EMMAUS SOUTH WALES

England & Wales · Charity number 1136010

Details

Other names	EMMAUS BRIDGEND
Status	Registered
Legal form	Charitable company
Company number	07188459
Registered	2010-05-19
Register	View on the Charity Commission register

Contact

Address	Nant Lais Nant Lais Bridgend CF31 4SD
Phone	01656750829
Email	info@emmaussouthwales.org.uk
Website	www.emmaus.org.uk/south-wales/

Downloaded from opencharities.uk/ew/1136010

Activities

Objects: THE ALLEVIATION AND RELIEF OF POVERTY, HARDSHIP AND DISTRESS ARISING THEREFROM, 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:1 THE PROVISION OF ACCOMMODATION, OR ASSISTANCE IN SUCH PROVISION, FOR HOMELESS PEOPLE IN THE BRIDGEND AND SOUTH WALES AREA AND SUCH OTHER PLACES AS MAY SEEM APPROPRIATE FROM TIME TO TIME (THE 'BENEFICIARIES')2 THE REHABILITATION OF THE BENEFICIARIES AS APPROPRIATE AND THE PROVISION OF EDUCATION, TRAINING (INCLUDING, WITHOUT LIMITATION, EMPLOYMENT TRAINING) AND WORK OPPORTUNITIES AND SATISFACTION FOR THE BENEFICIARIES WITH THE PURPOSE OF DEVELOPING THEIR SKILLS TO ENABLE THEM TO GAIN EMPLOYMENT IN THE FUTURE AND THEREBY DEVELOP A SENSE OF SELF-WORTH AND DIGNITY THROUGH HAVING A SELF-SUPPORTING LIFE3 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 WORLDWIDE4 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

Activities: PROVIDING HOMELESS AND UNEMPLOYED PEOPLE WITH THE SECURITY AND COMPANIONSHIP OF LIVING IN A COMMUNITY HOME, THE DIGNITY OF WORKING FOR THE COMMUNITY AND FOR OTHER DISADVANTAGED PEOPLE, AND THE CHANCE OF RECOVERING THE ABILITY TO LIVE A SUCCESSFUL, INDEPENDENT LIFE OUTSIDE THE COMMUNITY SHOULD THEY CHOOSE TO DO SO. IT HAS SET UP A SOCIAL ENTERPRISE TO FUND THE COMMUNITY AND CREATE EMPLOYMENT.

Classification

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

Geography

- **Area of benefit:** BRIDGEND AND SOUTH WALES
- Bridgend
- Neath Port Talbot
- Rhondda Cynon Taff
- Vale Of Glamorgan

Downloaded from opencharities.uk/ew/1136010

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£721,917	£745,782	£748,769	11
2024-06-30	£613,645	£718,978	£796,999	13
2023-06-30	£689,551	£866,978	£955,987	13
2022-06-30	£586,253	£741,006	£1,133,414	14
2021-06-30	£786,666	£680,416	£1,288,167	11

Trustees

Name	Role	Appointed
Cerys Bethan Louise West		2025-09-03
Freya Dorothy Bletsoe		2025-08-13
Gareth Owen		2024-03-19
Geoffrey Roland Owen		2025-08-13
Helen Ruth Brooks		2024-06-24
KATE LOWRY		
Ken Smale		2025-05-14
Lorrainne Jenkins		2024-04-29
Rosemary McClements-Hall		2025-08-13

Downloaded from opencharities.uk/ew/1136010

EMMAUS SOUTH WALES

England & Wales - Charity number 1136010

Accounts

Charity registration number 1136010 (England and Wales)

Company registration number 07188459

EMMAUS SOUTH WALES

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

EMMAUS SOUTH WALES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr E Francis	
	Ms C A Lowry	
	Mr G Owen	
	Ms L J Jenkins	
	Ms H R Brooks	
	Mr K C Smale	(Appointed 14 May 2025)
	Ms F D Bletsoe	(Appointed 13 August 2025)
	Ms R McClement-Hall	(Appointed 13 August 2025)
	Mr G R Owen	(Appointed 13 August 2025)
	Ms C B L West	(Appointed 3 September 2025)
Charity number (England and Wales)	1136010	
Company number	07188459	
Registered office	Nant Lais Nant Lais Bridgend CF31 4SD	
Independent examiner	UHY Hacker Young Bradbury House Mission Court Newport Gwent United Kingdom NP20 2DW	

EMMAUS SOUTH WALES

CONTENTS

	Page
Trustees' report	1 - 9
Independent examiner's report	10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 25

EMMAUS SOUTH WALES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2025

The trustees present their annual report and financial statements for the year ended 30 June 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities
Emmaus is an international movement, independent of religious or political affiliation, it originated in France in 1949, based on the idea of Solidarity: "serve first those who suffer most," as set out in the Universal Manifesto of the Emmaus Movement. (Available for download at http://www.emmaus-europe.org).

Our Core Values
These are the values by which we strive to live in Emmaus. They set the standard for our way of life together.

Showing respect:
- Being tolerant of other people's way of life and their beliefs, recognising that other people may have a different point of view.
- Being willing to listen to what others have to say.
- Having compassion for others and respect for their circumstances, especially towards those who have suffered or are in distress.
- Respecting the skills of others and valuing their work.

Being open and honest:
- In the way we live our life within the movement.
- About how we report our finances and our activities.
- In the way we take decisions.
- By communicating properly so everyone knows what is happening and understands the decisions that are made.

Sharing:
- Sharing and exchanging our resources and skills, being willing to receive as well as to give.
- Learning from each other.
- Fighting together against injustice, accepting the risks that may be involved.

Taking and sharing responsibility:
- Encouraging people to participate actively at all levels of the movement.
- Ensuring that everybody's voice is heard.
- Ensuring that decisions are taken and implemented democratically.

Objectives and aims
The objectives, as set out in Emmaus South Wales Articles of Association, are specifically restricted to the alleviation and relief of poverty, hardship and distress arising therefrom, 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:
- the provision of accommodation, or assistance in such provision, for homeless people in the South Wales area and such other places as may seem appropriate from time to time (the beneficiaries).
- the rehabilitation of the beneficiaries as appropriate and the provision of education, training (including, without limitation, employment training) and work opportunities and satisfaction for the beneficiaries with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.
- the support of the work of other Emmaus Communities and Emmaus 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 Movement projects worldwide.
- In 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 Trustees can say, with confidence, that these four objectives of the charity are still entirely relevant. We continually strive to achieve them, to the best of our ability.

Homelessness
Homelessness in Wales, as elsewhere in the UK, continues to rise, with many living in temporary accommodation. We have been experiencing a housing crisis for a number of years and there continues to be a chronic lack of social housing and soaring private sector rents making a home increasingly unaffordable and unsustainable for many people. Many Landlords have left the market and there is very little accommodation particularly for single people.

Households continue to face high costs on basic necessities. More working people are being pushed into poverty with wages not keeping pace with inflation and housing costs continuing to be higher than they are affordable. For many there is very little prospect of owning their own home and the fight for fewer available rental properties is exacerbating the situation.

Sadly, we continue to see demand grow for support from all Homeless Charities including the Emmaus South Wales community, both in respect of our role in offering a pathway out of homelessness, also in respect of our solidarity work and services to our wider communities. This is reflected in the numbers in our community this year. We are considering how we support more people in the future.

Approach to achieving charitable objectives
The Emmaus 'theory of change' is to provide a supportive community, purpose and meaningful activity in our social enterprises each week and opportunities to develop and contribute alongside training and support for those who are marginalized and excluded, including those experiencing homelessness. By working together alongside staff and volunteers in our community and enterprises, Companions gain new skills and experience and, most importantly, regain self-respect, esteem and purpose whilst working to support others in greater need than themselves. Emmaus South Wales can currently provide accommodation for 24 Companions. Companions are provided with a package of support and accommodation, including financial support as Companions do not claim out of work benefits such as Universal Credit. Emmaus communities strive to be self-financing which is why social enterprise is integral to our model and way of working, this grants us all, including companions, autonomy in achieving our aims. It also affords us the opportunity to demonstrate in practice that a different model of life is possible, one that is based on the sharing rather than the accumulation of resources and where everybody contributes, and everybody gains.

The Emmaus Model
Emmaus provides an opportunity for companions to break free from the cycle of insecure, unsustainable, unaffordable housing and its attendant impacts on the quality of life, health and well-being. The impact of fighting a losing battle against poverty and exclusion, and of homelessness, can be soul-destroying, leaving you feeling worthless. 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 and finding your way out of that situation is not easy, particularly when the only options available are temporary fixes. This is where Emmaus is different. Emmaus is not about offering a bed for the night but offering a home for as long as it is needed, as well as purpose and meaningful work through our social enterprises. This opportunity, to become part of a community and make a contribution to it, plays an important role in restoring well-being and helping companions to find a way to overcome the barriers to inclusion in the long term.

Emmaus enables companions to rebuild their lives within self-supporting Communities. Companions receive support to re-equip themselves with the skill and capacity needed to secure and sustain independent homes and to live happy and healthy lives. Our Companions are given the opportunity to take stock of their lives, understand and address the barriers they face, and re-establish supportive networks of friends and family. You only have to read the stories on Emmaus Community websites of some of the people Emmaus has supported, to see what a difference Emmaus makes. See: emmaus,com.uk/south-wales.

Applicants join our Community as Companions, having been homeless or otherwise vulnerably housed and unemployed. Potential Companions can apply directly to Emmaus South Wales or be referred by the local authority or a third party (probation officer or outreach worker for example) with their permission. Alternatively, there is a UK wide referral pathway for all Emmaus Communities in the UK. We continue to develop partnerships and referral relationships with other services from which we are generating referrals and encouraging homeless people to contact us.

Emmaus South Wales is fully committed to developing an inclusive and diverse community, including companions, staff, Trustees and volunteers, and our recruitment and access policies reflect this.

Achievements and performance

The Community

Our community home on a two-acre site at Nant Lais, Bridgend provides a home for up to 24 companions. The charity has created a community where people live and work, recover self-confidence and support both themselves and others. The entitlement to Housing Benefit meets the costs of providing supported accommodation to most companions. We provide a high standard of accommodation for companions, in addition to a comprehensive package of practical, emotional, and financial support. Bridgend County Borough Council provides Housing Benefit to our Companions who transfer it to the charity as rent to help cover the costs of accommodating and supporting them. The community is operated economically but accommodation and meals are of a high standard.

We provide an inclusive and diverse community. Our Companions come from all parts of the United Kingdom with ages ranging from 18 to 70. They come from diverse backgrounds, and experiences, however they have all experienced homelessness. The effects of poverty, exclusion, and homelessness mean that many companions have experienced significant harm and repeated trauma which they may not previously have received support with. This can result in additional challenges such as poor mental health, addiction, difficulty maintaining relationships, or challenging behaviour. Others have simply lost hope following the loss of loved ones, a job, their home and their purpose. The Community team provide support for Companions in dealing with the impact of their experiences including supporting them to access specialist services were beneficial. The team also support companions to live together successfully and to create a mutually supportive and accepting environment. Our focus has been to build a safe and stable Community with a real "sense of Community."

When someone comes to Emmaus, we give them the opportunity to learn new skills by working in our enterprises and through different projects. Each companion has a tailored training package that they can access and complete. This year we have had more companions accessing external bicycle maintenance and more training is scheduled to be accessed through employability training. Project Butterfly was launched earlier this year to provide companions with a more diverse work experience with an opportunity to create its own upcycling and restoring venture. This is a companion led exercise enabling the companions to add to their skills set, thus enabling them to find employment whilst helping them with their mental wellbeing.

Creating "a sense of Community"

The Community and social enterprise work together to ensure the transition from applicant to Companion is as seamless as possible. Companions spend the first few days settling into the Community and undertake their induction with Support staff. Once this has been completed Companions have an Individual Support Plan, designed and reviewed to provide the support required. Induction includes formalities such as the completion of housing benefit forms and GP registration. The Companion is given a rota which explains where they will work, to whom they will report and where they will have their enterprise induction. Close monitoring of that process is undertaken by the Head of Retail and Community staff and kept under weekly review by both parties.

Every effort is made to encourage Companions to work and live effectively together as a community. Companions are encouraged to have an evening meal once a week where all companions participate. At weekly Community meetings, Companions and Staff address any behavioural or procedural issues. Every Monday morning there is a Staff and Companion Meeting where any issues are discussed and escalated where necessary. This also provides the opportunity to discuss new ideas/projects and improvements for Companions.

The Importance of work and the support network for Emmaus Companions

Emmaus Companions have commented on the importance of work in their life in Emmaus.

"I felt ready to move on, and I knew my experience at Emmaus would help me take this step forward. Now I have a full-time position at a holiday park"

“Emmaus has given me the chance to reintegrate back into society after being institutionalsed in the prison system by giving me a strong support network. It has offered me a consistent routine with work that has helped me find purpose.”

The Support Network
Other Companions have made observations on the support network:

"I'd like to say thank you to Emmaus and its supporters for giving me the opportunities I needed to be able to do what I've done. If anyone needs help or support, come to Emmaus, give it a go. They'll help sort your life out. They've certainly done so for me."

"Without Emmaus I would still be living in a world surrounded by alcohol and drugs, with the support offered I can focus on moving forward in my life."

"The support network at Emmaus from the staff and the community has given me a new family, that has helped me develop as a person."

Kindness and Community life encourage empathy
Solidarity is such an important part of the work of Emmaus. As one Companion put it:

"Emmaus has given me the option to start a new life, and I would recommend it for anyone who is homeless or facing homelessness"

Another Companion described her experience of living in an Emmaus Community as:

"Emmaus South Wales saved my life and I will never forget what this place has done for me."

"I feel like I have a family, people who care about me."

What success looks like...
Success for our Companions can be viewed through different lenses - personal development and change that occurs, and the empowerment to choose a different lifestyle. It enables them to be open to opportunities for retraining, employment or to pursue interests. The stability helps them to reimagine their lives in a different way - being empowered to reengage with interests, education, employment and new opportunities. Being part of the community can help people to reconnect with relationships that have been estranged and helps them forge new friendships. Emmaus offers a unique opportunity to work with people in a close community, to feel more confident around people, to learn about relationships, tolerance, limitations, learning to share, useful experiences that can be duplicated in the community at large helping people to move on in a positive way.

The Social Enterprise
Emmaus South Wales financial year to 30 June 2025 was another challenging year for the social enterprise. Emmaus South Wales closed two retail locations in Bridgend in 2024, in favour of establishing one larger super store in town. The store opened in January 2025. Emmaus South Wales continues to operate one other retail store, albeit smaller, in the coastal town of Porthcawl. Charity Retail continues to be a challenging environment. However, the new superstore has performed well along with the more seasonal Porthcawl store. The SMT team and retail managers are all working hard to increase footfall and develop staff both paid and unpaid to better understand and serve their customers and wider community.

The focus of Emmaus South Wales moving forward, is diversifying and growing the social enterprise, to create further opportunities for companions and generate alternative streams of sustainable income.

The Success of the new (SMT) Senior Management Team (driven by our appointment of our new CEO in August 2023) has significantly improved the morale, performance and experience of our Staff, Volunteers and Companions. We are delighted as a Board that our SMT have delivered beyond our expectations as a Board in such a short time. Key Performance Indicators (KPIs), reviewed and updated with the Board are used to focus on ensuring key activities and actions are met, thus driving the delivery of Emmaus South Wales Strategic Aims. The significant improvement in Management of the Charity has enabled the Board to step back to the Governance role it is required to meet.

Following a full review of our Land Train (Lucie) operations it became clear that generating an income would be extremely challenging. There was a lot of focus was on working with Bridgend County Borough Council to try to find options in order to retain her presence in Porthcawl but without significant loss to the Charity. Despite all efforts Lucie was sold to St. Fagans, The National History Museum in Cardiff for use around their site. Whilst we are disappointed, we were unable to continue with the train in Porthcawl however, we are delighted she remains in Wales and will continue to delight passengers who visit the St. Fagans site.

An Emmaus social enterprise creates work and training opportunities for Companions, staff, and volunteers. Its dual purposes is to generate funds to meet Charitable costs, and to provide purpose and meaningful opportunities for Companions to rebuild their self-esteem. In total, approximately 24,934 hours of companion time was volunteered in the enterprise and community in 2023/24.

The Emmaus ethos commits us to acts of solidarity and, in 2023/24, we continued to support Emmaus international's solidarity projects by donating a day's takings from our shops in our 'Solidarity Day Sale'. Our shops donated £1835 worth of furniture and other items, delivered by the community's van to support local people in need, identified through our links with local housing associations. In total, 8 beds, 16 large items of bedroom furniture, 1 dining table and chairs, 9 sofas, and 4 homeware packs were provided. We undertake these activities to help tackle poverty and disadvantage in our local communities.

The enterprise has also recycled 28.5 tonnes of unwanted items, reused 67.8 tonnes of unwanted items and ragged 11 tonnes of clothes that were then sent abroad. Demonstrating that the enterprise also plays an important role in protecting the environment from reducing items to Landfill.

The Management Team
Our Senior Management Team continue to bring a real focus and perspective to the Charity. Our Community & Support Manager has worked hard in another difficult year to ensure our Companions continue to the have the support needed. It continues to be a challenging operating context, with rising costs, reduced capacity and significant changes to customer needs and habits. Nevertheless, the team is focused on achieving maximum impact for companions and our wider communities, and committed to identifying the opportunities where Emmaus South Wales can contribute to making a better world.

Staff and Volunteers
The past year continues to be a difficult one for our staff and volunteers. Many of our Volunteers still have not returned since the Covid Pandemic so our staff continue to deal with reduced support whilst trying to maximise the opportunities to generate income in our stores. For our community team, there continued to be challenges in filling vacancies in the home however the increased connections with referral Agencies, and a determination to raise our profile to ensure we reach those who we know Emmaus can help resulted in an almost full Community. We are increasingly using our 'Move-on' house to ensure we can offer as many places as possible, supporting companions in getting back into the workplace has been another challenge this year however we have supported 5 companions to move on to full time employment and accommodation.

Our Enterprise and Community staff have continued to work with passion and determination through another challenging period for the Charity. Consistency in Staff and Support has resulted in a more proactive approach and a drive towards our strategic aims. There is real excitement about our future with a focus on our key objectives for the future. Our staff work incredibly hard and with passion and determination. We send our heartfelt thanks to each and every one of them for their contribution and commitment to Emmaus South Wales.

Financial review
It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The total income for the year ending 30 June 2025 was £721,917, £108,272 higher than the previous year.

Total expenditure of £770,147, which was £2,486, less than 1% lower than in the previous year. A deficit of £48,230 was thereby reported in the year, with a deficit of £158,988 reported in the previous year.

Going concern
Emmaus South Wales has had a difficult 5 years from a trading perspective. Previously, there were a number of shops on different high streets. As a result of struggling high streets, most Emmaus stores have either been loss making or only making a small contribution to the fixed costs of the organisation. This led to an erosion of cash reserves, which effectively broke the £100,000 current asset internal covenant that was set by the board.

Analysis of the Charities Enterprises proved that the retail store performing best was an out of town store at Tremains Road, Bridgend and this led the board to believe that one large outlet store would fit Emmaus South Wales needs best. Some of the high street stores were closed as Leases ended and in October 2024 a new premises on the edge of Town was found that would suit ESWs needs for the future. The Board of trustees is pleased to announce that a 5 year lease was signed and the retail enterprise has seen a new lease of life with footfall up again.

The opening of the new store, 'Trysor Cudd' (Welsh for Hidden Treasures), was opened with financial support from Emmaus UK in the form of a loan as well as significant grants received during the June 2025 Financial Year End. ESWs net current cash level is once again above £100,000. The Board believes that the new store and new funding package has put ESW back into a good position and we are all excited about the future, our ability to continue as a going concern and to meet our organisational goal of assisting companions out of homelessness.

Grants
Emmaus South Wales, is founded on a model of sustainable Social Enterprise. We strive to be self-financing through our primary purpose trading activities. However, we are operating in a context of rising cost. This includes the costs of the package of support we provide for companions and the costs we meet on their behalf, such as utilities and food. As well as our charitable operating costs and trading costs such as fuel, energy, employment costs, and rents. We continue to meet all of our trading costs from trading income and are grateful for the grants we have continued to secure to support our charitable delivery costs.

The support provided is detailed on page 24. This support has made a real difference in enabling us to continue to support companions throughout the year. Our funders have provided funds to meet direct Companion costs, to support salaries in both the community and central teams, and to enable us to meet ongoing core liabilities such as utilities. Emmaus South Wales's is grateful for this generosity.

Reserves
Emmaus South Wales has demonstrated resilience over some difficult years however, the trading environment continues to be challenging with changes to footfall and consumer behaviour, and it's important that we can continue to adapt our enterprises to the changing context.

The Board still judges that total net cash position of £100,000 in unrestricted and restricted funds, is adequate to enable Emmaus South Wales to survive a short-term calamity. The incredible support we have received during the year means that the accounts for the financial year show a continuing stable position.

