,347	-	**23,347**	20,550
7	**Charitable activities**				
	Income from grants				
	Sir James Knott Trust	-	-	**-**	20,000
	The 1989 Willan Charitable Trust	-	-	**-**	10,000
	Good Things Foundation	-	-	**-**	4,250
	Nationwide Building Society - Community Grant	-	-	**-**	41,000
	The Rank Foundation	-	35,195	**35,195**	21,535
	Northumbria Police	-	-	**-**	2,200
	Virgin Money Foundation - Community Resilience Fund	-	-	**-**	10,000
	Homeless Link	-	-	**-**	10,000
	The Barbour Foundation	-	-	**-**	10,000
	Emmaus UK	-	100,000	**100,000**	9,829
	Lloyds Bank Foundation for England & Wales	-	33,000	**33,000**	-
	Reaching Communities England	-	53,000	**53,000**	70,000
	National Lottery Awards for All	-	-	**-**	10,000
	B&Q Foundation	-	5,000	**5,000**	-
	Freemasons (Emmaus UK)	10,000	-	**10,000**	-
	Other small grants less than £2,000	872	5,353	**6,225**	2,550
	Government support Covid-19	43,340	-	**43,340**	45,000
	HMRC Job Retention Scheme	45,905	-	**45,905**	18,236
	Other income				
	Other income	4,827	-	**4,827**	4,005
		104,944	231,548	**336,492**	288,604
8	**Other trading activities**				
	Charity shop	157,124	-	**157,124**	143,545
	Fundraising	199	-	**199**	3,604
	Housing benefit	145,619	-	**145,619**	131,475
		302,942	-	**302,942**	278,623

Analysis of income continued

	Unrestricted Funds £	Restricted Funds £	**Total 2021 £**	Total 2020 £
9 **Income from investments**				
Bank interest	22	-	**22**	397
	22	-	**22**	397

Income was £662,803 (2020: £588,174) of which £431,255 was unrestricted or designated (2020: £364,435) and £231,548 was restricted (2020: £223,739).

10 **Expenditure**

	Direct Staff Costs £	Direct Other Costs £	Support Costs £	**Total 2021 £**	Total 2020 £
Raising funds					
Charity shop	148,905	116,134	2,054	**267,093**	143,120
Charitable activities					
Community establishment	94,108	188,431	904	**283,443**	321,232
Governance costs	-	2,940	-	**2,940**	2,940
Total resources expended	243,012	307,505	2,958	**553,476**	467,293

Expenditure on raising funds was £267,093 (2020: £143,120) of which £267,093 was unrestricted or designated (2020: £143,120) and £0 was restricted (2020: £0).

Expenditure on charitable activities was £286,383 (2020: £324,172) of which £116,120 was unrestricted or designated (2020: £205,549) and £170,263 was restricted (2020: £118,623).

Support costs consist of the following:

	2021 £	2020 £
Premises and office administration	**3,865**	3,865
	3,865	3,865

11 Fees for examination of the accounts

	2021 £	2020 £
Independent examiner's fees for reporting on the accounts	**1,600**	1,600
Other accountancy services paid to the examiner	**2,499**	2,260
	4,099	3,860

12 Analysis of staff costs and the cost of key management personnel

	2021 £	2020 £
Salaries and wages	**221,171**	175,001
Social security costs	**17,592**	13,784
Pension costs (defined contribution pension plan)	**4,250**	3,362
	243,013	192,147

No employee received remuneration above £60,000 (2020: nil)

The key management personnel of the charity, comprise the the trustees and the Community Manager. The total employee benefits of the key management personnel of the charity were £44,153. (2020: £41.145).

13 Staff numbers

The average monthly head count was 9 staff (2020: 9 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

The parts of the charity in which the employee's work	2021 Number	2020 Number
Community Operations	**5.0**	5.0
Generation of Funds	**3.0**	3.0
	8.0	8.0

14 Transactions with trustees

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

In the period the charity has paid trustees remuneration and benefits.

Trustees indemnity insurance paid during the year amounted to £84 (2020 : £515).

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

15 **Pension Commitments**

The Charity makes contributions to its employees' personal pension scheme.

The employees' pension contributions payable by the charity amount to £4,250 (2020: £3,362). There was £0 outstanding as at 30 June 2021 (2020: £0).