Planning the Future
The Board are pleased that our CEO and Staff have proved more than efficient and effective in their respective roles but also in driving the Charity towards an exciting future with more support and opportunities for our Companions and a visionary approach to our future. The Strategy agreed last year has been the focus of our Senior Management Team (SMT) with KPIs reviewed and updated monthly and the Board are confident in our ability to achieve both our medium and long term objectives.

The Board and SMT have focussed attention on how to manage the increasingly challenging environment of charity retail alongside providing more diverse opportunities for training for Companions. Two lease terms ended before/around our year end and the focus on our medium term Enterprise Strategy saw us take the decision to close our Bridgend Town Centre store. Whilst disappointing we have recognised the need for change in order to ensure our long term future.

Structure, governance and management
Governing document
The charity is controlled by its governing document, a deed of trust, and is constituted as a company, limited by guarantee, as defined by the Companies Act 2006. The charity was constituted in 2010 as a company Limited by guarantee, controlled by its governing document, the Memorandum and Articles of Association, as defined by the Companies Act 2006.

The objects of the charity are the alleviation and relief of poverty, hardship and distress arising therefrom, in conformance with the principles of the Emmaus Movement; the provision of accommodation for homeless people in South Wales, the rehabilitation of the beneficiaries and the provision of education and training, including employment training and work opportunities with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.

Structure, governance and management
The Board is responsible for the strategic direction and policy of the charity. The Board continued to meet monthly, utilizing online, hybrid, and in person methods over the course of the year.

Each meeting was preceded, a week before, by a meeting of the Enterprise and Finance Committee. Its members are Two Trustees, the Chief Executive, and the Finance Manager. It reviews the state of the Community and the charity's financial results. It exercises financial control, considers future projections and business proposals and submits its report and statement of decisions needed to the Board.

The Health and Safety and Risk sub-committees continue to meet quarterly.

A delegation framework is in place, with the day-to-day responsibility for the operations of the charity resting with the Chief Executive. The Chief Executive is responsible for ensuring that the charity delivers its strategic objectives, achieves the budget for the ensuing year and meets key performance indicators.

Risk management
Trustees have in place risk management procedures, policies and a Risk Register which aims to identify, manage and mitigate foreseeable risks that the charity might face. The Chief Executive has overall responsibility for monitoring the risks and ensuring appropriate and timely mitigation is put in place. The Charity is committed to safeguarding staff, Companions and volunteers and effective health and safety risk management in accordance with its Health and Safety policy. Risk assessments and specific procedures are completed, reviewed, and maintained. All new activities and potential risks are risk assessed. All staff and volunteers participate in a health and safety induction, with specific training offered when desirable or necessary.

Policies
A complete portfolio of policies and procedures has been established, which are regularly reviewed.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Ms T V Eades	(Resigned 10 June 2025)
Mr E Francis	
Ms C A Lowry	
Ms C M Price	(Resigned 14 June 2025)
Ms J A Raikes	(Resigned 10 June 2025)
Mr G Owen	
Ms L J Jenkins	
Ms H R Brooks	
Ms L A Sulley	(Resigned 25 October 2025)
Mr K C Smale	(Appointed 14 May 2025)
Ms F D Bletsoe	(Appointed 13 August 2025)
Ms R McClement-Hall	(Appointed 13 August 2025)
Mr G R Owen	(Appointed 13 August 2025)
Ms C B L West	(Appointed 3 September 2025)

Recruitment, appointment and training of new trustees
The Charity is directed by a Board of Trustees who are elected and co-opted under the terms of the Articles of Association. The Board of Trustees continues to review the skills and experience of its members. During the year one additional Trustee was recruited with three Trustees stepping down. Since 30/6/2025 4 further Trustees have been appointed with one stepping down. This continues to strengthen the Board's expertise and skills base. The Board recognise that a proper recruitment, induction and training programme is important to ensure the ongoing strength of the Board.

Each potential Trustee is interviewed by at least two Trustees, briefed about the Community, the History of Emmaus, their legal and ethical responsibilities and provided with the NCVO Code of Good Governance.

Once Board approval is confirmed, induction and training takes the form of attendance at Board Meetings and its Committees, a visit to Nant Lais, our Community home, escorted visits to other neighbouring Emmaus Communities, attending the Emmaus UK Federation Induction Day, training in the responsibilities of a Trustee and assumption of appropriate roles in support of the Community and its social enterprise. Attendance at the Emmaus Annual Assembly and other conferences and meetings of the Emmaus Movement form an important way in which new Trustees can learn the Emmaus ethos and best practice and gain essential contacts.

All trustees give their time voluntarily and receive no benefits from the Charity. No expenses have been claimed from the charity since September 2018. None of the trustees has any beneficial interest in the company.

The Wider Emmaus Movement
Emmaus in the UK is part of the international Emmaus Movement, made up of 425 member groups working in 41 countries around the world. The work that the members do varies, depending on the needs of the country that they work in, but all Groups share a commitment to *"serve first those who suffer most"* as set out in the Universal Manifesto of the Emmaus Movement. Emmaus South Wales has full membership of Emmaus UK, Emmaus Europe and Emmaus International.

As part of an international Movement, we learn from one another, share experiences and work together to support those in greatest need. Staff, companions, volunteers and trustees in the UK participate in exchanges, meetings, and in solidarity sales where money is raised for Emmaus projects in poorer countries.

In the UK, Emmaus South Wales continues to work alongside the other communities in the UK Federation. We continue to share the learning and experience gained from the devolved nature of Housing and Homelessness in Wales, with our counterparts elsewhere in the UK, and equally to learn from theirs. As members of Emmaus UK, we have contributed to the collective review of UK strategy and continue to benefit from the shared services and resources.

Related parties
Emmaus South Wales is a member of Emmaus UK, Emmaus Europe, and Emmaus International.

Emmaus UK supports the development of Emmaus Communities in the UK. We work closely with Emmaus UK across all areas of our work, and benefit from their support with: communications, marketing and web management, fundraising, business and retail development, performance monitoring and evaluation, community development, companion referrals, strategic planning and finance. The Board greatly appreciates the support received. Roots HR provide an HR service to Emmaus Communities.

THANKS
The Trustees would like to express their thanks to all who have supported the Emmaus South Wales Community and Social Enterprise in the past year, especially the Chief Executive and staff of Emmaus UK, and all Trustees, staff and volunteers.

Our sincere thanks also go to Julie Raikes who greatly supported the Board during her time as both Truestee and Chair. Her input during his time with Emmaus South Wales is greatly appreciated.

We are immensely grateful for the generous support, from all our funders.

Once again, we thank our generous donors of furniture, clothes, books and bric-a-brac and to our wonderful customers who then buy them and signpost others to our shops!

As shown on page 22, we are immensely grateful for the generous support, at a time of crisis, from: Waterloo Foundation, The Albert Hunt Trust, Fairshare and Arnold Clarke.

Funds held as custodian trustee
Fund held by trustees for third parties
The charity holds funds (savings) on behalf of Companions, which are built up weekly at £5 per Companion from his or her weekly allowance. This enables each Companion to· have some savings when they move on from Emmaus South Wales. The savings are held solely for the benefit of the Companions. The amounts saved are recorded at the Community home at Nant Lais and are kept separate from other funds as required by FRS102 module 19.

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

Gareth Owen
.....
Mr G Owen
Trustee

Ken Smale
.....
Mr K C Smale
Trustee

Date: 14 / 01 / 2026

EMMAUS SOUTH WALES

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF EMMAUS SOUTH WALES

I report to the trustees on my examination of the financial statements of Emmaus South Wales (the charity) for the year ended 30 June 2025.

Responsibilities and basis of report
As the trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

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

Independent examiner's statement
Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
2 the financial statements do not accord with those records; or
3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

UHY Hacker Young.

UHY Hacker Young
Bradbury House
Mission Court
Newport
Gwent
NP20 2DW
United Kingdom
Date: .....
21 / 01 / 2026

EMMAUS SOUTH WALES

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income and endowments from:							
Donations and legacies	**3**	436,950	-	436,950	263,643	-	263,643
Charitable activities	**4**	-	-	-	3,279	-	3,279
Other trading activities	**5**	257,960	-	257,960	334,648	-	334,648
Investments	**6**	610	-	610	3,755	-	3,755
Other income	**7**	26,397	-	26,397	8,320	-	8,320
Total income		721,917	-	721,917	613,645	-	613,645
Expenditure on:							
Charitable activities	**8**	745,782	24,365	770,147	718,978	53,655	772,633
Total expenditure		745,782	24,365	770,147	718,978	53,655	772,633
Net expenditure and movement in funds		(23,865)	(24,365)	(48,230)	(105,333)	(53,655)	(158,988)
Reconciliation of funds:							
Fund balances at 1 July 2024		(68,738)	865,737	796,999	36,595	919,392	955,987
Fund balances at 30 June 2025		(92,603)	841,372	748,769	(68,738)	865,737	796,999

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

EMMAUS SOUTH WALES

BALANCE SHEET
AS AT 30 JUNE 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**14**		1,063,542		1,119,606
Current assets					
Stocks	**15**	393		4,806	
Debtors	**16**	66,866		45,792	
Cash at bank and in hand		42,023		29,663	
		109,282		80,261	
Creditors: amounts falling due within one year	**18**	(153,604)		(145,960)	
Net current liabilities			(44,322)		(65,699)
Total assets less current liabilities			1,019,220		1,053,907
Creditors: amounts falling due after more than one year	**19**		(270,451)		(256,908)
Net assets			748,769		796,999
The funds of the charity					
Restricted income funds	**22**		841,372		865,737
Unrestricted funds	**23**		(92,603)		(68,738)
			748,769		796,999

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2025.

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

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

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

The financial statements were approved by the trustees on 14 / 01 / 2026

Gareth Owen
.....
Mr G Owen
Trustee

Ken Smale
.....
Mr K C Smale
Trustee

Company registration number 07188459 (England and Wales)

EMMAUS SOUTH WALES

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash absorbed by operations	**27**		(28,312)		(84,867)
Investing activities					
Purchase of tangible fixed assets		(3,837)		-	
Proceeds from disposal of tangible fixed assets		30,000		1,500	
Investment income received		610		3,755	
Net cash generated from investing activities			26,773		5,255
Financing activities					
Repayment of bank loans		13,899		(15,530)	
Net cash generated from/(used in) financing activities			13,899		(15,530)
Net increase/(decrease) in cash and cash equivalents			12,360		(95,142)
Cash and cash equivalents at beginning of year			29,663		124,805
Cash and cash equivalents at end of year			42,023		29,663

1 Accounting policies

Charity information

Emmaus South Wales is a private company limited by guarantee incorporated in England and Wales. The registered office is Nant Lais, Nant Lais, Bridgend, CF31 4SD.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset’s use.

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Tangible fixed assets are measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% - 20% straight line
Plant and equipment	Enter depreciation rate via StatDB - cd76
Fixtures and fittings	20% straight line
Computers	20% straight line
Motor vehicles	40% reducing balance

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Financial instruments

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

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

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

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Derecognition of financial liabilities

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1 Accounting policies (Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	319,436	218,052
Grants	117,514	45,591
	436,950	263,643

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Sales within charitable activities		
Sale of goods	-	3,279

5 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Shop income	257,960	334,648

6 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	610	3,755

7 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net gain on disposal of tangible fixed assets	20,501	858
Other income	5,896	7,462
	5,896	7,462

8 Expenditure on charitable activities

	Charitable activities 2025	Charitable activities 2024
	£	£
Direct costs		
Staff costs	132,096	148,786
Depreciation and impairment	50,402	55,701
Premises costs	115,486	113,191
Motor expenses	27,385	27,020
Telephone	2,155	1,755
Bank charges	21,142	23,984
Insurance	1,663	1,746
Repairs & renewals	7,929	3,583
Shop expeneses	12,935	5,504
Companion costs	70,144	61,325
Licences & subscriptions	2,600	5,029
Printing, postage & stationery	291	217
Advertising & marketing	7,794	3,652
Other costs	15,387	4,376
Other staff costs	203	1,391
	467,612	457,260
Share of support and governance costs (see note 9)		
Support	281,293	304,621
Governance	21,242	10,752
	770,147	772,633
Analysis by fund		
Unrestricted funds	745,782	718,978
Restricted funds	24,365	53,655
	770,147	772,633

9 Support costs allocated to activities

	2025	2024
	£	£
Staff costs	200,461	198,556
Premises costs	45,087	70,238
Insurance	22,424	15,930
Printing, postage & stationery	1,376	1,118
Telephone	6,047	11,764
Travel & subsistence	471	344
Computer costs	2,830	2,241
Other costs	2,222	4,430
Governance costs	21,617	10,752
	302,535	315,373
Analysed between:		
Charitable activities	302,535	315,373

10 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	5,759	5,388
Depreciation of owned tangible fixed assets	50,402	55,701
Profit on disposal of tangible fixed assets	(20,501)	(858)

11 Trustees

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

12 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
	11	13

12 Employees (Continued)

Employment costs	2025	2024
	£	£
Wages and salaries	303,643	324,249
Social security costs	20,459	14,778
Other pension costs	8,455	8,315
	332,557	347,342

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

Remuneration of key management personnel
The remuneration of key management personnel was as follows:

	2025	2024
	£	£
Aggregate compensation	91,689	94,429

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

14 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 July 2024	1,500,597	-	143,441	14,924	76,746	1,735,708
Additions	-	1,833	-	2,004	-	3,837
Disposals	-	-	-	-	(76,746)	(76,746)
At 30 June 2025	1,500,597	1,833	143,441	16,928	-	1,662,799
Depreciation and impairment						
At 1 July 2024	404,627	-	137,293	13,268	60,914	616,102
Depreciation charged in the year	40,839	153	2,408	669	6,333	50,402
Eliminated in respect of disposals	-	-	-	-	(67,247)	(67,247)
At 30 June 2025	445,466	153	139,701	13,937	-	599,257
Carrying amount						
At 30 June 2025	1,055,131	1,680	3,740	2,991	-	1,063,542
At 30 June 2024	1,095,970	-	6,148	1,656	15,832	1,119,606

15 Stocks

	2025	2024
	£	£
Finished goods and goods for resale	393	4,806

16 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Other debtors	46,684	8,547
Prepayments and accrued income	20,182	37,245
	66,866	45,792

17 Loans and overdrafts

	2025	2024
	£	£
Bank loans	287,197	273,298
Payable within one year	16,746	16,390
Payable after one year	270,451	256,908

18 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Bank loans	17	16,746	16,390
Other taxation and social security		-	5,483
Government grants	20	61,576	-
Trade creditors		34,438	53,798
Other creditors		5,537	7,621
Accruals and deferred income		35,307	62,668
		153,604	145,960

19 Creditors: amounts falling due after more than one year

	Notes	2025	2024
		£	£
Bank loans	17	270,451	256,908

20 Government grants

Deferred income is included in the financial statements as follows:

	2025	2024
	£	£
Deferred income is included within:		
Current liabilities	61,576	-
Movements in the year:		
Deferred income at 1 July 2024	-	-
Resources deferred in the year	61,576	-
Deferred income at 30 June 2025	61,576	-

21 Retirement benefit schemes

	2025	2024
Defined contribution schemes	**£**	**£**
Charge to profit or loss in respect of defined contribution schemes	8,455	8,315

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

22 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 July 2024	Resources expended	At 30 June 2025
	£	£	£
Nant Lais - Development of Community Home	865,523	(24,266)	841,257
Fareshare	214	(99)	115
	865,737	(24,365)	841,372

Previous year:	At 1 July 2023	Resources expended	At 30 June 2024
	£	£	£
Nant Lais - Development of Community Home	894,080	(28,557)	865,523
Fareshare	832	(618)	214
Moondance Foundation	24,480	(24,480)	-
	919,392	(53,655)	865,737

Nant Lais Development of Community Home - this funding was provided to develop the charity's community home. The Big Lottery and Welsh Government provided grants with a supporting charge on the land and buildings to ensure that the property is used for the purpose of providing homes for companions, end cannot be sold without permission from the donors. The expenditure on this fund relates to the depreciation charge on the property.

Fareshare - this funding was provided to purchase kitchen equipment for the community.

Moondance Foundation - this funding was provided to fund 6 companions for 12 months.

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 July 2024	Incoming resources	Resources expended	At 30 June 2025
	£	£	£	£
General funds	(68,738)	721,917	(745,782)	(92,603)

Previous year:	At 1 July 2023	Incoming resources	Resources expended	At 30 June 2024
	£	£	£	£
General funds	36,595	613,645	(718,978)	(68,738)

The deficit in the unrestricted reserves was not due to spending restricted income but through an over commitment to spending in the following year on unrestricted activities. This has been covered post year end by income generated from the opening of the new store noted in the trustees report.

24 Analysis of net assets between funds

	Unrestricted funds 2025	Restricted funds 2025	Total 2025
	£	£	£
At 30 June 2025:			
Tangible assets	230,479	833,063	1,063,542
Current assets/(liabilities)	(52,631)	8,309	(44,322)
Long term liabilities	(270,451)	-	(270,451)
	(92,603)	841,372	748,769

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 30 June 2024:			
Tangible assets	254,511	865,095	1,119,606
Current assets/(liabilities)	(66,341)	642	(65,699)
Long term liabilities	(256,908)	-	(256,908)
	(68,738)	865,737	796,999

25 Operating lease commitments

Lessee
At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025	2024
	£	£
Within one year	209,010	-

26 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

27 Cash absorbed by operations

	2025	2024
	£	£
Deficit for the year	(48,230)	(158,988)
Adjustments for:		
Investment income recognised in statement of financial activities	(610)	(3,755)
Gain on disposal of tangible fixed assets	(20,501)	(858)
Depreciation and impairment of tangible fixed assets	50,402	55,701
Movements in working capital:		
Decrease in stocks	4,413	-
(Increase)/decrease in debtors	(21,074)	22,108
(Decrease)/increase in creditors	(54,288)	925
Increase in deferred income	61,576	-
Cash absorbed by operations	(28,312)	(84,867)

28 Analysis of changes in net (debt)/funds

	At 1 July 2024	Cash flows	At 30 June 2025
	£	£	£
Cash at bank and in hand	29,663	12,360	42,023
Loans falling due within one year	(16,390)	(356)	(16,746)
Loans falling due after more than one year	(256,908)	(13,543)	(270,451)
	(243,635)	(1,539)	(245,174)

EMMAUS SOUTH WALES

England & Wales - Charity number 1136010

Accounts

Charity registration number 1136010 (England and Wales)

Company registration number 07188459

EMMAUS SOUTH WALES

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

EMMAUS SOUTH WALES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms T V Eades	
	Mr E Francis	
	Ms C A Lowry	
	Ms C M Price	
	Ms J A Raikes	
	Mr G Owen	(Appointed 19 March 2024)
	Ms L J Jenkins	(Appointed 29 April 2024)
	Ms H R Brooks	(Appointed 24 June 2024)
	Ms L A Sulley	(Appointed 4 April 2024)
Charity number (England and Wales)	1136010	
Company number	07188459	
Registered office	Nant Lais Nant Lais Bridgend CF31 4SD	
Independent examiner	UHY Hacker Young Bradbury House Mission Court Newport Gwent United Kingdom NP20 2DW	

EMMAUS SOUTH WALES

CONTENTS

	Page
Trustess' report	1 - 9
Independent examiner's report	10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 24

TRUSTESS' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2024

The trustees present their annual report and financial statements for the year ended 30 June 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities
Emmaus is an international movement, independent of religious or political affiliation, it originated in France in 1949, based on the idea of Solidarity: "serve first those who suffer most," as set out in the Universal Manifesto of the Emmaus Movement. (Available for download at http://www.emmaus-europe.org).

Our Core Values
These are the values by which we strive to live in Emmaus. They set the standard for our way of life together.

Showing respect:
- Being tolerant of other people's way of life and their beliefs, recognising that other people may have a different point of view.
- Being willing to listen to what others have to say.
- Having compassion for others and respect for their circumstances, especially towards those who have suffered or are in distress.
- Respecting the skills of others and valuing their work.

Being open and honest:
- In the way we live our life within the movement.
- About how we report our finances and our activities.
- In the way we take decisions.
- By communicating properly so everyone knows what is happening and understands the decisions that are made.

Sharing:
- Sharing and exchanging our resources and skills, being willing to receive as well as to give.
- Learning from each other.
- Fighting together against injustice, accepting the risks that may be involved.

Taking and sharing responsibility:
- Encouraging people to participate actively at all levels of the movement.
- Ensuring that everybody's voice is heard.
- Ensuring that decisions are taken and implemented democratically.

Objectives and aims
The objectives, as set out in Emmaus South Wales Articles of Association, are specifically restricted to the alleviation and relief of poverty, hardship and distress arising therefrom, 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:
- the provision of accommodation, or assistance in such provision, for homeless people in the South Wales area and such other places as may seem appropriate from time to time (the beneficiaries).
- the rehabilitation of the beneficiaries as appropriate and the provision of education, training (including, without limitation, employment training) and work opportunities and satisfaction for the beneficiaries with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.
- the support of the work of other Emmaus Communities and Emmaus 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 Movement projects worldwide.
- In 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 Trustees can say, with confidence, that these four objectives of the charity are still entirely relevant. We continually strive to achieve them, to the best of our ability.

Homelessness
Homelessness in Wales, as elsewhere in the UK, continues to rise, with many living in temporary accommodation. We have been experiencing a housing crisis for a number of years and there continues to be a chronic lack of social housing and soaring private sector rents making a home increasingly unaffordable and unsustainable for many people. Many Landlords have left the market and there is very little accommodation particularly for single people.

Households continue to face high costs on basic necessities. More working people are being pushed into poverty with wages not keeping pace with inflation and housing costs continuing to be higher than they are affordable. For many there is very little prospect of owning their own home and the fight for fewer available rental properties is exacerbating the situation.

Sadly, we continue to see demand grow for support from all Homeless Charities including the Emmaus South Wales community, both in respect of our role in offering a pathway out of homelessness, also in respect of our solidarity work and services to our wider communities. This is reflected in the numbers in our community this year. We are considering how we support more people in the future.

Approach to achieving charitable objectives
The Emmaus 'theory of change' is to provide a supportive community, purpose and meaningful activity in our social enterprises each week and opportunities to develop and contribute alongside training and support for those who are marginalized and excluded, including those experiencing homelessness. By working together alongside staff and volunteers in our community and enterprises, Companions gain new skills and experience and, most importantly, regain self-respect, esteem and purpose whilst working to support others in greater need than themselves. Emmaus South Wales can currently provide accommodation for 24 Companions. Companions are provided with a package of support and accommodation, including financial support as Companions do not claim out of work benefits such as Universal Credit. Emmaus communities strive to be self-financing which is why social enterprise is integral to our model and way of working, this grants us all, including companions, autonomy in achieving our aims. It also affords us the opportunity to demonstrate in practice that a different model of life is possible, one that is based on the sharing rather than the accumulation of resources and where everybody contributes, and everybody gains.

The Emmaus Model
Emmaus provides an opportunity for companions to break free from the cycle of insecure, unsustainable, unaffordable housing and its attendant impacts on the quality of life, health and well-being. The impact of fighting a losing battle against poverty and exclusion, and of homelessness, can be soul-destroying, leaving you feeling worthless. 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 and finding your way out of that situation is not easy, particularly when the only options available are temporary fixes. This is where Emmaus is different. Emmaus is not about offering a bed for the night but offering a home for as long as it is needed, as well as purpose and meaningful work through our social enterprises. This opportunity, to become part of a community and make a contribution to it, plays an important role in restoring well-being and helping companions to find a way to overcome the barriers to inclusion in the long term.

Emmaus enables companions to rebuild their lives within self-supporting Communities. Companions receive support to re-equip themselves with the skill and capacity needed to secure and sustain independent homes and to live happy and healthy lives. Our Companions are given the opportunity to take stock of their lives, understand and address the barriers they face, and re-establish supportive networks of friends and family. You only have to read the stories on Emmaus Community websites of some of the people Emmaus has supported, to see what a difference Emmaus makes. See: emmaus.com.uk/south-wales.

Applicants join our Community as Companions, having been homeless or otherwise vulnerably housed and unemployed. Potential Companions can apply directly to Emmaus South Wales or be referred by the local authority or a third party (probation officer or outreach worker for example) with their permission. Alternatively, there is a UK wide referral pathway for all Emmaus Communities in the UK. We continue to develop partnerships and referral relationships with other services from which we are generating referrals and encouraging homeless people to contact us.

Emmaus South Wales is fully committed to developing an inclusive and diverse community, including companions, staff, Trustees and volunteers, and our recruitment and access policies reflect this.

Achievements and performance

The Community

Our community home on a two-acre site at Nant Lais, Bridgend provides a home for up to 24 companions. The charity has created a community where people live and work, recover self-confidence and support both themselves and others. The entitlement to Housing Benefit meets the costs of providing supported accommodation to most companions. We provide a high standard of accommodation for companions, in addition to a comprehensive package of practical, emotional, and financial support. Bridgend County Borough Council provides Housing Benefit to our Companions who transfer it to the charity as rent to help cover the costs of accommodating and supporting them. The community is operated economically but accommodation and meals are of a high standard.

In addition, our 4 bedroom, 4 bathroom house, situated just a 2 minute walk from our Community Home provides us with the opportunity to support those longer term companions in a way more suited to their future living and is also providing an opportunity for us to manage the move-on experience for those Companions starting employment and looking for accommodation.

We provide an inclusive and diverse community. Our Companions come from all parts of the United Kingdom with ages ranging from 18 to 70. They come from diverse backgrounds, and experiences, however they have all experienced homelessness. The effects of poverty, exclusion, and homelessness mean that many companions have experienced significant harm and repeated trauma which they may not previously have received support with. This can result in additional challenges such as poor mental health, addiction, difficulty maintaining relationships, or challenging behaviour. Others have simply lost hope following the loss of loved ones, a job, their home and their purpose. The Community team provide support for Companions in dealing with the impact of their experiences including supporting them to access specialist services were beneficial. The team also support companions to live together successfully and to create a mutually supportive and accepting environment. Our focus has been to build a safe and stable Community with a real "sense of Community."

When someone comes to Emmaus, we give them the opportunity to learn new skills by working in our enterprises and through different projects. Each companion has a tailored training package that they can access and complete. This year we have had more companions accessing external bicycle maintenance and more training is scheduled to be accessed through employability training. Project Butterfly was launched earlier this year to provide companions with a more diverse work experience with an opportunity to create its own upcycling and restoring venture. This is a companion led exercise enabling the companions to add to their skills set, thus enabling them to find employment whilst helping them with their mental wellbeing.

Creating "a sense of Community"

The Community and social enterprise work together to ensure the transition from applicant to Companion is as seamless as possible. Companions spend the first few days settling into the Community and undertake their induction with Support staff. Once this has been completed Companions have an Individual Support Plan, designed and reviewed to provide the support required. Induction includes formalities such as the completion of housing benefit forms and GP registration. The Companion is given a rota which explains where they will work, to whom they will report and where they will have their enterprise induction. Close monitoring of that process is undertaken by the Head of Retail and Community staff and kept under weekly review by both parties.

Every effort is made to encourage Companions to work and live effectively together as a community. Companions are encouraged to have an evening meal once a week where all companions participate. At weekly Community meetings, Companions and Staff address any behavioural or procedural issues. Every Monday morning there is a Staff and Companion Meeting where any issues are discussed and escalated where necessary. This also provides the opportunity to discuss new ideas/projects and improvements for Companions.

The Importance of work and the support network for Emmaus Companions

Emmaus Companions have commented on the importance of work in their life in Emmaus.

"I felt ready to move on, and I knew my experience at Emmaus would help me take this step forward. Now I have a full-time position at a holiday park"

"Emmaus has given me the chance to reintegrate back into society after being institutionalsed in the prison system by giving me a strong support network. It has offered me a consistent routine with work that has helped me find purpose."

The Support Network
Other Companions have made observations on the support network:

"I'd like to say thank you to Emmaus and its supporters for giving me the opportunities I needed to be able to do what I've done. If anyone needs help or support, come to Emmaus, give it a go. They'll help sort your life out. They've certainly done so for me."

"Without Emmaus I would still be living in a world surrounded by alcohol and drugs, with the support offered I can focus on moving forward in my life."

"The support network at Emmaus from the staff and the community has given me a new family, that has helped me develop as a person."

Kindness and Community life encourage empathy
Solidarity is such an important part of the work of Emmaus. As one Companion put it:

"Emmaus has given me the option to start a new life, and I would recommend it for anyone who is homeless or facing homelessness"

Another Companion described her experience of living in an Emmaus Community as:

"Emmaus South Wales saved my life and I will never forget what this place has done for me."

"I feel like I have a family, people who care about me."

What success looks like...
Success for our Companions can be viewed through different lenses - personal development and change that occurs, and the empowerment to choose a different lifestyle. It enables them to be open to opportunities for retraining, employment or to pursue interests. The stability helps them to reimagine their lives in a different way - being empowered to reengage with interests, education, employment and new opportunities. Being part of the community can help people to reconnect with relationships that have been estranged and helps them forge new friendships. Emmaus offers a unique opportunity to work with people in a close community, to feel more confident around people, to learn about relationships, tolerance, limitations, learning to share, useful experiences that can be duplicated in the community at large helping people to move on in a positive way.

The Social Enterprise
Emmaus South Wales financial year to 30 June 2024 was another challenging year for the social enterprise. Emmaus South Wales had 3 retail locations based in Bridgend and Porthcawl. Charity Retail has in general seen a decline in recent years. Our store in Porthcawl is busy during the summer months being a Seaside Town but struggles during the Winter months. Our Tremains Road Superstore is very popular however the lack of storage and space has hampered the Charities ability to generate income from House Clearances and diversify its offerings to customers. Our Caroline Street Store in Bridgend is, unfortunately in an area saturated by Charity Shops. The state of the premises has hampered our ability to improve the experience for our companions and customers. At the end of the financial year a decision was taken by the Board to close the store once the Lease expired in September 24. The 3 Month Notice was served on September 24

The Success of the new (SMT) Senior Management Team (driven by our appointment of our new CEO in August 2023) has significantly improved the morale, performance and experience of our Staff, Volunteers and Companions. We are delighted as a Board that our SMT have delivered beyond our expectations as a Board in such a short time. Key Performance Indicators (KPIs), reviewed and updated with the Board are used to focus on ensuring key activities and actions are met, thus driving the delivery of Emmaus South Wales Strategic Aims. The significant improvement in Management of the Charity has enabled the Board to step back to the Governance role it is required to meet.

Following a full review of our Land Train (Lucie) operations it became clear that generating an income would be extremely challenging. There was a lot of focus was on working with Bridgend County Borough Council to try to find options in order to retain her presence in Porthcawl but without significant loss to the Charity. Despite all efforts Lucie was sold to St. Fagans, The National History Museum in Cardiff for use around their site. Whilst we are disappointed, we were unable to continue with the train in Porthcawl however, we are delighted she remains in Wales and will continue to delight passengers who visit the St. Fagans site.

.

An Emmaus social enterprise creates work and training opportunities for Companions, staff, and volunteers. Its dual purposes are to generate the funds to meet Charitable costs, and to provide purpose end meaningful opportunities for Companions to rebuild their self-esteem. In total, approximately 24934 hours of companion time was volunteered in the enterprise and community in 2023/24.

The Emmaus ethos commits us to acts of solidarity and, in 2023/24, we continued to support Emmaus international's solidarity projects by donating a day's takings from our shops in our 'Solidarity Day Sale'. Our shops donated £1835 worth of furniture and other items, delivered by the community's van to support local people in need, identified through our links with local housing associations. In total, 8 beds, 16 large items of bedroom furniture, 1 dining table and chairs, 9 sofas, and 4 homeware packs were provided. We undertake these activities to help tackle poverty and disadvantage in our local communities.

The enterprise has also recycled 28.5 tonnes of unwanted items, reused 67.8 tonnes of unwanted items and ragged 11 tonnes of clothes that were then sent abroad. Demonstrating that the enterprise also plays an important role in protecting the environment from reducing items to Landfill.

The Management Team

Our Senior Management Team continue to bring a real focus and perspective to the Charity. Our Community & Support Manager has worked hard in another difficult year to ensure our Companions continue to the have the support needed. It continues to be a challenging operating context, with rising costs, reduced capacity and significant changes to customer needs and habits. Nevertheless, the team is focused on achieving maximum impact for companions and our wider communities, and committed to identifying the opportunities where Emmaus South Wales can contribute to making a better world.

Staff and Volunteers

The past year continues to be a difficult one for our staff and volunteers. Many of our Volunteers still have not returned since the Covid Pandemic so our staff continue to deal with reduced support whilst trying to maximise the opportunities to generate income in our stores. For our community team, there continued to be challenges in filling vacancies in the home however the increased connections with referral Agencies, and a determination to raise our profile to ensure we reach those who we know Emmaus can help resulted in an almost full Community. We are increasingly using our 'Move-on' house to ensure we can offer as many places as possible, supporting companions in getting back into the workplace has been another challenge this year however we have supported 5 companions to move on to full time employment and accommodation.

Our Enterprise and Community staff have continued to work with passion and determination through another challenging period for the Charity. Consistency in Staff and Support has resulted in a more proactive approach and a drive towards our strategic aims. There is real excitement about our future with a focus on our key objectives for the future. Our staff work incredibly hard and with passion and determination. We send our heartfelt thanks to each and every one of them for their contribution and commitment to Emmaus South Wales.

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The total income for the year ending 30 June 2024 was £613,645, £75,906 lower than the previous year.

Total expenditure of £772,633, which was £94,345, some 11% lower than in the previous year. A deficit of £158,988 was thereby reported in the year, with a deficit of £177,427 reported in the previous year. The deficit in the unrestricted reserves was not due to spending restricted income but through an over commitment to spending in the following year on unrestricted activities. This has been covered post year end by income generated from the opening of the new store noted below.

Going concern

Emmaus South Wales has had a difficult 5 years from a trading perspective. Previously, there were a number of shops on different high streets. As a result of struggling high streets, most Emmaus stores have either been loss making or only making a small contribution to the fixed costs of the organisation. This led to an erosion of cash reserves, which effectively broke the £100,000 current asset internal covenant that was set by the board.

Analysis of the Charities Enterprises proved that the retail store performing best was an out of town store at Tremains Road, Bridgend and this led the board to believe that one large outlet store would fit Emmaus South Wales needs best. Some of the high street stores were closed as Leases ended and in October 2024 a new premises on the edge of Town was found that would suit ESWs needs for the future. The Board of trustees is please to announce that a 5 year lease was signed and the retail enterprise has seen a new lease of life with footfall up again.

The opening of the new store, 'Trysor Cudd' (Welsh for Hidden Treasures), was opened with financial support from Emmaus UK in the form of a loan as well as significant grants received after the June 2024 Financial Year End. ESWs net current assets level is once again above £100,000. The Board believes that the new store and new funding package has put ESW back into a good position and we are all excited about the future, our ability to continue as a going concern and to meet our organisational goal of assisting companions out of homelessness.

Grants

Emmaus South Wales, is founded on a model of sustainable Social Enterprise. We strive to be self-financing through our primary purpose trading activities. However, we are operating in a context of rising cost. This includes the costs of the package of support we provide for companions and the costs we meet on their behalf, such as utilities and food. As well as our charitable operating costs and trading costs such as fuel, energy, employment costs, and rents. We continue to meet all of our trading costs from trading income and are grateful for the grants we have continued to secure to support our charitable delivery costs.

The support provided is detailed on page 24. This support has made a real difference in enabling us to continue to support companions throughout the year. Our funders have provided funds to meet direct Companion costs, to support salaries in both the community and central teams, and to enable us to meet ongoing core liabilities such as utilities. Emmaus South Wales' is grateful for this generosity.

Reserves

Emmaus South Wales has demonstrated resilience over some difficult years however, the trading environment continues to be challenging with changes to footfall and consumer behaviour, and it's important that we can continue to adapt our enterprises to the changing context.

The Board still judges that total net working capital of £100,000 in unrestricted and restricted funds, is adequate to enable Emmaus South Wales to survive a short term calamity. The incredible support we have received during the year means that the accounts for the financial year show a continuing stable position.

Planning the Future
The Board are pleased that our CEO and Staff have proved more than efficient and effective in their respective roles but also in driving the Charity towards an exciting future with more support and opportunities for our Companions and a visionary approach to our future. The Strategy agreed last year has been the focus of our Senior Management Team (SMT) with KPIs reviewed and updated monthly and the Board are confident in our ability to achieve both our medium and long term objectives.

The Board and SMT have focussed attention on how to manage the increasingly challenging environment of charity retail alongside providing more diverse opportunities for training for Companions. Two lease terms ended before/around our year end and the focus on our medium term Enterprise Strategy saw us take the decision to close our Bridgend Town Centre store. Whilst disappointing we have recognised the need for change in order to ensure our long term future.

Structure, governance and management
Governing document
The charity is controlled by its governing document, a deed of trust, and is constituted as a company, limited by guarantee, as defined by the Companies Act 2006. The charity was constituted in 2010 as a company Limited by guarantee, controlled by its governing document, the Memorandum and Articles of Association, as defined by the Companies Act 2006.

The objects of the charity are the alleviation and relief of poverty, hardship and distress arising therefrom, in conformance with the principles of the Emmaus Movement; the provision of accommodation for homeless people in South Wales, the rehabilitation of the beneficiaries and the provision of education and training, including employment training and work opportunities with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.

Structure, governance and management
The Board is responsible for the strategic direction and policy of the charity. The Board continued to meet monthly, utilizing online, hybrid, and in person methods over the course of the year.

Each meeting was preceded, a week before, by a meeting of the Enterprise and Finance Committee. Its members are Two Trustees, the Chief Executive, and the Finance Manager. It reviews the state of the Community and the charity's financial results. It exercises financial control, considers future projections and business proposals and submits its report and statement of decisions needed to the Board.

Sub-committees were disbanded in the second half of the year as a result of the structure and team reporting procedures in place. Health & Safety and People Committee items form part of the Boards Agenda. Emmaus South Wales have received support during the year from Emmaus UK in the form of Marketing and Digital Communications which has proved important in raising our profile and highlighting our activities on social media. Our appreciation is recorded for the significant service provided by Emmaus UK and for the Training, Peer Groups and general support shown.

A delegation framework is in place, with the day-to-day responsibility for the operations of the charity resting with the Chief Executive. The Chief Executive is responsible for ensuring that the charity delivers its strategic objectives, achieves the budget for the ensuing year and meets key performance indicators.

Risk management
Trustees have in place risk management procedures, policies and a Risk Register which aims to identify, manage and mitigate foreseeable risks that the charity might face. The Chief Executive has overall responsibility for monitoring the risks and ensuring appropriate and timely mitigation is put in place. The Charity is committed to safeguarding staff, Companions and volunteers and effective health and safety risk management in accordance with its Health and Safety policy. Risk assessments and specific procedures are completed, reviewed, and maintained. All new activities and potential risks are risk assessed. All staff and volunteers participate in a health and safety induction, with specific training offered when desirable or necessary.

Policies
A complete portfolio of policies and procedures has been established, which are regularly reviewed.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Ms T V Eades	
Mr E Francis	
Mr S N Lloyd	(Resigned 9 May 2024)
Ms C A Lowry	
Ms C M Price	
Ms J A Raikes	
Mr G Owen	(Appointed 19 March 2024)
Ms L J Jenkins	(Appointed 29 April 2024)
Ms H R Brooks	(Appointed 24 June 2024)
Ms L A Sulley	(Appointed 4 April 2024)

Recruitment, appointment and training of new trustees

The Charity is directed by a Board of Trustees who are elected and co-opted under the terms of the Articles of Association. The Board of Trustees continues to review the skills and experience of its members. During the year three additional Trustees were recruited with one Trustee stepping down. This continues to strengthen the Board's expertise and skills base. The Board recognise that a proper recruitment, induction and training programme is important to ensure the ongoing strength of the Board.

Each potential Trustee is interviewed by at least two Trustees, briefed about the Community, the History of Emmaus, their legal and ethical responsibilities and provided with the NCVO Code of Good Governance.

Once Board approval is confirmed, induction and training takes the form of attendance at Board Meetings and its Committees, a visit to Nant Lais, our Community home, escorted visits to other neighbouring Emmaus Communities, attending the Emmaus UK Federation Induction Day, training in the responsibilities of a Trustee and assumption of appropriate roles in support of the Community and its social enterprise. Attendance at the Emmaus Annual Assembly and other conferences and meetings of the Emmaus Movement form an important way in which new Trustees can learn the Emmaus ethos and best practice and gain essential contacts.

All trustees give their time voluntarily and receive no benefits from the Charity. No expenses have been claimed from the charity since September 2018. None of the trustees has any beneficial interest in the company.

The Wider Emmaus Movement

Emmaus in the UK is part of the international Emmaus Movement, made up of 425 member groups working in 41 countries around the world. The work that the members do varies, depending on the needs of the country that they work in, but all Groups share a commitment to *"serve first those who suffer most"* as set out in the Universal Manifesto of the Emmaus Movement. Emmaus South Wales has full membership of Emmaus UK, Emmaus Europe and Emmaus International.

As part of an international Movement, we learn from one another, share experiences and work together to support those in greatest need. Staff, companions, volunteers and trustees in the UK participate in exchanges, meetings, and in solidarity sales where money is raised for Emmaus projects in poorer countries.

In the UK, Emmaus South Wales continues to work alongside the other communities in the UK Federation. We continue to share the learning and experience gained from the devolved nature of Housing and Homelessness in Wales, with our counterparts elsewhere in the UK, and equally to learn from theirs. As members of Emmaus UK, we have contributed to the collective review of UK strategy and continue to benefit from the shared services and resources.