16 **Corporation 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 objectives.

17 **Volunteer time**

The Charity places a great value on the contributions that volunteers made to the organisation. Over the course of the year, we benefitted greatly not only from the considerable time, energy and expertise given by the Board of Trustees and the companions but other volunteers as well. Companions work for at least 40 hours each week within the Charity's commercial and social enterprises, mainly retail. The average number of companions with the Charity during the year was 12.

Other volunteers spend time on specific projects and events. Volunteers time was donated by 15 individuals during 2019/20, offering in the region of 4500 hours.

18 **Tangible fixed assets**

	Motor vehicles	Leasehold property	Fixtures fittings and equipment	Freehold property	Total
	£	£	£	£	£
Cost					
Balance brought forward	20,450	20,777	54,635	800,918	**896,780**
Additions	27,399	-	-	170,000	**197,399**
Disposals	(5,700)	-	-	-	**(5,700)**
Balance carried forward	42,149	20,777	54,635	970,918	**1,088,479**
Depreciation					
Basis	RB	SL	SL	SL	
Rate	25%	16.7%	16.7%	2%	
Balance brought forward	8,978	20,777	25,178	48,054	**102,987**
Depreciation charge for year	6,292	-	8,357	17,434	**32,083**
Disposals	(4,700)	-	-	-	**(4,700)**
Balance carried forward	10,570	20,777	33,535	65,488	**130,370**
Net book value					
Brought forward	11,472	-	29,457	752,864	**793,793**
Carried forward	31,579	-	21,100	905,430	**958,109**

19 **Debtors and prepayments (receivable within 1 year)**

	2021	2020
	£	£
Trade debtors	**1,354**	555
Prepayments	**19,292**	4,067
Other debtors	**5,686**	3,736
	26,332	8,358

20 **Cash at bank and in hand**

	2021	2020
	£	£
Cash at bank and in hand	**250,086**	340,613
	250,086	340,613

21 **Creditors and accruals (payable within 1 year)**

	2021	2020
	£	£
Sundry creditors	**3,440**	3,778
Accruals	**2,940**	2,940
Loan	**16,333**	16,333
Deferred income		
The Ridley Family Trust	**5,000**	-
Screwfix Foundation	**5,000**	-
Other creditors	**648**	1,101
	33,361	24,151

22 **Creditors and accruals (payable after more than 1 year)**

	2021	2020
	£	£
Long term loan	**215,887**	242,660
	215,887	242,660

The loan is subject to interest at 4% and is secured on the company's property at Stanhope Road. Included within the loan is an amount of £210,000 repayable by instalments over 25 years commencing 30 June 2018 and an amount of £79,093 repayable by instalments over 5 years commencing January 2019.

	2021	2020
	£	£
Between 2 and 5 years	**65,332**	65,332
After 5 years	**150,555**	177,328
	215,887	242,660
Within 1 year	**16,333**	16,333
	232,220	258,993

23 Operating lease commitments

At 30 June 2019 the charity had annual commitments under non-cancellable operating leases as follows:

Expiry date :	**2021** **£**	2020 £
Within one year	**14,250**	14,250
Between one and five years	**57,000**	57,000
Greater than five years	**14,250**	28,500
	85,500	99,750

24 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

25 Analysis of charitable funds

Analysis of movements in unrestricted funds

Unrestricted funds	**Fund balances brought forward** £	**Incoming resources** £	**Resources expended** £	**Transfers** £	**Fund balances carried forward** **£**
General unrestricted fund	648,638	431,255	(383,212)	193,424	**890,106**
Designated fund					
Purchase of property	70,000	-	-	(70,000)	**-**
Totals	718,638	431,255	(383,212)	123,424	**890,106**

Purpose of unrestricted funds

General unrestricted fund	The 'free reserves' after allowing for designated funds
Designated funds	
Purchase of property	The trustees have designated £70,000 for the purchase of an additional property.