Related parties
Emmaus South Wales is a member of Emmaus UK, Emmaus Europe, and Emmaus International.

Emmaus UK supports the development of Emmaus Communities in the UK. We work closely with Emmaus UK across all areas of our work, and benefit from their support with: communications, marketing and web management, fundraising, business and retail development, performance monitoring and evaluation, community development, companion referrals, strategic planning and finance. The Board greatly appreciates the support received. Roots HR provide an HR service to Emmaus Communities.

THANKS
The Trustees would like to express their thanks to all who have supported the Emmaus South Wales Community and Social Enterprise in the past year, especially the Chief Executive and staff of Emmaus UK, and all Trustees, staff and volunteers.

Our sincere thanks also go to Simon Lloyd who greatly supported the Board during his time as Trustee. His input during his time with Emmaus South Wales is greatly appreciated.

We are immensely grateful for the generous support, from all our funders.

Once again, we thank our generous donors of furniture, clothes, books and bric-a-brac and to our wonderful customers who then buy them and signpost others to our shops!

As shown on page 22, we are immensely grateful for the generous support, at a time of crisis, from: Waterloo Foundation, The Albert Hunt Trust, Fairshare and Arnold Clarke.

Funds held as custodian trustee
Fund held by trustees for third parties
The charity holds funds (savings) on behalf of Companions, which are built up weekly at £5 per Companion from his or her weekly allowance. This enables each Companion to· have some savings when they move on from Emmaus South Wales. The savings are held solely for the benefit of the Companions. The amounts saved are recorded at the Community home at Nant Lais and are kept separate from other funds as required by FRS102 module 19.

The trustess' report was approved by the Board of Trustees.

.....
Mr E Francis
Trustee

.....
Ms J A Raikes
Trustee

Date: 17 / 03 / 2025

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EMMAUS SOUTH WALES

I report to the trustees on my examination of the financial statements of Emmaus South Wales (the charity) for the year ended 30 June 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
2 the financial statements do not accord with those records; or
3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

UHY Hacker Young.

UHY Hacker Young
Bradbury House
Mission Court
Newport
Gwent
NP20 2DW

Date: 17/03/2025

EMMAUS SOUTH WALES

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income and endowments from:							
Donations and legacies	**3**	263,643	-	263,643	273,049	-	273,049
Charitable activities	**4**	3,279	-	3,279	386,319	-	386,319
Other trading activities	**5**	334,648	-	334,648	25,157	-	25,157
Investments	**6**	3,755	-	3,755	891	-	891
Other income	**7**	8,320	-	8,320	4,135	-	4,135
Total income		613,645	-	613,645	689,551	-	689,551
Expenditure on:							
Raising funds	**8**	-	-	-	4,760	-	4,760
Charitable activities	**9**	718,978	53,655	772,633	823,707	38,511	862,218
Total expenditure		718,978	53,655	772,633	828,467	38,511	866,978
Net expenditure and movement in funds		(105,333)	(53,655)	(158,988)	(138,916)	(38,511)	(177,427)
Reconciliation of funds:							
Fund balances at 1 July 2023		36,595	919,392	955,987	175,511	957,903	1,133,414
Fund balances at 30 June 2024		(68,738)	865,737	796,999	36,595	919,392	955,987

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

EMMAUS SOUTH WALES

BALANCE SHEET
AS AT 30 JUNE 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	**15**		1,119,606		1,175,949
Current assets					
Stocks	**16**	4,806		4,806	
Debtors	**17**	45,792		67,900	
Cash at bank and in hand		29,663		124,805	
		80,261		197,511	
Creditors: amounts falling due within one year	**19**	(145,960)		(144,800)	
Net current (liabilities)/assets			(65,699)		52,711
Total assets less current liabilities			1,053,907		1,228,660
Creditors: amounts falling due after more than one year	**20**		(256,908)		(272,673)
Net assets			796,999		955,987
Income funds					
Restricted funds	**22**		865,737		919,392
Unrestricted funds			(68,738)		36,595
			796,999		955,987

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2024.

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

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

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

The financial statements were approved by the Trustees on 17 / 03 / 2025

.....
Mr E Francis
Trustee

.....
Ms J A Raikes
Trustee

Company registration number 07188459

EMMAUS SOUTH WALES

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Cash flows from operating activities					
Cash absorbed by operations	**27**		(84,867)		(165,598)
Investing activities					
Purchase of tangible fixed assets		-		(2,615)	
Proceeds from disposal of tangible fixed assets		1,500		-	
Investment income received		3,755		891	
Net cash generated from/(used in) investing activities			5,255		(1,724)
Financing activities					
Repayment of bank loans		(15,530)		(14,704)	
Net cash used in financing activities			(15,530)		(14,704)
Net decrease in cash and cash equivalents			(95,142)		(182,026)
Cash and cash equivalents at beginning of year			124,805		306,831
Cash and cash equivalents at end of year			29,663		124,805

1 Accounting policies

Charity information

Emmaus South Wales is a private company limited by guarantee incorporated in England and Wales. The registered office is Nant Lais, Nant Lais, Bridgend, CF31 4SD.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1 Accounting policies **(Continued)**

1.6 Tangible fixed assets

Tangible fixed assets are measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% - 20% straight line
Fixtures and fittings	20% straight line
Computers	20% straight line
Motor vehicles	40% reducing balance

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Financial instruments

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

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

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

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Derecognition of financial liabilities

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1 Accounting policies **(Continued)**

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	218,052	188,792
Grants	45,591	84,257
	263,643	273,049

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Sales within charitable activities		
Sale of goods	3,279	386,319

5 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Shop income	334,648	25,157

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	3,755	891

7 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net gain on disposal of tangible fixed assets	858	-
Other income	7,462	4,135
	7,462	4,135

8 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising and publicity		
Other fundraising costs	-	4,760

9 Expenditure on charitable activities

	Charitable activities 2024 £	Charitable activities 2023 £
Direct costs		
Staff costs	148,786	168,798
Depreciation and impairment	55,701	64,976
Premises costs	113,191	152,102
Motor expenses	27,020	27,703
Telephone	1,755	12,302
Bank charges	23,984	23,615
Insurance	1,746	10,385
Repairs & renewals	3,583	7,340
Shop expeneses	5,504	7,656
Companion costs	61,325	54,224
Computer costs	-	20
Licences & subscriptions	5,029	4,068
Printing, postage & stationery	217	1,001
Advertising & marketing	3,652	1,084
Other costs	4,376	4,504
Other staff costs	1,391	2,017
	457,260	541,795
Share of support and governance costs (see note 10)		
Support	304,621	302,660
Governance	10,752	17,763
	772,633	862,218
Analysis by fund		
Unrestricted funds	718,978	823,707
Restricted funds	53,655	38,511
	772,633	862,218

10 Support costs allocated to activities

	2024	2023
	£	£
Staff costs	198,556	206,806
Premises costs	70,238	56,286
Insurance	15,930	6,912
Printing, postage & stationery	1,118	1,916
Telephone	11,764	3,120
Travel & subsistence	344	835
Computer costs	2,241	4,493
Licences & subscriptions	-	573
Other costs	4,430	4,967
Other staff costs	-	16,752
Governance costs	10,752	17,763
	315,373	320,423
Analysed between:		
Charitable activities	315,373	320,423

11 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	5,388	5,000
Depreciation of owned tangible fixed assets	55,701	64,976
Profit on disposal of tangible fixed assets	(858)	-

12 Trustees

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

13 Employees

The average monthly number of employees during the year was:

2024	2023
Number	Number
13	13

13 Employees (Continued)

Employment costs	2024 £	2023 £
Wages and salaries	324,249	337,413
Social security costs	14,778	29,221
Other pension costs	8,315	8,970
	347,342	375,604

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

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	94,429	37,639

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost					
At 1 July 2023	1,500,597	143,441	14,924	91,496	1,750,458
Disposals	-	-	-	(14,750)	(14,750)
At 30 June 2024	1,500,597	143,441	14,924	76,746	1,735,708
Depreciation and impairment					
At 1 July 2023	363,788	133,730	12,570	64,421	574,509
Depreciation charged in the year	40,839	3,563	698	10,601	55,701
Eliminated in respect of disposals	-	-	-	(14,108)	(14,108)
At 30 June 2024	404,627	137,293	13,268	60,914	616,102
Carrying amount					
At 30 June 2024	1,095,970	6,148	1,656	15,832	1,119,606
At 30 June 2023	1,136,809	9,711	2,354	27,075	1,175,949

16 Stocks

	2024	2023
	£	£
Finished goods and goods for resale	4,806	4,806

17 Debtors

Amounts falling due within one year:	2024 £	2023 £
Trade debtors	-	1,580
Other debtors	8,547	26,384
Prepayments and accrued income	37,245	39,936
	45,792	67,900

18 Loans and overdrafts

	2024	2023
	£	£
Bank loans	273,298	288,828
Payable within one year	16,390	16,155
Payable after one year	256,908	272,673

19 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans	18	16,390	16,155
Other taxation and social security		5,483	14,152
Trade creditors		53,798	36,451
Other creditors		7,621	8,733
Accruals and deferred income		62,668	69,309
		145,960	144,800

20 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	18	256,908	272,673

21 Retirement benefit schemes

	2024	2023
Defined contribution schemes	**£**	**£**
Charge to profit or loss in respect of defined contribution schemes	8,315	8,970

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

22 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 July 2023	Resources expended	At 30 June 2024
	£	£	£
Nant Lais - Development of Community Home	894,080	(28,557)	865,523
Fareshare	832	(618)	214
Moondance Foundation	24,480	(24,480)	-
	919,392	(53,655)	865,737

Previous year:	At 1 July 2022	Resources expended	At 30 June 2023
	£	£	£
Nant Lais - Development of Community Home	931,808	(37,728)	894,080
Fareshare	1,385	(553)	832
Bridgent Associaion of Voluntary Organisations	230	(230)	-
Moondance Foundation	24,480	-	24,480
	957,903	(38,511)	919,392

Nant Lais Development of Community Home - this funding was provided to develop the charity's community home. The Big Lottery and Welsh Government provided grants with a supporting charge on the land and buildings to ensure that the property is used for the purpose of providing homes for companions, end cannot be sold without permission from the donors. The expenditure on this fund relates to the depreciation charge on the property.

Fareshare - this funding was provided to purchase kitchen equipment for the community.

Bridgend Association of Voluntary Organisations - this funding was provided to support the cost of making face masks.

Moondance Foundation - this funding was provided to fund 6 companions for 12 months.

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 July 2023	Incoming resources	Resources expended	At 30 June 2024
	£	£	£	£
General funds	36,595	613,645	(718,978)	(68,738)

Previous year:	At 1 July 2022	Incoming resources	Resources expended	At 30 June 2023
	£	£	£	£
General funds	175,511	689,551	(828,467)	36,595

The deficit in the unrestricted reserves was not due to spending restricted income but through an over commitment to spending in the following year on unrestricted activities. This has been covered post year end by income generated from the opening of the new store noted in the trustees report.

24 Analysis of net assets between funds

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 30 June 2024:			
Tangible assets	254,511	865,095	1,119,606
Current assets/(liabilities)	(66,341)	642	(65,699)
Long term liabilities	(256,908)	-	(256,908)
	(68,738)	865,737	796,999

	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	£	£	£
At 30 June 2023:			
Tangible assets	256,557	919,392	1,175,949
Current assets/(liabilities)	52,711	-	52,711
Long term liabilities	(272,673)	-	(272,673)
	36,595	919,392	955,987

25 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	-	28,137

26 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

27 Cash absorbed by operations

	2024	2023
	£	£
Deficit for the year	(158,988)	(177,427)
Adjustments for:		
Investment income recognised in statement of financial activities	(3,755)	(891)
Gain on disposal of tangible fixed assets	(858)	-
Depreciation and impairment of tangible fixed assets	55,701	64,976
Movements in working capital:		
(Increase) in stocks	-	(2,552)
Decrease/(increase) in debtors	22,108	(21,094)
Increase/(decrease) in creditors	925	(3,858)
(Decrease) in deferred income	-	(24,752)
Cash absorbed by operations	(84,867)	(165,598)

28 Analysis of changes in net (debt)/funds

	At 1 July 2023	Cash flows	At 30 June 2024
	£	£	£
Cash at bank and in hand	124,805	(95,142)	29,663
Loans falling due within one year	(16,155)	(235)	(16,390)
Loans falling due after more than one year	(272,673)	15,765	(256,908)
	(164,023)	(79,612)	(243,635)

EMMAUS SOUTH WALES

England & Wales - Charity number 1136010

Accounts

Charity registration number 1136010

Company registration number 07188459 (England and Wales)

EMMAUS SOUTH WALES

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

Helping you prosper

EMMAUS SOUTH WALES

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms T V Eades	
	Mr E Francis	
	Mr S N Lloyd	(Appointed 23 March 2023)
	Ms C A Lowry	
	Ms C M Price	(Appointed 18 January 2023)
	Ms J A Raikes	
Charity number	1136010	
Company number	07188459	
Registered office	Nant Lais Nant Lais Bridgend CF31 4SD	
Independent examiner	UHY Hacker Young Bradbury House Mission Court Newport Gwent NP20 2DW	

EMMAUS SOUTH WALES

CONTENTS

	Page
Trustess' report	1 - 9
Independent examiner's report	10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 24

EMMAUS SOUTH WALES

TRUSTESS' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 30 JUNE 2023

The trustees present their annual report and financial statements for the year ended 30 June 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities
Emmaus is an international movement, independent of religious or political affiliation, it originated in France in 1949, based on Abbe Pierre's original idea of Solidarity: "serve first those who suffer most," as set out in the Universal Manifesto of the Emmaus Movement. (Available for download at http://www.emmaus-europe.org)

Our Core Values
These are the values by which we strive to live in Emmaus. They set the standard for our way of life together.

Showing respect:
- Being tolerant of other people's way of life and their beliefs, recognising that other people may have a different point of view.
- Being willing to listen to what others have to say.
- Having compassion for others and respect for their circumstances, especially towards those who have suffered or are in distress.
- Respecting the skills of others and valuing their work.

Being open and honest:
- In the way we live our life within the movement.
- About how we report our finances and our activities.
- In the way we take decisions.
- By communicating properly so everyone knows what is happening and understands the decisions that are made.

Sharing:
- Sharing and exchanging our resources and skills, being willing to receive as well as to give.
- Learning from each other.
- Fighting together against injustice, accepting the risks that may be involved.

Taking and sharing responsibility:
- Encouraging people to participate actively at all levels of the movement.
- Ensuring that everybody's voice is heard.
- Ensuring that decisions are taken and implemented democratically.

Objectives and aims
The objectives, as set out in Emmaus South Wales Articles of Association, are specifically restricted to the alleviation and relief of poverty, hardship and distress arising therefrom, 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:
- the provision of accommodation, or assistance in such provision, for homeless people in the South Wales area and such other places as may seem appropriate from time to time (the beneficiaries).
- the rehabilitation of the beneficiaries as appropriate and the provision of education, training (including, without limitation, employment training) and work opportunities and satisfaction for the beneficiaries with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.
- the support of the work of other Emmaus Communities and Emmaus 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 Movement projects worldwide.
- In 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 Trustees can say, with confidence, that these four objectives of the charity are still entirely relevant. We continually strive to achieve them, to the best of our ability.

Homelessness
Homelessness in Wales, as elsewhere in the UK, continues to rise, with many living in temporary accommodation. We have been experiencing a housing crisis for a number of years and there continues to be a chronic lack of social housing and soaring private sector rents making a home increasingly unaffordable and unsustainable for many people. The Renting Homes Act is the biggest change to housing laws in Wales for decades. On 1 December 2022 the Renting Homes (Wales) Act 2016 changed the way all landlords in Wales rent their properties. The restrictions on no fault evictions and requirements for improved quality of accommodation will help many, however, many Landlords are starting to leave the market which will increase the homeless situation still further.

The Cost of Living Crisis in Wales and in the UK has not eased with inflation continuing to rise. Households continue to face high costs on basic necessities. There is very little people can do to protect themselves from escalating debt. More working people are being pushed into poverty. Wages are not keeping pace with inflation and housing costs continue to rise with many facing the end of fixed term interest on mortgages which will exacerbate the crisis further.

It is sadly a context that means we have seen demand grow for support from the Emmaus South Wales community, both in respect of our role in offering a pathway out of homelessness, and in respect of our solidarity work and services to our wider communities. As I write we have a full Community and are considering how we support more people in the future.

Approach to achieving charitable objectives
The Emmaus 'theory of change' is to provide a supportive community, purpose and meaningful activity in our social enterprises each week and opportunities to develop and contribute alongside training and support for those who are marginalized and excluded, including those experiencing homelessness. By working together alongside staff and volunteers in our community and enterprises, Companions gain new skills and experience and, most importantly, regain self-respect, esteem and purpose whilst working to support others in greater need than themselves. Emmaus South Wales can currently provide accommodation for 18 Companions. Companions are provided with a package of support and accommodation, including financial support as Companions do not claim out of work benefits such as Universal Credit. Emmaus communities strive to be self-financing which is why social enterprise is integral to our model and way of working, this grants us all, including companions, autonomy in achieving our aims. It also affords us the opportunity to demonstrate in practice that a different model of life is possible, one that is based on the sharing rather than the accumulation of resources and where everybody contributes and everybody gains.

The Emmaus Model
Emmaus provides an opportunity for companions to break free from the cycle of insecure, unsustainable, unaffordable housing and its attendant impacts on the quality of life, health and well-being. The impact of fighting a losing battle against poverty and exclusion, and of homelessness, can be soul-destroying, leaving you feeling worthless. 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 and finding your way out of that situation is not easy, particularly when the only options available are temporary fixes. This is where Emmaus is different. Emmaus is not about offering a bed for the night but offering a home for as long as it is needed, as well as purpose and meaningful work through our social enterprises. This opportunity, to become part of a community and make a contribution to it, plays an important role in restoring well-being and helping companions to find a way to overcome the barriers to inclusion in the long term.

Emmaus enables companions to rebuild their lives within self-supporting Communities. Companions receive support to re-equip themselves with the skill and capacity needed to secure and sustain independent homes and to live happy and healthy lives. Our Companions are given the opportunity to take stock of their lives, understand and address the barriers they face, and re-establish supportive networks of friends and family. You only have to read the stories on Emmaus Community websites of some of the people Emmaus has supported, to see what a difference Emmaus makes. See: emmaus,com.uk/south-wales.

Applicants join our Community as Companions, having been homeless or otherwise vulnerably housed and unemployed. Potential Companions can apply directly to Emmaus South Wales or be referred by the local authority or a third party (probation officer or outreach worker for example) with their permission. Alternatively, there is a UK wide referral pathway for ell Emmaus Communities in the UK. We have developed partnerships and referral relationships with other services from which we are generating referrals and encouraging homeless people to contact us.

Emmaus South Wales is fully committed to developing an inclusive and diverse community, including companions, staff, Trustees and volunteers, and our recruitment and access policies reflect this.

Achievements and performance

The Community

Our Community home on a two-acre site at Nant Lais, Bridgend provides a home for up to 18 companions. The charity has created a Community where people live and work, recover self-confidence and support both themselves and others. The entitlement to Housing Benefit meets the costs of providing supported accommodation to most companions. We provide a high standard of accommodation for companions, in addition to a comprehensive package of practical, emotional, and financial support. Bridgend County Borough Council provides Housing Benefit to our Companions who transfer it to the charity as rent to cover the costs of accommodating and supporting them. The community is operated economically but accommodation and meals are of a high standard.

In December 2022, the impact of the Renting Homes (Wales) Act resulted in the need for us to provide accommodation for those Companions who had lived within our Community home, Nant Lais, for 6 months or more. Their automatic transfer to the new Occupation Contracts provided an opportunity to support those longer term companions in a way more suited to their future living. In 2022, Emmaus South Wales purchased a 4 bedroom, 4 bathroom house situated within 2 minute walk of our Community home. This has given us the opportunity to protect our companions living in Nant Lais whilst also ensuring we could provide the required 6 months notice should a Companion need to leave. The house has proved very popular and is now providing an opportunity for us to manage the move-on experience for those Companions starting employment and looking for accommodation.

We provide an inclusive and diverse community. Our Companions come from all parts of the United Kingdom with ages ranging from 18 to 70. They come from diverse backgrounds, and experiences, however they have all experienced homelessness. The effects of poverty, exclusion, and homelessness mean that many companions have experienced significant harm and repeated trauma which they may not previously have received support with. This can result in additional challenges such as poor mental health, addiction, difficulty maintaining relationships, or challenging behaviour. others have simply lost hope following the loss of loved ones, a job, their home and their purpose. The Community team provide support for Companions in dealing with the impact of their experiences including supporting them to access specialist services where beneficial. The team also support companions to live together successfully and to create a mutually supportive and accepting environment. Our focus has been to build a safe and stable Community with a real "sense of Community."

When someone comes to Emmaus, we give them the opportunity to learn new skills by working in our enterprises and through different projects. Each companion has a training package that they can access and complete. This year we have had more companions accessing external bicycle maintenance and more is scheduled to be accessed through employability training.

Creating "a sense of Community"

The Community and social enterprise work together to ensure the transition from applicant to Companion is as seamless as possible. Companions spend the first few days settling into the Community and undertake their induction with Support staff. Once this has been completed Companions have an Individual Support Plan, designed and reviewed to provide the support required. Induction includes formalities such as the completion of housing benefit forms and GP registration. The Companion is given a rota which explains where they will work, to whom they will report and where they will have their enterprise induction. Close monitoring of that process is undertaken by the Head of Retail and Community staff and kept under weekly review by both parties.

Every effort is made to encourage Companions to work and live effectively together as a Community. Companions are encouraged to have an evening meal once a week where all companions participate. At weekly Community meetings, Companions and Staff address any behavioural or procedural issues. Every Monday morning there is a Staff and Companion Meeting where any issues are discussed and escalated where necessary.

The Importance of work and the support network for Emmaus Companions

Emmaus Companions have commented on the importance of work in their life in Emmaus.

"Emmaus gave me a reason to live and gave me a purpose again. Thanks to the support I received I am now back in full time employment, something 8 months ago I couldn't see me doing."

“Emmaus has given me the chance to reintegrate back into society after being institutionalised in the prison system by giving me a strong support network. It has offered me a consistent routine with work that has helped me find purpose.”

The Support Network
Other Companions have made observations on the support network:

"Without Emmaus I would still be living in a world surrounded by alcohol and drugs, with the support offered I can focus on moving forward in my life."

"The support network at Emmaus from the staff and the community has given me a new family, that has helped me develop as a person."

Kindness and Community life encourage empathy
Solidarity is such an important part of the work of Emmaus. As one Companion put it:

"With the kindness and support offered by Emmaus it has helped me realise that there is a future for me that I never saw."

Another Companion described her experience of living in an Emmaus Community as:

"Without the kindness of Emmaus I would still be on the streets, Emmaus has saved my life."

"I feel like I have a family, people who care about me."

What success looks like...
Success for our Companions can be viewed through different lenses - personal development and change that occurs, and the empowerment to choose a different lifestyle. It enables them to be open to opportunities for retraining, employment or to pursue interests. The stability helps them to reimagine their lives in a different way - being empowered to reengage with interests, education, employment and new opportunities. Being part of the community can help people to reconnect with relationships that have been estranged and helps them forge new friendships. Emmaus offers a unique opportunity to work with people in a close community, to feel more confident around people, to learn about relationships, tolerance, limitations, learning to share, useful experiences that can be duplicated in the community at large helping people to move on in a positive way.

The Social Enterprise
Emmaus South Wales financial year to 30 June 2023 was another challenging year for the social enterprise. Fully out of the Covid challenges the charity worked to develop a 'new normal'. Emmaus South Wales had 3 retail locations based in Bridgend and Porthcawl. Porthcawl was slow to re-establish however Tremains Road and Caroline Street built back quickly.

Whilst our enterprises worked to get back to pre-covid levels other challenges presented with our Finance Manager leaving in May 2022. The recruitment market, though providing us with staff, proved a challenge in integrating them with the team. Our Accountants were asked to support us and Trustees with experience became engaged in trying to ensure the day to day operation was maintained. It became clear that our recruitment needs going forward would be different and a more senior Finance professional was sought. The end of 2022 saw the departure of our CEO and Business Manager resulting in a significantly depleted Senior Management Team however this became the catalyst for change, an opportunity for the Board to reconsider what we needed in a team to ensure we could deliver both in the short term but also on our 5 year plan. The staff remaining were engaged, supportive and worked incredibly hard to get us through this period. It became clear that change was necessary.

In January 2023, we recruited a permanent Finance Manager and an interim CEO. Shortly after our Administrator was recruited and our most senior Store Manager was promoted to Retail Manager. There was a renewed enthusiasm, commitment and excitement across the organization, including our beneficiaries (our Companions). At the end of the financial year, the Board were satisfied that the new team would provide the Charity with the skills and commitment to deliver its strategic plan and on 1 August 2023 the interim CEO was confirmed as permanent.

Due to the lower number of stores our van capacity was reduced to one Van on the road in 2022/23. Our van continued to collect and deliver pre-loved furniture from our Tremains Road and Porthcawl shops as well as servicing our Caroline Street shop with donations generated in our Tremains Superstore once or twice per week. Our Van team completed 570 deliveries and 692 collections in 2022/23.

As well as our retail and logistics division, we also had Lucie the Land Train in operation. After the successful launch of Lucie the Land Train initial revenues looked positive. However, the hangover of covid, the cost-of-living crises, costly repairs and the inclement spring and summer impacted on the expected revenues of the financial model revenue, resulting in the 2022/23 revenues of £34,061, running costs £51,137 leaving a £17,000 loss. In addition, we were unable to recruit a second driver for the train despite every effort being exhausted to rectify this. This led to our one and only driver becoming demoralised and subsequently leaving. The train is part of the community in Porthcawl and is very popular with tourists, locals and companions. The losses are unsustainable, and the Management Team are at present in consultation with the Bridgend County Borough Council who awarded the contract to run the service. Meetings are in progress to find a way forward with this enterprise with potential partners.

An Emmaus social enterprise creates work and training opportunities for Companions, staff, and volunteers. Its dual purposes are to generate the funds to meet Charitable costs, and to provide purpose end meaningful opportunities for Companions to rebuild their self-esteem. In total, approximately 23,000 hours of companion time was volunteered in the enterprise and community in 2022/23.

The Emmaus ethos commits us to acts of solidarity and, in 2022/23, we continued to support Emmaus international's solidarity projects by donating a day's takings from our shops in our 'Solidarity Day Sale'. Our shops donated £3,160 worth of furniture and other items, delivered by the community's *van* to support local people in need, identified through our links with local housing associations. In total, 7 beds, 26 large bedroom furniture, 5 dining tables and chairs, 7 sofas, 8 large living room furniture and 13 homeware packs were provided. We undertake these activities to help tackle poverty and disadvantage in our local communities.

The Management Team
Our Senior Management Team have brought a new focus and perspective to the Charity. Our Community & Support Manager has worked hard in a difficult year to ensure our Companions have continued to the have the support needed. It continues to be a challenging operating context, with rising costs, reduced capacity and significant changes to customer needs and habits. Nevertheless, the team is focused on achieving maximum impact for companions and our wider communities, and committed to identifying the opportunities where Emmaus South Wales can contribute to making a better world.

Staff and Volunteers
The past year has been a difficult one for our staff and volunteers. Many of our Volunteers did not return or were slow to return following Covid and our staff have had to deal with reduced Management support whilst trying to maximise the opportunities to generate income in our stores. For our Community team, there continued to be challenges in filling vacancies in the home and supporting Companions getting back into the workplace.

Our Enterprise and Community staff have continued to work with passion and determination through a very challenging period for the Charity. The amount of work, hurdles overcome and determination to pull through this period has been felt by every staff member, new and old. We send our heartfelt thanks to each and every one of them for their contribution and commitment to Emmaus South Wales.

Financial review
It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The total income for the year ending 30 June 2023 was £689,551, £103,298 higher than the previous year.

Total expenditure of £866,978, which was £125,972, some 17% higher than in the previous year. A deficit of £177,427 was thereby reported in the year, with a deficit of £154,753 reported in the previous year. The deficit includes £154,623 of exceptional expenditure. This includes £33,000 of additional rent for previous years after a revaluation, £61,833 of costs for the previous years not accrued for and £42,071 of additional staff costs due to the restructure. The Trustees recognise that without these additional costs the impact on reserves would have been minimal and appreciate all the effort made to improve the performance of the Charity.

Grants
Emmaus South Wales, is founded on a model of sustainable Social Enterprise. We strive to be self-financing through our primary purpose trading activities. However, we are operating in a context of rising cost. This includes the costs of the package of support we provide for companions and the costs we meet on their behalf, such as utilities and food. As well as our charitable operating costs and trading costs such as fuel, energy, employment costs, and rents. We continue to meet all of our trading costs from trading income, and are grateful for the grants we have continued to secure to support our charitable delivery costs.

The support provided is detailed on page 24. This support has made a real difference in enabling us to continue to support companions throughout the crisis. Our funders have provided funds to meet direct Companion costs, to support salaries in both the community and central teams, and to enable us to meet ongoing core liabilities such as utilities. Emmaus South Wales' is grateful for this generosity.

Reserves
Emmaus South Wales has demonstrated our resilience in a crisis having survived both the significant financial challenges brought by the pandemic and the impact of losing its key staff for a period. However, the trading environment continues to be challenging with changes to footfall and consumer behaviour, and it's important that we can continue to adapt our enterprises to the changing context.

The Board still judges that total net working capital of £100,000 in unrestricted and restricted funds, is adequate to enable Emmaus South Wales to survive a short term calamity. The incredible support we have received during the Covid pandemic means that the accounts for the financial year show a continuing stable position.

Planning the Future
Following the confirmation of our permanent CEO and the start of a new Financial Year the Board reviewed its strategy. Trustees, New and existing staff members and companions were all involved in reconsidering the Strategy in place. Apart from some small changes the Strategy agreed in 2022 will deliver the Boards objectives. We also have a structure for delivering our Strategy with some KPIs which the Senior Management Team and Board will be reviewing during each meeting.

Whilst we have a strong strategy in place, and clear objectives, we also recognise that there are a number of structural challenges to overcome during the coming year which need to be effectively navigated to ensure we can deliver our strategy effectively. Our largest area of enterprise, and therefore trading income, is generated by our Re-use Stores. We are currently operating 3 stores, all of which play a key role in our retail strategy. We lease all of our stores on a commercial basis, and each of the current leases are coming to the end of the 10-year term. The choices we make will by necessity be shaped both by our strategy and the range of options available to us within fixed timescales. We are increasingly constrained both by the rising costs of premises, and the lack of availability.

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and is constituted as a company, limited by guarantee, as defined by the Companies Act 2006. The charity was constituted in 2010 as a company Limited by guarantee, controlled by its governing document, the Memorandum and Articles of Association, as defined by the Companies Act 2006.

The objects of the charity are the alleviation and relief of poverty, hardship and distress arising therefrom, in conformance with the principles of the Emmaus Movement; the provision of accommodation for homeless people in South Wales, the rehabilitation of the beneficiaries and the provision of education and training, including employment training and work opportunities with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.

Structure, governance and management

The Board is responsible for the strategic direction and policy of the charity. The Board continued to meet monthly, utilizing online, hybrid, and in person methods over the course of the year.

Each meeting was preceded, a week before, by a meeting of the Enterprise and Finance Committee. Its members are Two Trustees, the Chief Executive, and the Finance Manager. It reviews the state of the Community and the charity's financial results. It exercises financial control, considers future projections and business proposals and submits its report and statement of decisions needed to the Board.

Sub-committees were disbanded in the second half of the year as a result of the structure and team reporting procedures in place. Health & Safety and People Committee items form part of the Boards Agenda. Emmaus South Wales have received support during the year from Emmaus UK in the form of Marketing and Digital Communications which has proved important in raising our profile and highlighting our activities on social media. Our appreciation is recorded for the significant service provided by Emmaus UK and for the Training, Peer Groups and general support shown.

A delegation framework is in place, with the day-to-day responsibility for the operations of the charity resting with the Chief Executive. The Chief Executive is responsible for ensuring that the charity delivers its strategic objectives, achieves the budget for the ensuing year and meets key performance indicators.

Risk management

Trustees have in place risk management procedures, policies and a Risk Register which aims to identify, manage and mitigate foreseeable risks that the charity might face. The Chief Executive has overall responsibility for monitoring the risks and ensuring appropriate and timely mitigation is put in place. The Charity is committed to safeguarding staff, Companions and volunteers and effective health and safety risk management in accordance with its Health and Safety policy. Risk assessments and specific procedures are completed, reviewed, and maintained. All new activities and potential risks are risk assessed. All staff and volunteers participate in a health and safety induction, with specific training offered when desirable or necessary.

Policies

A complete portfolio of policies and procedures has been established, which are regularly reviewed.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Ms T V Eades
Mr E Francis
Mr S N Lloyd (Appointed 23 March 2023)
Ms C A Lowry
Ms C M Price (Appointed 18 January 2023)
Ms J A Raikes

Recruitment, appointment and training of new trustees
The Charity is directed by a Board of Trustees who are elected and co-opted under the terms of the Articles of Association. The Board of Trustees continues to review the skills and experience of its members. During the year three additional Trustees were recruited with one Trustee stepping down. This continues to strengthen the Board's expertise and skills base. The Board recognise that a proper recruitment, induction and training programme is important to ensure the ongoing strength of the Board.

Each potential Trustee is interviewed by at least two Trustees, briefed about the Community, the History of Emmaus, their legal and ethical responsibilities and provided with the NCVO Code of Good Governance.

Once Board approval is confirmed, induction and training takes the form of attendance at Board Meetings and its Committees, a visit to Nant Lais, our Community home, escorted visits to other neighbouring Emmaus Communities, attending the Emmaus UK Federation Induction Day, training in the responsibilities of a Trustee and assumption of appropriate roles in support of the Community and its social enterprise. Attendance at the Emmaus Annual Assembly and other conferences and meetings of the Emmaus Movement form an important way in which new Trustees learn the Emmaus ethos and best practice and gain essential contacts.

All trustees give their time voluntarily and receive no benefits from the Charity. No expenses have been claimed from the charity since September 2018. None of the trustees has any beneficial interest in the company.

The Wider Emmaus Movement
Emmaus in the UK is part of the international Emmaus Movement, made up of 425 member groups working in 41 countries around the world. The work that the members do varies, depending on the needs of the country that they work in, but all Groups share a commitment to *"serve first those who suffer most"* as set out in the Universal Manifesto of the Emmaus Movement. Emmaus South Wales has full membership of Emmaus UK, Emmaus Europe and Emmaus International.

As part of an international Movement, we learn from one another, share experiences and work together to support those in greatest need. Staff, companions, volunteers and trustees in the UK participate in exchanges, meetings, and in solidarity sales where money is raised for Emmaus projects in poorer countries.

In May 2022, the Emmaus World Assembly took place in Uruguay. The event which happens every 4 years provides the opportunity for Emmaus Communities from every part of the globe to come together to share experiences, expertise, and challenges and to agree priorities for the global Emmaus Movement. The costs to attend the event were met by Emmaus Europe, and Emmaus UK. It was a fantastic opportunity for the movement to come together after the challenges of the pandemic and to reconnect with each other and the fundamental ethos and values of the Emmaus Movement. The work undertaken by Emmaus Communities around the world is breathtakingly inspiring as is the universality and impact of the Emmaus model.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

In the UK, Emmaus South Wales continues to work alongside the other communities in the UK Federation. We continue to share the learning and experience gained from the devolved nature of Housing and Homelessness In Wales, with our counterparts elsewhere in the UK, and equally to learn from theirs. As members of Emmaus UK, we have contributed to the collective review of UK strategy, and continue to benefit from the shared services and resources.

Related parties
Emmaus South Wales is a member of Emmaus UK, Emmaus Europe, and Emmaus International.

Emmaus UK supports the development of Emmaus Communities in the UK. In September 2021, Charlotte Talbot took up her role as the new Chief Executive of Emmaus UK. We welcome the fresh approach she is leading, and the opportunity to reaffirm our collective direction and models of operation in the UK. We work closely with Emmaus UK across all areas of our work, and benefit from their support with: communications, marketing and web management, fundraising, business and retail development, performance monitoring and evaluation, community development, companion referrals, strategic planning and finance. The Board greatly appreciates the support received. Roots HR provide an HR service to Emmaus Communities.

THANKS
The Trustees would like to express their thanks to all who have supported the Emmaus South Wales Community and Social Enterprise in the past year, especially the Chief Executive and staff of Emmaus UK, and all Trustees, staff and volunteers.

Our sincere thanks also go to Louise Sulley, Emma Hammonds, Elaine Venables and Lacey Jevans who, due to personal reasons took the difficult decisions to step down from the Board. Their input during their time with Emmaus South Wales is greatly appreciated.

We are immensely grateful for the generous support, from all our funders.

Once again, we thank our generous donors of furniture, clothes, books and bric-a-brac and to our wonderful customers who then buy them and signpost others to our shops!

As shown on page 24, we are immensely grateful for the generous support, at a time of crisis, from: BAVO, The Lloyds Bank Foundation, The Hodge Foundation, The Waterloo Foundation, WCVA.

Funds held as custodian trustee
Fund held by trustees for third parties
The charity holds funds (savings) on behalf of Companions, which are built up weekly at £5 per Companion from his or her weekly allowance. This enables each Companion to· have some savings when they move on from Emmaus South Wales. The savings are held solely for the benefit of the Companions. The amounts saved are recorded at the Community home at Nant Lais and are kept separate from other funds as required by FRS102 module 19.

The trustess' report was approved by the Board of Trustees.

Mr E Francis
Trustee

Ms J A Raikes
Trustee

14 November 2023

EMMAUS SOUTH WALES

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF EMMAUS SOUTH WALES

I report to the trustees on my examination of the financial statements of Emmaus South Wales (the charity) for the year ended 30 June 2023.

Responsibilities and basis of report
As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

Independent examiner's statement
Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

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

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

UHY Hacker Young

Bradbury House
Mission Court
Newport
Gwent
NP20 2DW

Dated: 15 November 2023

EMMAUS SOUTH WALES

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income and endowments from:							
Donations and legacies	**3**	273,049	-	273,049	90,383	26,520	116,903
Charitable activities	**4**	386,319	-	386,319	434,909	-	434,909
Other trading activities	**5**	25,157	-	25,157	32,424	-	32,424
Investments	**6**	891	-	891	523	-	523
Other income	**7**	4,135	-	4,135	1,494	-	1,494
Total income		689,551	-	689,551	559,733	26,520	586,253
Expenditure on:							
Raising funds	**8**	4,760	-	4,760	6,691	-	6,691
Charitable activities	**9**	823,707	38,511	862,218	693,682	40,423	734,105
Other	**13**	-	-	-	210	-	210
Total expenditure		828,467	38,511	866,978	700,583	40,423	741,006
Net expenditure for the year/ Net movement in funds		(138,916)	(38,511)	(177,427)	(140,850)	(13,903)	(154,753)
Fund balances at 1 July 2022		175,511	957,903	1,133,414	316,361	971,806	1,288,167
Fund balances at 30 June 2023		36,595	919,392	955,987	175,511	957,903	1,133,414

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

All income and expenditure derive from continuing activities.

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

EMMAUS SOUTH WALES

BALANCE SHEET
AS AT 30 JUNE 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	**15**		1,175,949		1,238,310
Current assets					
Stocks	**16**	4,806		2,254	
Debtors	**17**	56,448		46,806	
Cash at bank and in hand		124,805		306,831	
		186,059		355,891	
Creditors: amounts falling due within one year	**19**	(133,348)		(173,111)	
Net current assets			52,711		182,780
Total assets less current liabilities			1,228,660		1,421,090
Creditors: amounts falling due after more than one year	**20**		(272,673)		(287,676)
Net assets			955,987		1,133,414
Income funds					
Restricted funds	**23**		919,392		957,903
Unrestricted funds			36,595		175,511
			955,987		1,133,414

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2023.