25 **Analysis of charitable funds** continued

Analysis of movement in restricted funds

Restricted funds	Fund balances brought forward £	Incoming resources £	Resources expended £	Allowable transfers £	Fund balances carried forward £
Emmaus UK	338	100,167	(505)	(100,000)	**-**
Emmaus CTF	-	2,234	(787)	-	**1,447**
The Barbour Foundation	8,407	-	(74)	(8,333)	**-**
RWHA Charity Fund	1,650	-	(1,650)	-	**-**
Sir James Knott Trust	7,370	-	(7,370)	-	**-**
Good Things Foundation	3,442	-	(2,587)	-	**856**
Nationwide Building Society - Community Grant	22,062	-	(7,803)	-	**14,258**
The Rank Foundation	14,342	2,670	(15,253)	-	**1,759**
The Rank Foundation - DCMS	-	20,000	(20,000)	-	**-**
	-	12,525	(6,264)	-	**6,261**
The Rank Foundation - A Scullion					
Hadrian Trust	33	-	(33)	-	**-**
Emmaus Base	1,721	-	(753)	-	**968**
Northumbria Police	2,200	-	(2,200)	-	**-**
Virgin Money Foundation - Community Resilience Fund	7,598	-	(7,598)	-	**-**
Homeless Link	9,154	-	(9,154)	-	**-**
Neighbourly Community Fund	400	-	-	-	**400**
Lloyds Bank Foundation	(3)	33,000	(32,997)	-	**-**
Big Lottery (Awards for All)	5,701	-	(5,701)	-	**-**
VMF - Ripple Fund - Social Enterprises	47	-	(47)	-	**-**
Reaching Communities	67,190	53,000	(40,067)	(15,091)	**65,031**
Clarion	4,285	-	(1,530)	-	**2,755**
Emmaus UK - KCS	1,377	1,012	(2,389)	-	**-**
Community Foundation	-	1,440	-	-	**1,440**
B&Q Foundation	-	5,000	(5,000)	-	**-**
Ground works	-	500	(500)	-	**-**
Totals	157,313	231,548	(170,263)	(123,424)	**95,174**

Purpose of major restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Freemasons (Emmaus UK)	Covid Support
The Barbour Foundation	Contribution to the costs of a delivery van and workshop equipment.
RWHA Charity Fund	Workshop equipment.
Sir James Knott Trust	Contribution to Salary costs for the Deputy Manager.
Good Things Foundation	Companion training courses.

25 **Analysis of charitable funds** continued

Purpose of major restricted funds continued

Nationwide Building Society - Community Grant	Contribution to salary costs for the Business Enterprise Manager and Community Manager.
The Rank Foundation	Contribution to salary Costs for the Marketing Officer.
The Rank Foundation - DCMS	Covid Support.
The Rank Foundation	Contribution to salary costs for Companion Development Worker.
Emmaus Base	Workshop equipment.
Northumbria Police	Mental health support for companions.
Virgin Money Foundation - Community Resilience Fund	Contribution to salaries and operational costs.
Homeless Link	Contribution to core costs.
Lloyds Bank	Contribution towards the Community Managers salary.
Big Lottery (Awards for All)	Contribution towards cost of a delivery van.
Reaching Communities	Project workers salaries.
Clarion	Contribution to operating and running a foodbank.
Emmaus UK - KCS	IT support.
Community Foundation	Furniture for new residence for companions.
B&Q Foundation	Property repairs for companions' residence.

	Reason for transfer	**Amount £**
Between unrestricted and designated funds	Unrestricted funds allocated for the purchase of a property.	**70,000**
Between unrestricted and restricted funds	Value of fixed assets (vehicles and property) purchased by restricted funds transferred to unrestricted funds to be depreciated over future years.	**123,424**

26 **Analysis of net assets between funds**

	Unrestricted Funds £	Restricted Funds £	**Total 2021 £**	Total 2020 £
Tangible fixed assets	958,109	-	**958,109**	793,793
Cash at bank and in hand	154,912	95,174	**250,086**	340,613
Other net current assets/(liabilities)	(7,029)	-	**(7,029)**	(15,794)
Long term assets/(liabilities)	(215,887)	-	**(215,887)**	(242,660)
	890,106	95,174	**985,280**	875,952

27 **Financial Instruments Note**

	2021 £	2020 £
Carrying amount of financial assets		
Measured at amortised cost	**7,040**	4,291
Carrying amount of financial liabilities		
Measured at amortised cost	**219,326**	246,437