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

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

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

The financial statements were approved by the Trustees on 14 November 2023

Mr E Francis
Trustee

Ms J A Raikes
Trustee

Company registration number 07188459

EMMAUS SOUTH WALES

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Cash absorbed by operations	**27**		(165,598)		(59,429)
Investing activities					
Purchase of tangible fixed assets		(2,615)		(325,523)	
Investment income received		891		523	
Net cash used in investing activities			(1,724)		(325,000)
Financing activities					
Repayment of bank loans		(14,704)		197,782	
Net cash (used in)/generated from financing activities			(14,704)		197,782
Net decrease in cash and cash equivalents			(182,026)		(186,647)
Cash and cash equivalents at beginning of year			306,831		493,478
Cash and cash equivalents at end of year			124,805		306,831

1 Accounting policies

Charity information

Emmaus South Wales is a private company limited by guarantee incorporated in England and Wales. The registered office is Nant Lais, Nant Lais, Bridgend, CF31 4SD.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% - 20% straight line
Fixtures and fittings	20% straight line
Computers	20% straight line
Motor vehicles	40% reducing balance

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Financial instruments

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

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

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

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

1 Accounting policies (Continued)

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

1.10 Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2023	2022	2022	2022
	£	£	£	£
Donations and gifts	188,792	32,695	-	32,695
Grants	84,257	57,688	26,520	84,208
	273,049	90,383	26,520	116,903

4 Charitable activities

	Charitable activities 2023	Charitable activities 2022
	£	£
Sales within charitable activities	386,319	434,909

5 Other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Shop income	25,157	32,424

6 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	891	523

7 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Other income	4,135	1,494

8 Raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising and publicity		
Other fundraising costs	4,760	6,691
	4,760	6,691

9 Charitable activities

	Charitable activities 2023 £	Charitable activities 2022 £
Staff costs	168,798	228,655
Depreciation and impairment	64,976	70,786
Premises costs	152,102	105,390
Travel & subsistence	-	2,286
Motor expenses	27,703	29,569
Telephone	12,302	10,158
Bank charges	23,615	10,588
Insurance	10,385	10,250
Repairs & renewals	7,340	32,344
Shop expenses	7,656	18,439
Companion costs	54,224	51,373
Computer costs	20	3,714
Licences & subscriptions	4,068	1,342
Printing, postage & stationery	1,001	3,963
Advertising & marketing	1,084	1,569
Other costs	4,504	5,965
Other staff costs	2,017	11,467
	541,795	597,858
Share of support costs (see note 10)	302,660	121,261
Share of governance costs (see note 10)	17,763	14,986
	862,218	734,105
Analysis by fund		
Unrestricted funds	823,707	693,682
Restricted funds	38,511	40,423
	862,218	734,105

10 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	206,806	-	206,806	93,304	-	93,304
Premises costs	56,286	-	56,286	9,831	-	9,831
Insurance	6,912	-	6,912	3,213	-	3,213
Printing, postage & stationery	1,916	-	1,916	253	-	253
Telephone	3,120	-	3,120	3,653	-	3,653
Travel & subsistence	835	-	835	1,879	-	1,879
Computer costs	4,493	-	4,493	833	-	833
Advertising & marketing	-	-	-	6,180	-	6,180
Licences & subscriptions	573	-	573	1,162	-	1,162
Other costs	4,967	-	4,967	182	-	182
Other staff costs	16,752	-	16,752	771	-	771
Audit fees	-	5,000	5,000	-	3,500	3,500
Accountancy	-	7,312	7,312	-	4,059	4,059
Legal and professional	-	5,451	5,451	-	7,427	7,427
	302,660	17,763	320,423	121,261	14,986	136,247
Analysed between						
Charitable activities	302,660	17,763	320,423	121,261	14,986	136,247

Governance costs includes payments to the auditors of £5,000 (2022- £3,500) for audit fees.

11 Trustees

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

12 Employees

The average monthly number of employees during the year was:

2023	2022
Number	Number
13	14

12 Employees (Continued)

Employment costs	2023 £	2022 £
Wages and salaries	337,413	292,001
Social security costs	29,221	21,407
Other pension costs	8,970	8,551
	375,604	321,959

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

13 Other

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Net loss on disposal of tangible fixed assets	-	210
	-	210

14 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 Taxationof Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

15 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 July 2022	1,500,597	143,441	12,309	91,496	1,747,843
Additions	-	-	2,615	-	2,615
At 30 June 2023	1,500,597	143,441	14,924	91,496	1,750,458
Depreciation and impairment					
At 1 July 2022	322,949	128,796	11,417	46,371	509,533
Depreciation charged in the year	40,839	4,934	1,153	18,050	64,976
At 30 June 2023	363,788	133,730	12,570	64,421	574,509
Carrying amount					
At 30 June 2023	1,136,809	9,711	2,354	27,075	1,175,949
At 30 June 2022	1,177,647	14,645	893	45,125	1,238,310

16 Stocks

	2023	2022
	£	£
Finished goods and goods for resale	4,806	2,254

17 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Trade debtors	1,580	2,755
Other debtors	14,932	10,734
Prepayments and accrued income	39,936	33,317
	56,448	46,806

18 Loans and overdrafts

	2023	2022
	£	£
Bank loans	288,828	303,532
Payable within one year	16,155	15,856
Payable after one year	272,673	287,676

19 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans	18	16,155	15,856
Other taxation and social security		2,700	(1,339)
Government grants	21	-	24,752
Trade creditors		36,451	56,425
Other creditors		8,733	9,047
Accruals and deferred income		69,309	68,370
		133,348	173,111

20 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	18	272,673	287,676

21 Government grants

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	-	24,752
Movements in the year:		
Deferred income at 1 July 2022	24,752	25,000
Released from previous periods	(24,752)	(248)
Deferred income at 30 June 2023	-	24,752

22 Retirement benefit schemes

Defined contribution schemes
The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £8,970 (2022 - £8,551).

23 Restricted funds

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

		Movement in funds				
	Balance at 1 July 2021	Incoming resources	Resources expended	Balance at 1 July 2022	Resources expended	Balance at 30 June 2023
	£	£	£	£	£	£
Nant Lais - Development of Community Home	969,671	-	(37,863)	931,808	(37,728)	894,080
Fareshare	1,905	-	(520)	1,385	(553)	832
Bridgent Associaion of Voluntary Organisations	230	-	-	230	(230)	-
Moondance Foundation	-	26,520	(2,040)	24,480	-	24,480
	971,806	26,520	(40,423)	957,903	(38,511)	919,392

Nant Lais Development of Community Home - this funding was provided to develop the charity's community home. The Big Lottery and Welsh Government provided grants with a supporting charge on the land and buildings to ensure that the property is used for the purpose of providing homes for companions, end cannot be sold without permission from the donors. The expenditure on this fund relates to the depreciation charge on the property.

Fareshare - this funding was provided to purchase kitchen equipment for the community.

Bridgend Association of Voluntary Organisations - this funding was provided to support the cost of making face masks.

Moondance Foundation - this funding was provided to fund 6 companions for 12 months.

24 Analysis of net assets between funds

	Unrestricted funds 2023	Restricted funds 2023	Total 2023	Unrestricted funds 2022	Restricted funds 2022	Total 2022
	£	£	£	£	£	£
Fund balances at 30 June 2023 are represented by:						
Tangible assets	256,557	919,392	1,175,949	305,117	933,193	1,238,310
Current assets/(liabilities)	52,711	-	52,711	158,070	24,710	182,780
Long term liabilities	(272,673)	-	(272,673)	(287,676)	-	(287,676)
	36,595	919,392	955,987	175,511	957,903	1,133,414

25 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	28,137	69,266
Between two and five years	-	28,137
	28,137	97,403

26 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

27 Cash generated from operations

	2023	2022
	£	£
Deficit for the year	(177,427)	(1,138,536)
Adjustments for:		
Investment income recognised in statement of financial activities	(891)	(523)
(Gain)/loss on disposal of tangible fixed assets	-	210
Depreciation and impairment of tangible fixed assets	64,976	70,786
Movements in working capital:		
(Increase) in stocks	(2,552)	(2,254)
(Increase) in debtors	(9,642)	(46,806)
(Decrease)/increase in creditors	(15,310)	1,057,942
(Decrease) in deferred income	(24,752)	(248)
Cash absorbed by operations	(165,598)	(59,429)

28 Analysis of changes in net debt

	At 1 July 2022	Cash flows	At 30 June 2023
	£	£	£
Cash at bank and in hand	306,831	(182,026)	124,805
Loans falling due within one year	(15,856)	(299)	(16,155)
Loans falling due after more than one year	(287,676)	15,003	(272,673)
	3,299	(167,322)	(164,023)

EMMAUS SOUTH WALES

England & Wales - Charity number 1136010

Accounts

Charity registration number 1136010

Company registration number 07188459 (England and Wales)

EMMAUS SOUTH WALES

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

EMMAUS SOUTH WALES

CONTENTS

	Page
Trustees' report	1 - 11
Independent examiner's report	12
Statement of financial activities	13
Balance sheet	14 - 15
Statement of cash flows	16
Notes to the financial statements	17 - 33

EMMAUS SOUTH WALES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 JUNE 2022

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

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

Emmaus is an international movement, independent of religious or political affiliation. It originated in France in 1949, based on the Abbé Pierre's original idea of Solidarity: "serve first those who suffer most", as set out in the Universal Manifesto of the Emmaus Movement. (Available for download at http://www.emmaus-europe.org)

Our Core Values
These are the values by which we strive to live in Emmaus. They set the standard for our way of life together.

Showing respect:
- Being tolerant of other people's way of life and their beliefs, recognising that other people may have a different point of view.
- Being willing to listen to what others have to say.
- Having compassion for others and respect for their circumstances, especially towards those who have suffered or are in distress.
- Respecting the skills of others and valuing their work.

Being open and honest
- In the way we live our life within the Movement.
- About how we report our finances and our activities.
- In the way we take decisions.
- By communicating properly so everyone knows what is happening and understands the decisions that are made.

Sharing.
- Sharing and exchanging our resources and skills, being willing to receive as well as to give.
- Learning from each other.
- Fighting together against injustice, accepting the risks that may be involved.

Taking and Sharing Responsibility.
- Encouraging people to participate actively at all levels of the Movement.
- Ensuring that everybody's voice is heard.
- Ensuring that decisions are taken and implemented democratically.

Objectives and aims
The objectives, as set out in Emmaus South Wales Articles of Association, are specifically restricted to the alleviation and relief of poverty, hardship and distress arising therefrom, 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:

- the provision of accommodation, or assistance in such provision, for homeless people in the South Wales area and such other places as may seem appropriate from time to time (the beneficiaries).
- the rehabilitation of the beneficiaries as appropriate and the provision of education, training (including, without limitation, employment training) and work opportunities and satisfaction for the beneficiaries with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.

- the support of the work of other Emmaus Communities and Emmaus 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 Movement projects worldwide.
- 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 Trustees can say, with confidence, that these four objectives of the charity are still entirely relevant. We continually strive to achieve them, to the best of our ability.

Homelessness: Homelessness in Wales, as elsewhere in the UK, has continued to rise, with a particular increase in the number of people living in temporary accommodation in Wales. We have been experiencing a housing crisis for a number of years with a chronic lack of social housing and soaring private sector rents making a home increasingly unaffordable and unsustainable for many people. The restrictions on evictions introduced to protect people during the pandemic have come to an end and the number of evictions is consequently rising rapidly.

In addition, we have a Cost of Living Crisis in Wales and the UK. Households are facing rapidly rising costs, with inflation exceeding 10%. With essential costs such as home energy, and food prices in particular rising far in excess of inflation, there is little people can do to protect themselves from a significant impact to their budgets. The £20 uplift to Universal Credit, in place during the pandemic, stopped in Oct 21, and the impact of inflation means there has been real terms cut to peoples income. More working people are being pushed into poverty with wages not keeping pace with inflation. Housing costs continue to rise, and rising interest rates will exacerbate the crisis further.

It is sadly a context that means that we expect demand to grow for support from the Emmaus South Wales Community, both in respect of our role in offering a pathway out of homelessness, and in respect of our solidarity work and services to our wider communities. As I write we have a full Community and are preparing a waiting list system.

Approach to achieving charitable objects
The Emmaus 'theory of change' is to provide a supportive community, purpose and meaningful activity in our social enterprises each week, and opportunities to develop and contribute alongside training and support for those who are marginalized and excluded, including those experiencing homelessness. By working together alongside staff and volunteers in our community and enterprises, Companions gain new skills and experience and, most importantly, regain self-respect, esteem and purpose whilst working to support others in greater need than themselves. Emmaus South Wales can currently provide accommodation for 18 Companions. Companions are provided with a package of support and accommodation, including financial support as Companions do not claim out of work benefits such as Universal Credit. Emmaus communities strive to be self-financing which is why social enterprise is integral to our model and way of working, this grants us all, including companions, autonomy in achieving our aims. It also affords us the opportunity to demonstrate in practice that a different model of life is possible, one that is based on the sharing rather than the accumulation of resources, and where everybody contributes, and everybody gains.

The Emmaus Model
Emmaus provides an opportunity for companions to break free from the cycle of insecure, unsustainable, unaffordable housing and its attendant impacts on the quality of life, health and well-being. The impact of fighting a losing battle against poverty and exclusion, and of homelessness, can be soul-destroying, leaving you feeling worthless. 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 and finding your way out of that situation is not easy, particularly when the only options available are temporary fixes. This is where Emmaus is different. Emmaus is not about offering a bed for the night but offering a home for as long as it is needed, as well as purpose and meaningful work through our social enterprises. This opportunity, to become part of a community and make a contribution to it, plays an important role in restoring well-being and helping companions to find a way to overcome the barriers to inclusion in the long term.

Emmaus enables companions to rebuild their lives within self-supporting Communities. Companions receive support to re-equip themselves with the skills and capacity needed to secure and sustain independent homes and to live happy and healthy lives. Our Companions are given the opportunity to take stock of their lives, understand and address the barriers they face, and re-establish supportive networks of friends and family. You only have to read the stories on Emmaus Community websites of some of the people Emmaus has supported, to see what a difference Emmaus makes. See:
emmaus.org.uk/south-wales

Applicants join our Community as Companions, having been homeless or otherwise vulnerably housed and unemployed. Potential Companions can apply directly to Emmaus South Wales or be referred by the local authority or a third party (probation officer or outreach worker for example) with their permission. Alternatively, there is a UK wide referral pathway for all Emmaus Communities in the UK.We have developed partnerships and referral relationships with other services from which we are generating referrals and encouraging homeless people to contact us.

Emmaus South Wales is fully committed to developing an inclusive and diverse community, including companions, staff, Trustees and volunteers, and our recruitment and access policies reflect this.

Achievements and performance

The Community
Our Community home on a two-acre site at Nant Lais, Bridgend provides a home for up to 18 companions. The charity has created a Community where people live and work, recover self-confidence and support both themselves and others. The entitlement to Housing Benefit meets the costs of providing supported accommodation to most companions. We provide a high standard of accommodation for companions, in addition to a comprehensive package of practical, emotional, and financial support. Bridgend County Borough Council provides Housing Benefit to our Companions who transfer it to the charity as rent to cover the costs of accommodating and supporting them. The community is operated economically but accommodation and meals are of a high standard.

We provide an inclusive and diverse community. Our Companions come from all parts of the United Kingdom with ages ranging from 20 to 70. They come from diverse backgrounds, and experiences, however they have all experienced homelessness. The effects of poverty, exclusion, and homelessness mean that many companions have experienced significant harm and repeated trauma which they may not previously have received support with. This can result in additional challenges such as poor mental health, addiction, difficulty maintaining relationships, or challenging behaviour. Others have simply lost hope following the loss of loved ones, a job, their home and their purpose. The Community team provide support for Companions in dealing with the impact of their experiences including supporting them to access specialist services where beneficial. The team also support companions to live together successfully and to create a mutually supportive and accepting environment. Our focus has been to build a safe and stable Community with a real "sense of Community".

When someone comes to Emmaus, we give them the opportunity to learn new skills by working in our enterprises and through different projects. Each companion has a training package that they can access and complete. This year we have had a number of companions access external training and complete their Agored Level 2 Bicycle Maintenance course.

In July the community was successful in an application that they put forward and were awarded a new garden package by environmental charity Keep Wales Tidy. We were one of the first groups in the country to benefit from the Local Places for Nature scheme. All plants, tools and materials were provided for free by Keep Wales Tidy and included native climbing plants, wildflowers, and ferns, as well as compost, topsoil, gravel, hand tools and gloves. With the help of our companions the garden space is now an area where they can enjoy the outdoors and wildlife can thrive. They enjoyed the opportunity to help to keep them active, spend time outdoors, and improve their mental health and well-being.

Creating "a sense of Community"
The Community and social enterprise work together to ensure the transition from applicant to Companion is as seamless as possible. Companions spend the first few days settling into the Community and undertake their induction with Support Staff. Once this has been completed Companions have an individual Support Plan, designed and reviewed to provide the support required. Induction includes formalities such as housing benefit forms completed and GP registration. The Companion is given a rota which explains where they will work, to whom they will report and where they will have their enterprise induction. Close monitoring of that process is undertaken by the Head of Retail and Community staff and kept under weekly review by both parties.

Every effort is made to encourage Companions to work and live effectively together as a Community. Companions are encouraged to have an evening meal together and once a week enjoy a community evening meal where all companions participate. At weekly Community meetings Companions and Staff address any behavioural or procedural issues. The first Monday of the month is a Companion Meeting where any issues are discussed and if need be brought to the attention of the Support team. Trustees meet periodically with Companions to ensure that Companions are aware of the Trustees commitment to their support and welfare and that Trustees are fully aware of the operation of the Community with feedback from the meeting being shared with the Board.

The Importance of work and the support network for Emmaus Companions
Emmaus Companions have commented on the importance of work in their life in Emmaus.

"without Emmaus South Wales I dread to think where I would be now, you have helped me out of a very bad place, gave me a reason to live and gave me a purpose again. Thanks to the support I received I am now back in full time employment, something 8 months ago I couldn't see me doing"

"Emmaus South Wales has given me the opportunity for a fresh start. Here, I have a routine by working in the social enterprises and I've made new friends. I've found a new purpose in life and get up every day instead of lying in bed sleeping or going out drinking like I was before Emmaus. I've worked in all three stores and on Lucie, our Land Train. It's a good feeling to learn something new. I've made new friends and support provided has helped me with my mental health"

The Support Network
Other Companions have made observations on the support network:

"Emmaus can help me and I can help Emmaus. Emmaus has basically saved my life. Without Emmaus I'd be nowhere. It gave me a sense of community, being together, working together. I was isolated before Emmaus."

"Emmaus can help me better myself, for myself and my children. Structure is what helps. If I was living somewhere else and volunteering I don't think it would have the impact Emmaus does. I would still have problems but without the people to help me sort them out.

Kindness and Community life encourage empathy
Solidarity is such an important part of the work of Emmaus. As one Companion put it:

> *"I'm really grateful to Emmaus for providing me with security, and stability, and kindness, understanding, and support so I can balance myself and my life".*

Another Companion described her experience of living in an Emmaus Community as:

> *"This place has been the making of me. It's done me the world of good. I wanted routine, and I've made lots of friends, and I like engaging with customers in the shops. This place has been really good for me"*

What Success looks like...
Success for our Companions can be viewed through different lenses – personal development and change that occurs, and the empowerment to choose a different lifestyle. It enables them to be open to opportunities for retraining, employment or to pursue interests. The stability helps them to reimagine their lives in a different way – being empowered to reengage with interests, education, employment and new opportunities. Being part of the community can help people to reconnect with relationships that have been estranged and helps them forge new friendships. Emmaus offers an unique opportunity to work with people in a close community, to feel more confident around people, to learn about relationships, tolerance, limitations, learning to share, useful experiences that can be duplicated in the community at large helping people to move on in a positive way.

The Social Enterprise
Emmaus South Wales financial year to 30 June 2022 was another challenging year for the social enterprise. As the world began waking up from Covid Restrictions, Emmaus South Wales had 4 retail locations based in Bridgend, Porthcawl and Maesteg. Maesteg was unable resume trading and in August 2021 the decision was made to surrender the lease. Porthcawl was able to continue trading towards the end of October 2021. Tremains Road and Caroline Street traded a full financial year.

In June 2021 our Online Sales Co-Ordinator left Emmaus to pursue a career elsewhere, the role was not re-filled and instead, the post was taken over by two companions both with good experience of online sales. Online sales were strong for the first two quarters of the financial year with sales trending upward and a companion team who were focused and delivering excellent results. Then, unexpectedly, capacity online was reduced to one companion for the last half of the year.

Sale transactions topped 39,901 with over 79,000 units sold. Average transaction value across the estate was £7.60. In total over 166 tons of pre-loved items were reused and diverted from landfill in 2021/2022.

Claiming Gift Aid on items sold within our shops and online is an important revenue stream for Emmaus South Wales. In 2021/22 we managed to convert 11% of all donated sales. As well as Gift Aid we also derive income from recycling goods. Each shop has a collection on a weekly basis and our recycling company Choose 2 Reuse collect unsold or unsaleable fabric, Bric-a-Brac, Electrical and Media from our stores. Over 34 tons of items were moved on to the recycling company in 2021/22

Our two vans continued to collect and deliver pre-loved furniture from our Tremains Road and Porthcawl shops as well as servicing our Caroline Street shop with donations generated in our Tremains Superstore once or twice per week. Due to the lower number of stores our van capacity was reduced to one Van on the road most days with the second van being used to support during busy periods or large house clearances. Our Van team completed 667 deliveries and 805 collections in 2021/22.

As well as our retail and logistics division we also had Lucie the Land Train in operation from August 2021 running just in time for the summer holidays.

Towards the end of 2020/21 Emmaus South Wales reviewed its strategy and set our aims for the next 5 years. One of these is to diversify our trading and develop new enterprises. When Bridgend County Borough Council sought a commercial operator for a Land Train attraction in Porthcawl in early 2021 Emmaus South Wales saw an opportunity. Following months of planning and preparation the newest Emmaus South Wales social enterprise was launched in July 2021. Lucie the Land Train, named after Emmaus Co-Founder Lucie Coutaz, began service just in time for the summer holidays and high season. Lucie has proved very popular and is received very well by the people of Porthcawl. As well as delivering income from ticket sales and providing companions with an alternative method of work other than retail, Lucie is helping to shine a light on Emmaus South Wales and the work we do within the local community. During the first 3 months Lucie received over 85,375 engagements on Facebook with 1,406 "likes" and 527 comments (mostly positive), 692 link clicks and 334 shares.

An Emmaus social enterprise creates work and training opportunities for Companions, staff, and volunteers. Its dual purposes are to generate the funds to meet Charitable costs, and to provide purpose and meaningful opportunities for Companions to rebuild their self-esteem. In total approximately 18,000 hours of companion time was volunteered in the enterprise and community in 2021/22.

The Emmaus ethos commits us to acts of solidarity and, in 2021/22, we continued to support Emmaus International's solidarity projects by donating a day's takings from our shops in our 'Solidarity Day Sale'. Our shops donated £2,000 worth of furniture and other items, delivered by the community's van to support local people in need, identified through our links with local housing associations. In total, 10 beds, 11 wardrobes, 21 dining tables and chairs, 6 sofas, and 6 homeware packs were provided. We undertake these activities to help tackle poverty and disadvantage in our local communities.

The Management Team
Our Senior Management Team have continued to work hard to develop and strengthen the organisation over the course of the year. It continues to be a challenging operating context, with risings costs, reduced capacity and significant changes to customer needs and habits. Never the less the team continue to be focused on achieving maximum impact for companions and our wider communities, and committed to identifying the opportunities where Emmaus South Wales can contribute to making a better world.

Staff and Volunteers
The past year has been another difficult one for our staff and volunteers. Most of the Enterprise Team have had to deal with the uncertainty of coming out of the Covid situation and many of our Volunteers were unsure or nervous in making a commitment to return. For our Community team their continued to be challenges in filling vacancies in the home and supporting Companions getting back into the workplace. Our thanks go to all of our staff in pulling through the end of a very difficult period.

Our store managers continued to rebuild their teams of volunteers, without whom we would not be able to do all that we do. We send our heartfelt thanks to each and every one of them for their contribution and commitment to Emmaus.

Financial review
The total income for the year ending 30 June 2022 was £573,565, £213,101 lower than the previous year. No insurance claims were made during the year, compared to £154,990 claimed in the prior year.

Total expenditure of £728,318, which was £47,902, some 7% higher than in the previous year. A deficit of £154,753 was thereby reported in the year, with a surplus of £106,250 reported in the previous year.

Grants
Emmaus South Wales, is founded on a model of sustainable Social Enterprise. We strive to be self-financing through our primary purpose trading activities. However, we are operating in a context of rising cost. This includes the costs of the package of support we provide for companions and the costs we meet on their behalf, such as utilities and food. As well as our charitable operating costs and trading costs such as fuel, energy, employment costs, and rents. We continue to meet all of our trading costs from trading income, and are grateful for the grants we have continued to secure to support our charitable delivery costs.

The support provided is detailed on page 29. This support has been vital in enabling us to continue to support companions throughout the crisis. Our funders have provided funds to meet direct Companion costs, to support salaries in both the community and central teams, and to enable us to meet ongoing core liabilities such as utilities. Covid-19 has been a disaster for many charities, but Emmaus South Wales' survival has been assured by this generosity

Reserves

Emmaus South Wales has demonstrated our resilience in a crisis having survived the significant financial challenges brought by the pandemic and the closure of trading. However, the trading environment continues to be challenging with changes to footfall and consumer behavior, and its important that we can continue to adapt our enterprises to the changing context.

The Board still judges that total net working capital of £100,000 in unrestricted and restricted funds, is adequate to enable Emmaus South Wales to survive a short term calamity. The incredible support we have received during the Covid pandemic means that the accounts for the financial year show a continuing stable position .

Planning the Future

Renting Homes (Wales) Act 2016. Implementation of the Act, was delayed by Welsh Government until December 2022. Considerable time has been invested during the year to prepare for its implementation without comprising the strengths of an Emmaus Community. We successfully secured social impact loan financing to purchase a 4 bedroom house where we will be able to offer Companions Occupancy Contracts in line with the Act. We have been undertaking work on the house in preparation for companions to move in later in the year. Whilst completion of the first shared house is a significant achievement, we still need to secure additional financing for additional properties, and are in discussions with a number of social impact lenders.

Whilst we have a strong strategy in place, and clear objectives, we also recognise that there are a number of structural challenges to overcome during the coming year which need to be effectively navigated to ensure we can deliver our strategy effectively. Our largest area of enterprise, and therefore trading income, is generated by our Re-use Stores. We are currently operating 3 stores, all of which play a key role in our retail strategy. We lease all of our stores on a commercial basis, and each of the current leases are coming to the end of the 10 year term. The choices we make will by necessity be shaped both by our strategy and the range of options available to us within fixed timescales. We are increasingly constrained both by the rising costs of premises, and the lack of availability.

Structure, governance and management

Governing document
The charity is controlled by its governing document, a deed of trust, and is constituted as a company, limited by guarantee, as defined by the Companies Act 2006. The charity was constituted in 2010 as a company limited by guarantee, controlled by its governing document, the Memorandum and Articles of Association, as defined by the Companies Act 2006.

The objects of the charity are the alleviation and relief of poverty, hardship and distress arising therefrom, in conformance with the principles of the Emmaus Movement; the provision of accommodation for homeless people in South Wales, the rehabilitation of the beneficiaries and the provision of education and training, including employment training and work opportunities with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.

Structure, governance and management
The Board is responsible for the strategic direction and policy of the charity. The Board continued to meet monthly, utilizing, online, hybrid, and in person methods over the course of the year.

Each meeting was preceded, a week before, by a meeting of the Enterprise and Finance Committee. Its members are Two Trustees, the Chief Executive, the Accommodation & Support Manager, the Finance Manager and the Head of Retail. It reviews the state of the Community and the charity's financial results. It exercises financial control, considers future projections and business proposals and submits its report and statement of decisions needed to the Board.

Sub-committees resumed during the year, with Health & Safety and People Committee joining Enterprise and Finance. Each sub-committee is comprised of Trustees and Senior Staff. A working group was also established to guide the changes to our accommodation offer instigated by the implementation of the Renting Homes (Wales) Act. Trustees, staff, and Companions are members of the working group. HR advice has continued to be provided to all Emmaus Communities by the HR Consultancy: Roots HR and Emmaus South Wales have sought their support during the year when appropriate. Marketing and Digital Communications support continues to be provided to Emmaus South Wales by Emmaus UK and our appreciation is recorded for the significant service provided during the year. In addition Emmaus South Wales benefit from Health and Safety Audits and compliance support from Ellis Whittam.

A delegation framework is in place, with the day to day responsibility for the operations of the charity resting with the Chief Executive. The Chief Executive is responsible for ensuring that the charity delivers its strategic objectives, achieves the budget for the ensuing year and meets key performance indicators.

Risk management
Trustees have in place risk management procedures, policies and a Risk Register which aims to identify, manage and mitigate foreseeable risks that the charity might face. The Chief Executive has overall responsibility for monitoring the risks and ensuring appropriate and timely mitigation is put in place. The Charity is committed to safeguarding staff, Companions and volunteers and effective health and safety risk management in accordance with its Health and Safety policy. Risk assessments and specific procedures are completed, reviewed, and maintained. All new activities and potential risks are risk assessed. All staff and volunteers participate in a health and safety induction, with specific training offered when desirable or necessary.

Policies
A complete portfolio of policies and procedures has been established, which are regularly reviewed. These include:

- Equality and Inclusion Policy
- Data Protection Policies
- Health and Safety Policies and procedures.
- Complaints Policy
- Whistleblowing Policy
- Internal Financial Controls policy.
- Safeguarding Policy
- Staff and Trustee Codes of Conduct

Recruitment, appointment and training of new trustees
The Charity is directed by a Board of Trustees who are elected and co-opted under the terms of the Articles of Association. The Board of Trustees continues to review the skills and experience of its members. During the year three additional Trustees were recruited with one Trustee stepping down. This continues to strengthen the Board's expertise and skills base. The Board recognise that a proper Recruitment, Induction and Training programme is important to ensure the ongoing strength of the Board.

Each potential Trustee is interviewed by at least two Trustees, briefed about the Community, the History of Emmaus, their legal and ethical responsibilities and provided with the NCVO Code of Good Governance.

Once Board approval is confirmed Induction and training takes the form of attendance at Board Meetings and its Committees, a visit to Nant Lais, our Community home, escorted visits to other neighbouring Emmaus Communities, attending the Emmaus UK Federation Induction Day, training in the responsibilities of a Trustee and assumption of appropriate roles in support of the Community and its social enterprise. Attendance at the Emmaus Annual Assembly and other conferences and meetings of the Emmaus Movement form an important way in which new Trustees learn the Emmaus ethos and best practice and gain essential contacts.

All trustees give their time voluntarily and receive no benefits from the Charity. No expenses have been claimed from the charity since September 2018. None of the trustees has any beneficial interest in the company.

The Wider Emmaus Movement
Emmaus in the UK is part of the International Emmaus Movement, made up of 410 member groups working in 41 countries around the world. The work that the members do varies, depending on the needs of the country that they work in, but all Groups share a commitment to "*serve first those who suffer most*", as set out in the Universal Manifesto of the Emmaus Movement. Emmaus South Wales has full membership of Emmaus UK, Emmaus Europe and Emmaus International.

As part of an International Movement, we learn from one another, share experiences and work together to support those in greatest need. Staff, companions, volunteers and trustees in the UK participate in exchanges, meetings, and in solidarity sales where money is raised for Emmaus projects in poorer countries.

In May 2022 the Emmaus World Assembly took place in Uruguay. Our CEO participated in the event, which happens every 4 years and provides the opportunity for Emmaus Communities from every part of the globe to come together to share experiences, expertise, and challenges and to agree priorities for the global Emmaus Movement. The costs to attend the event were met by Emmaus Europe, and Emmaus UK. It was a fantastic opportunity for the movement to come together after the challenges of the pandemic and to reconnect with each other and the fundamental ethos and values of the Emmaus Movement. The work undertaken by Emmaus Communities around the world is breathtakingly inspiring as is the universality and impact of the Emmaus model.

In the UK Emmaus South Wales continues to work alongside the other communities in the UK Federation. We continue to share the learning and experience gained from the devolved nature of Housing and Homelessness in Wales, with our counterparts elsewhere in the UK, and equally to learn from theirs. As members of Emmaus UK we have contributed to the collective review of UK strategy, and continue to benefit from the shared services and resources.

Related parties
Emmaus South Wales is a member of Emmaus UK, Emmaus Europe, and Emmaus International.

Emmaus UK supports the development of Emmaus Communities in the UK. In September 2021 Charlotte Talbot took up her role as the new Chief Executive of Emmaus UK. We welcome the fresh approach she is leading, and the opportunity to reaffirm our collective direction and models of operation in the UK. We work closely with EUK across all areas of our work, and benefit from their support with: communications, marketing and web management, fundraising, business and retail development, performance monitoring and evaluation, community development, companion referrals, strategic planning and finance. The Board greatly appreciates the support received. Roots HR provide an HR service to Emmaus Communities and during the year Ellis Whittam provided a full Health & Safety audit enabling us to commence improvements through their recommendations.

THANKS
The Trustees would like to express their thanks to all who have supported the Emmaus South Wales Community and Social Enterprise in the past year, especially the Chief Executive and staff of Emmaus UK, and to all Trustees, staff and volunteers.

Our sincere thanks also go to Lynne Arcos who, due to personal reasons also took the difficult decision to step down from the Board. Her input during their time with Emmaus South Wales is greatly appreciated.

We are immensely grateful for the generous support, from all our funders.

Once again, we thank our generous donors of furniture, clothes, books and bric-a-brac and to our wonderful customers who then buy them and signpost others to our shops!

As shown on page 29, we are immensely grateful for the generous support, at a time of crisis, from: BAVO, The Lloyds Bank Foundation, The Hodge Foundation, The Waterloo Foundation, WCVA and from the Government to cover rates and to furlough staff whilst shops were closed. Covid-19 has been a disaster for many charities, but Emmaus South Wales' survival has been assured by this generosity.

Funds held as custodian trustee

Funds held by trustees for third parties
The charity holds funds (savings) on behalf of Companions, which are built up weekly at £5 per Companion from his or her weekly allowance. This enables each Companion to have some savings when they move on from Emmaus South Wales. The savings are held solely for the benefit of the Companions. The amounts saved are recorded at the Community home at Nant Lais and are kept separate from other funds as required by FRS102 module 19.

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

FOR THE YEAR ENDED 30 JUNE 2022

Reference and administrative details

Registered charity name	Emmaus South Wales
Charity number	1136010
Company registration number	07188459
Registered office	6 Caroline Street Bridgend CF31 1DQ
Trustees	J Raikes (Chair) E-W Francis (Treasurer) C A Lowry (Hon Secretary) T V Eades B Jackson - Resigned 20/7/2021 M E Roberts - Resigned 20/7/2021 L Acros - Resigned 25/5/2022 E S Hammonds - Resigned 20/3/2023 E Venables - Resigned 20/3/2023 L Sully - Appointed 8/10/2021 L Jevons - Appointed 28/3/2022, Resigned 23/10/2022 S Lloyd - Appointed 29/11/2021, Resigned 5/12/2022, Appointed 23/3/2023 C Price - Appointed 2/1/2023
Secretary	C A Lowry
Chief Executive **Interim Chief Executive**	J Wray to January 2023 D Jones from January 2023
Independent Examiners	Azets Audit Services Chartered Accountants and Statutory Auditors Ty Derw, Lime Tree Court
Independent Examiners	Cardiff Business Park Cardiff CF23 8AB

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

.....

Mr. E Francis
Trustee
Dated: 26th April 2023

.....

J A Raikes
Trustee
Dated: 26th April 2023

EMMAUS SOUTH WALES

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF EMMAUS SOUTH WALES

I report to the trustees on my examination of the financial statements of Emmaus South Wales (the charity) for the year ended 30 June 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Association of Chartered Certified Accountants, which is one of the listed bodies.

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

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or

4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Claire Thompson

Claire Thompson FCCA DChA
Azets Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB
United Kingdom

Dated: 27-04-2023

EMMAUS SOUTH WALES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income and endowments from:							
Donations and legacies	3	32,695	-	32,695	34,394	-	34,394
Charitable activities	4	492,597	26,520	519,117	353,058	210,704	563,762
Other trading activities	5	32,424	-	32,424	33,116	-	33,116
Investments	6	523	-	523	404	-	404
Other income	7	1,494	-	1,494	154,990	-	154,990
Total income		559,733	26,520	586,253	575,962	210,704	786,666
Expenditure on:							
Raising funds	8	6,691	-	6,691	6,270	-	6,270
Charitable activities	9	693,682	40,423	734,105	351,048	318,222	669,270
Other	13	210	-	210	4,876	-	4,876
Total expenditure		700,583	40,423	741,006	362,194	318,222	680,416
Gross transfers between funds		-	-	-	36,063	(36,063)	-
Net (expenditure)/income for the year/ Net movement in funds		(140,850)	(13,903)	(154,753)	249,831	(143,581)	106,250
Fund balances at 1 July 2021		316,361	971,806	1,288,167	66,530	1,115,387	1,181,917
Fund balances at 30 June 2022		175,511	957,903	1,133,414	316,361	971,806	1,288,167

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

All income and expenditure derive from continuing activities.

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

EMMAUS SOUTH WALES

BALANCE SHEET

AS AT 30 JUNE 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	14		1,238,310		983,782
Current assets					
Stocks	15	2,254		2,257	
Debtors	16	54,268		75,897	
Cash at bank and in hand		306,831		493,478	
		363,353		571,632	
Creditors: amounts falling due within one year	17	(180,573)		(117,706)	
Net current assets			182,780		453,926
Total assets less current liabilities			1,421,090		1,437,708
Creditors: amounts falling due after more than one year	19		(287,676)		(149,541)
Net assets			1,133,414		1,288,167
Income funds					
Restricted funds	22		957,903		971,806
Unrestricted funds					
Designated funds	23	-		112,016	
General unrestricted funds		175,511		204,345	
			175,511		316,361
			1,133,414		1,288,167

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2022

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2022.

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

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

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

The financial statements were approved by the Trustees on 26th April 2023

Mr. E Francis
Trustee

J A Raikes
Trustee

Company registration number 07188459

EMMAUS SOUTH WALES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	27		(59,429)		137,945
Investing activities					
Purchase of tangible fixed assets		(325,523)		(3,167)	
Investment income received		523		404	
Net cash used in investing activities			(325,000)		(2,763)
Financing activities					
Proceeds from borrowings		197,782		62,500	
Net cash generated from financing activities			197,782		62,500
Net (decrease)/increase in cash and cash equivalents			(186,647)		197,682
Cash and cash equivalents at beginning of year			493,478		295,796
Cash and cash equivalents at end of year			306,831		493,478

1 Accounting policies

Charity information

Emmaus South Wales is a private company limited by guarantee incorporated in England and Wales. The registered office is 6 Caroline Street, Bridgend, CF31 1DQ.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Grants receivable are treated in different ways dependent upon their purposes and the terms of the grant.

Grants receivable for the specific purpose of purchasing fixed assets for the continued use of the charity are treated as restricted funds. The restricted fund is then reduced by amounts equivalent to the depreciation charges on the assets concerned and will continue to do so over the expected useful lives of the assets concerned.

Grants receivable for specific purposes are also treated as restricted funds so that any unused funds can be separately identified.

Grants receivable to facilitate the general running of the charity for example where the trustees can choose how the funds are expended, are treated as unrestricted funds.

1 Accounting policies **(Continued)**

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Social enterprise income is recognised in the period in which the service relates to.

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.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees report and their associated support costs.

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

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% - 20% straight line
Fixtures and fittings	20% straight line
IT Equipment	20% straight line
Motor vehicles	40% reducing balance

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

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1 Accounting policies **(Continued)**

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies **(Continued)**

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.14 Taxation

As a registered charity, Emmaus South Wales is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	32,695	29,394
Legacies receivable	-	5,000
	32,695	34,394

4 Charitable activities

	2022 £	2021 £
Social Enterprise	434,909	267,885
Grants	84,208	295,877
	519,117	563,762
Analysis by fund		
Unrestricted funds	492,597	353,058
Restricted funds	26,520	210,704
	519,117	563,762
Grants		
Lloyds Bank Foundation	25,000	24,000
Hodge Foundation	-	25,000
Welsh Council for Voluntary Action	-	37,500
Welsh Government	-	80,000
HMRC Job Retention Scheme	-	32,904
Moondance Foundation	26,520	-
Homeless Link	-	91,300
The Albert Hunt Trust	-	5,000
Bridgend County Borough Council	12,000	-
BAVO Fuel	4,000	-
Kickstarter	15,688	-
Arnold Clark Motor Vehicle	1,000	-
Other	-	173
	84,208	295,877

5 Other trading activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Shop income	13,055	8,876
Online shop	8,941	18,023
House clearance	5,733	1,917
Recycling income	4,695	4,300
Other trading activities	32,424	33,116

6 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	523	404

7 Other income

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Insurance claims	-	154,990
Other income	1,494	-
	1,494	154,990

8 Raising funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Purchases	6,691	6,270
	6,691	6,270

8 Raising funds **(Continued)**

9 Charitable activities

	2022 £	2021 £
Staff costs	228,655	199,689
Depreciation and impairment	70,786	53,259
Other staff costs	11,467	4,100
Premises costs	105,390	116,717
Travel and subsistence	2,286	309
Motor expenses	29,569	17,500
Telephone	10,158	7,084
Bank charges	10,588	4,409
Insurance	10,250	10,185
Repairs and renewals	32,344	49,836
Shop expenses	18,439	9,439
Companion costs	51,373	48,230
Computer costs	3,714	3,159
Advertising and marketing	1,569	130
Licences and subscriptions	1,342	1,460
Printing, postage and stationery	3,963	6,157
Other costs	5,965	7,440
	597,858	539,103
Share of support costs (see note 10)	121,261	125,195
Share of governance costs (see note 10)	14,986	4,972
	734,105	669,270
Analysis by fund		
Unrestricted funds	693,682	351,048
Restricted funds	40,423	318,222
	734,105	669,270

10 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	93,304	-	93,304	94,085	-	94,085
Other staff costs	771	-	771	1,636	-	1,636
Premises costs	9,831	-	9,831	8,577	-	8,577
Insurance	3,213	-	3,213	1,869	-	1,869
Printing, postage and stationery	253	-	253	481	-	481
Telephone	3,653	-	3,653	3,225	-	3,225
Travel and subsistence	1,879	-	1,879	434	-	434
Computer costs	833	-	833	1,507	-	1,507
Advertising and marketing	6,180	-	6,180	5,862	-	5,862
Licences and subscriptions	1,162	-	1,162	6,837	-	6,837
Other costs	182	-	182	682	-	682
Independent examination fees	-	3,500	3,500	-	3,000	3,000
Legal and professional	-	7,427	7,427	-	900	900
Accountancy fees	-	4,059	4,059	-	1,072	1,072
	121,261	14,986	136,247	125,195	4,972	130,167
Analysed between						
Charitable activities	121,261	14,986	136,247	125,195	4,972	130,167

Governance costs includes payments to the independent examiners of £3,500 (2021 - £3,000) for independent examination fees.

11 Trustees

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

12 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	14	11

Employment costs	2022 £	2021 £
Wages and salaries	292,001	269,907
Social security costs	21,407	17,001
Other pension costs	8,551	6,866
	321,959	293,774

Key management personnel
The total amount of employee benefits (including gross salary, employers national insurance contributions and employers pension contributions) received by the charity's key management personnel for their services to the charity during the year was £142,198 (2021: £115,282).

There were no employees whose annual remuneration was £60,000 or more (2021: nil).

13 Other

	Unrestricted funds 2022	Unrestricted funds 2021
Net loss on disposal of tangible fixed assets	210	4,876
	210	4,876

14 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	IT Equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 July 2021	1,254,757	132,873	12,309	23,079	1,423,018
Additions	245,839	11,267	-	68,417	325,523
Disposals	-	(700)	-	-	(700)
At 30 June 2022	1,500,596	143,440	12,309	91,496	1,747,841
Depreciation and impairment					
At 1 July 2021	285,086	124,578	9,484	20,088	439,236
Depreciation charged in the year	37,863	4,707	1,932	26,283	70,785
Eliminated in respect of disposals	-	(490)	-	-	(490)
At 30 June 2022	322,949	128,795	11,416	46,371	509,531
Carrying amount					
At 30 June 2022	1,177,647	14,645	893	45,125	1,238,310
At 30 June 2021	969,671	8,295	2,825	2,991	983,782

15 Stocks

	2022	2021
	£	£
Finished goods and goods for resale	2,254	2,257

16 Debtors

	2022	2021
Amounts falling due within one year:	£	£
Other debtors	20,951	18,080
Prepayments and accrued income	33,317	57,817
	54,268	75,897

17 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Borrowings		15,856	4,184
Other taxation and social security		6,123	5,000
Deferred income	18	24,752	25,000
Trade creditors		56,425	11,391
Other creditors		9,047	5,785
Accruals and deferred income		68,370	66,346
		180,573	117,706

18 Deferred income

	2022 £	2021 £
Arising from grants	24,752	25,000

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Balance brought forward	25,000	13,000
Income received	71,272	307,877
Income released	(71,520)	(295,877)
Balance carried forward	24,752	25,000

19 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Borrowings	287,676	101,566
Other creditors	-	47,975
	287,676	149,541

20 Loans and overdrafts

	2022	2021
	£	£
Other loans	303,532	105,750
Payable within one year	15,856	4,184
Payable after one year	287,676	101,566

21 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £8,551 (2021 - £6,866).

22 Restricted funds

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

	Movement in funds				Movement in funds			
	Balance at 1 July 2020	Incoming resources	Resources expended	Transfers	Balance at 1 July 2021	Incoming resources	Resources expended	Balance at 30 June 2022
	£	£	£	£	£	£	£	£
WCVA - Voluntary Services Emergency Fund	67,458	-	(60,294)	(7,164)	-	-	-	-
Charities Aid Foundation - Coronavirus Emergency Fund	8,444	-	(8,444)	-	-	-	-	-
Lloyds Bank Foundation	-	24,000	(24,000)	-	-	-	-	-
Hodge Foundation	-	25,000	(25,000)	-	-	-	-	-
Nant Lais - Development of Community Home	1,032,264	-	(42,774)	(19,819)	969,671	-	(37,863)	931,808
Fareshare	2,425	-	(520)	-	1,905	-	(520)	1,385
Bridgend Association of Voluntary Organisations	230	-	-	-	230	-	-	230
HMRC Job Retention Scheme	-	32,904	(32,904)	-	-	-	-	-
Moondance Foundation	73	-	-	(73)	-	26,520	(2,040)	24,480
Shaw Trust	4,493	-	-	(4,493)	-	-	-	-
Homeless Link	-	91,300	(86,786)	(4,514)	-	-	-	-
WCVA - Resilience Fund	-	37,500	(37,500)	-	-	-	-	-
	1,115,387	210,704	(318,222)	(36,063)	971,806	26,520	(40,423)	957,903

22 **Restricted funds** **(Continued)**

WCVA Voluntary Services Emergency Fund - this funding was provided to support volunteer training and recruitment.

Charities Aid Foundation Coronavirus Emergency Fund - this funding was provided to support core costs.

Lloyds Bank Foundation - this funding was provided to support the cost of finance and administrator's wages and associated costs.

Hodge Foundation - this funding was provided to support the community manager and support workers wages costs.

Nant Lais Development of Community Home - this funding was provided to develop the charity's community home. The Big Lottery and Welsh Government provided grants with a supporting charge on the land and buildings to ensure that the property is used for the purpose of providing homes for companions, and cannot be sold without permission from the donors. The expenditure on this fund relates to the depreciation charge on the property.

Fareshare - this funding was provided to purchase kitchen equipment for the community.

Bridgend Association of Voluntary Organisations - this funding was provided to support the cost of making face masks.

HMRC Job Retention Scheme - this funding was provided to support wages costs during the Covid-19 pandemic.

Moondance Foundation - this funding was provided to support the Community Manager and support workers wages and associated costs.

Shaw Trust - this funding was provided to support the costs the opening.

Homeless Link - this funding was provided to fund core and charitable costs during the Covid-19 pandemic normally funded through trading income to enable operational service delivery to continue.

WCVA Resilience Fund - this funding was provided to support core and companion costs.

23 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Transfers	Balance at 1 July 2021	Resources expended	Balance at 30 June 2022
	£	£	£	£
Nant Lais Roof Improvements	44,016	44,016	(44,016)	-
Land Train	68,000	68,000	(68,000)	-
	112,016	112,016	(112,016)	-

Nant Lais Roof Improvements - this fund relates to the cost of significant repair and improvement work to the roof at the charity's Community Home in Nant Lais. This was carried out in August 2021.

Land Train - The charity has launched a new Land Train service in Porthcawl in August 2021. The designated fund created is to reflect the cost of purchasing the train.

24 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 30 June 2022 are represented by:								
Tangible assets	305,117	-	933,193	1,238,310	12,206	-	971,576	983,782
Current assets/(liabilities)	158,070	-	24,710	182,780	341,680	112,016	230	453,926
Long term liabilities	(287,676)	-	-	(287,676)	(149,541)	-	-	(149,541)
	175,511	-	957,903	1,133,414	204,345	112,016	971,806	1,288,167

25 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	69,266	78,450
Between two and five years	28,137	96,453
	97,403	174,903

26 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

27 Cash generated from operations

	2022	2021
	£	£
(Deficit)/surpus for the year	(154,754)	106,250
Adjustments for:		
Investment income recognised in statement of financial activities	(523)	(404)
Loss on disposal of tangible fixed assets	210	4,876
Depreciation and impairment of tangible fixed assets	70,786	53,259
Movements in working capital:		
Decrease in stocks	3	711
Decrease/(increase) in debtors	21,629	(11,753)
Increase/(decrease) in creditors	3,468	(26,994)
(Decrease)/increase in deferred income	(248)	12,000
Cash (absorbed by)/generated from operations	(59,429)	137,945

28 Analysis of changes in net funds

	At 1 July 2021	Cash flows	At 30 June 2022
	£	£	£
Cash at bank and in hand	493,478	(186,647)	306,831
Loans falling due within one year	(4,184)	(11,672)	(15,856)
Loans falling due after more than one year	(101,566)	(186,110)	(287,676)
	387,728	(384,429)	3,299

EMMAUS SOUTH WALES

England & Wales - Charity number 1136010

Accounts

Charity Registration No. 1136010

Company Registration No. 07188459 (England and Wales)

EMMAUS SOUTH WALES

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

EMMAUS SOUTH WALES

CONTENTS

	Page
Trustees' report	1 - 13
Independent examiner's report	14
Statement of financial activities	15
Balance sheet	16 - 17
Statement of cash flows	18
Notes to the financial statements	19 - 35

EMMAUS SOUTH WALES

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 JUNE 2021

The trustees present their report and financial statements for the year ended 30 June 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

Emmaus is an international movement, independent of religious or political affiliation. It originated in France in 1949, based on the Abbé Pierre's original idea of Solidarity: "serve first those who suffer most", as set out in the Universal Manifesto of the Emmaus Movement. (Available for download at http://www.emmaus-europe.org)

Our Core Values
These are the values by which we strive to live in Emmaus. They set the standard for our way of life together.

Showing respect:

- Being tolerant of other people's way of life and their beliefs, recognising that other people may have a different point of view.
- Being willing to listen to what others have to say.
- Having compassion for others and respect for their circumstances, especially towards those who have suffered or are in distress.
- Respecting the skills of others and valuing their work.

Being open and honest:

- In the way we live our life within the Movement.
- About how we report our finances and our activities.
- In the way we take decisions.
- By communicating properly so everyone knows what is happening and understands the decisions that are made.

Sharing:

- Sharing and exchanging our resources and skills, being willing to receive as well as to give.
- Learning from each other.
- Fighting together against injustice, accepting the risks that may be involved.

Taking and Sharing Responsibility:

- Encouraging people to participate actively at all levels of the Movement.
- Ensuring that everybody's voice is heard.
- Ensuring that decisions are taken and implemented democratically.

Objectives and aims
The objectives, as set out in Emmaus South Wales Articles of Association, are specifically restricted to the alleviation and relief of poverty, hardship and distress arising therefrom, 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:

- the provision of accommodation, or assistance in such provision, for homeless people in the South Wales area and such other places as may seem appropriate from time to time (the beneficiaries).
- the rehabilitation of the beneficiaries as appropriate and the provision of education, training (including, without limitation, employment training) and work opportunities and satisfaction for the beneficiaries with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.
- the support of the work of other Emmaus Communities and Emmaus 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 Movement projects worldwide.
- 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 Trustees can say, with confidence, that these four objectives of the charity are still entirely relevant. We continually strive to achieve them, to the best of our ability.

Homelessness: The Covid-19 Pandemic continued to have a profound impact on all of us, still touching every aspect of our lives. The policy of 'Everyone in' was successful in ensuring rough sleeping was a rare event and for those of us involved in the sector a somewhat astonishing and yet wonderful sight. There was a feeling that when society can, it will, with a hope that this approach could be extended beyond the threat of Covid. However, whilst we must fight to hold on to the potential this solution brought, it was just a sticking plaster and there is a bigger homelessness crisis looming.

Before the Covid-19 crisis the biggest cause of homelessness in the UK was eviction from private rental properties. This is one of the main reasons that Emmaus Companions cite as a reason for their homelessness. As a result of the pandemic, many thousands more people are experiencing financial hardship or have lost their jobs and are already in rent arrears. Furthermore, ever escalating property prices places pressure on the supply of available properties for rent and pushes rents beyond reach for ever greater numbers of people. With the end of Government support like the Job Retention Scheme, restricted evictions and additional Universal Credit payments, and the added increases in utilities and food costs, a more serious eviction crisis is brewing. Emmaus is bracing itself for a rise of homelessness when its communities will be needed more than ever.

Approach to achieving charitable objects The Emmaus 'theory of change' is to provide a supportive community, purpose and meaningful activity in our social enterprises each week, and opportunities to develop and contribute alongside training and support for those who are marginalised and excluded, including those experiencing homelessness. By working together alongside staff and volunteers in our community and enterprises, Companions gain new skills and experience and, most importantly, regain self-respect, esteem and purpose whilst working to support others in greater need than themselves. Emmaus South Wales can currently support 24 Companions. Companions are provided with a package of support and accommodation, including financial support, as Companions do not claim out of work benefits such as Universal Credit. Emmaus communities strive to be self-financing, which is why social enterprise is integral to our model and way of working. This grants us all, including companions autonomy in achieving our aims. It also affords us the opportunity to demonstrate in practice that a different model of life is possible, one that is based on the sharing rather than the accumulation of resources, and where everybody contributes, and everybody gains.

What support does Emmaus offer? Emmaus provides an opportunity for companions to break free from the cycle of insecure, unsustainable, unaffordable housing and its attendant impacts on the quality of life, health, and wellbeing. The impact of fighting a losing battle against poverty and exclusion, and of homelessness can be soul-destroying, leaving you feeling worthless. 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 and finding your way out of that situation is not easy, particularly when the only options available are temporary fixes. This is where Emmaus is different. Emmaus is not about offering a bed for the night but offering a home for as long as it is needed, as well as purpose and meaningful work through our social enterprises. This opportunity, to become part of a community and make a contribution to it, plays an important role in restoring well-being and helping companions to find a way to overcome the barriers to inclusion in the long term.

Emmaus enables companions to rebuild their lives within self-supporting Communities. Companions receive support to re-equip themselves with the skills and capacity needed to secure and sustain independent homes and to live happy and healthy lives. Our Companions are given the opportunity to take stock of their lives, understand and address the barriers they face, and re-establish supportive networks of friends and family. You only have to read the stories on Emmaus Community websites of some of the people Emmaus has supported, to see what a difference Emmaus makes. See:
emmaus.org.uk/south-wales

Applicants join our Community as Companions, having been homeless or otherwise vulnerably housed and unemployed. Potential Companions can apply directly to Emmaus South Wales or be referred by the local authority or a third party (probation officer or outreach worker for example) with their permission. Alternatively, there is a UK wide referral pathway for all Emmaus Communities in the UK.

We have developed partnerships and referral relationships with other services from which we are generating referrals and encouraging homeless people to contact us.

Emmaus South Wales is fully committed to developing an inclusive and diverse community, and will not discriminate on the grounds of gender, gender reassignment, marital & civil partnership status, age, race, colour, nationality, national origin, ethnic background, religion or belief, disability, sexual orientation, pregnancy & maternity, past criminal convictions, or offending background unless it is apparent they would constitute a threat to the cohesion of the Community.

An Emmaus Community – an impressive social investment
Companions sign off primary welfare benefits on joining Emmaus and contribute full-time in their community's social enterprise. Emmaus provides substantial "public benefit" by reducing reliance on the public purse, and, by savings, as a result of reduced use of public services as a result of improved health, wellbeing and the removal of economic barriers to inclusion.

The Community
Our Community home on a two-acre site at Nant Lais, Bridgend provides a home for up to 24 companions. The charity has created a Community where people live and work, recover self-confidence and support both themselves and others. The entitlement to Housing Benefit meets the costs of providing supported accommodation to most companions. We provide a high standard of accommodation for companions, in addition to a comprehensive package of practical, emotional, and financial support. Bridgend County Borough Council provides Housing Benefit to our Companions who transfer it to the charity as rent to cover the costs of accommodating and supporting them. The community is operated economically but accommodation and meals are of a high standard.

We provide an inclusive and diverse community. Our Companions come from all parts of the United Kingdom with ages ranging from 20 to 70. They come from diverse backgrounds and experiences, however, they have all experienced homelessness. The effects of poverty, exclusion and homelessness mean that many companions have experienced significant harm and repeated trauma for which they may not previously have received support. This can result in additional challenges such as poor mental health, addiction, difficulty maintaining relationships, or challenging behaviour. Others have simply lost hope following the loss of loved ones, a job, their home, and their purpose.

The Community team provide support for Companions in dealing with the impact of their experiences including supporting them to access specialist services, where beneficial. The team also support companions to live together successfully and to create a mutually supportive and accepting environment. Our focus has been to build a safe and stable Community with a real "sense of Community".

Public Benefit

As set out above all our charitable activities are undertaken to further our charitable purposes for the Public Benefit. The Trustees have referred to the guidance contained in the Charity Commission's 'Charities and Public Benefit' general guidance on Public Benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

The year to June 2021 was almost completely overtaken by Covid-19 with uncertainty, inconsistency and a nervous approach to everything we undertook. The lack of ability to trade for most of the year, the need to restrict movement to ensure we kept those in our Community safe and the challenges brought by lack of income made it a very difficult year for Emmaus South Wales, as it did for many charities.

The Companions in Nant Lais were one (very large) household when Wales went into lockdown on 23rd March 2020. The lockdown rules, combined with the 'Everyone in' initiative meant that we experienced limitations in our ability to accept new referrals for much of the year, though we did see some companions move on in between lockdowns, leaving our Companion numbers relatively low at the end of the year. Companions continued to manage their situation very well with morale within the Community remaining very positive throughout. At the time of writing, we have had no suspected or confirmed cases of Covid within our Community or Enterprise.

When someone comes to Emmaus, we give them the opportunity to learn new skills by working in our shops or through projects such as gardening and PAT-testing. This has always been an important part of our charity and goes a long way to help rebuild confidence and self-esteem. We used the periods of lockdown to support companions to undertake additional training, alongside developing new skills and to try out some new activities.

Despite the challenges, Emmaus South Wales has sought to embrace new opportunities whilst managing our shops when able. Companions continued with projects commenced at the start of lockdown:

- Using donated clothing and fabrics, the Community made washable and sustainable, three-layer face masks entirely from donated materials.
- The improvements in the appearance of our two-acre site at Nant Lais was maintained and the garden further developed, with the allotment area helping to provide fresh, healthy food for the Companions.
- "Rainbow Packs": entertainment packs worth between £30 – £150, consisting of age specific items such as games, books, puzzles, and gaming consoles, for local households to 'borrow' free of charge (or for a voluntary donation)

During the year new opportunities arose presenting some exciting opportunities for Emmaus South Wales and for our Companions.

- We were successful in our bid to operate the new Porthcawl Land Train This was a very new project and despite it being a new area of enterprise for us, the desire to offer our Companions diverse roles, the opportunity to promote the Charity and the desire to operate this as part of supporting formerly homeless people satisfied Bridgend County Borough Council of our commitment to a successful project. Although we had some challenges and didn't manage to get it running until the new financial year its success at the time of writing has been wonderful, both in terms of popularity (and therefore financial success) and for our Companions who find it fun, rewarding and enjoyable work.

- Tip projects. Awarded the Tip shop at the Maesteg refuse site and at the new site being built at Pyle. This provides an opportunity for people to buy products which are still of use which would otherwise have gone into landfill whilst at the same time providing work for our Companions and an additional income for the Charity.

Creating "a sense of Community"
The Community and social enterprise work together to ensure the transition from applicant to Companion is as seamless as possible. Companions have individual development plans, designed and reviewed to provide the training and support required. They are aspirational in planning for future employment and move-on. Induction commences the day the Companion arrives, with formalities such as housing benefit forms and GP registration taking place immediately. The Companion is given a rota which explains where they will work, to whom they will report and where they will be trained. Close monitoring of that process is undertaken by the Head of Retail and Community staff and kept under weekly review by shop managers.

Every effort is made to encourage Companions to work and live effectively together as a Community. Companions take the lead on conflict resolution and weekly Community meetings address any behavioural or procedural issues. Companions meet and plan acts of solidarity to support people needier than themselves. Trustees meet periodically with Companions to ensure that Companions are aware of the Trustees commitment to their support and welfare and that Trustees are fully aware of the operation of the Community, with feedback from the meeting being shared with the Board.

The importance of work and the support network for Emmaus Companions
Emmaus Companions have commented on the importance of work in their life in Emmaus.

> *"Emmaus is what you make of it. It's there to help people like me to get back on my feet and get back into work. Work helps to pull me out of depression. I find working and grafting helps me forget that. The routine is good, I like being situated in one place, with a team that helps me. When I work in the shop and a customer asks me for help, I can say 'yes, I can help you with that! And it makes me feel good."*

> *"Emmaus gave me a fresh start and a new beginning. It has built my confidence. I want to go to college and get some certificates, and further my education because I didn't have a good education when I was younger. I just want to get a qualification and get a career."*

The Support Network
Other Companions have made observations on the support network:

> *"Emmaus can help me and I can help Emmaus. Emmaus has basically saved my life. Without Emmaus I'd be nowhere. It gave me a sense of community, being together, working together. I was isolated before Emmaus."*

> *"Emmaus can help me better myself, for myself and my children. Structure is what helps. If I was living somewhere else and volunteering I don't think it would have the impact Emmaus does. I would still have problems but without the people to help me sort them out."*

Kindness and Community life encourage empathy
Solidarity is such an important part of the work of Emmaus. As one Companion put it:

> *"I'm really grateful to Emmaus for providing me with security, and stability, and kindness, understanding, and support so I can balance myself and my life".*

Another Companion described her experience of living in an Emmaus Community as:

> *"This place has been the making of me. It's done me the world of good. I wanted routine, and I've made lots of friends, and I like engaging with customers in the shops. This place has been really good for me"*

"Moving on" to employment and independent living
The success of the Community can partly be measured in Companions' success in "moving on" to employment and independent living. 22 Companions left Emmaus South Wales during the year, including 3 who subsequently returned. 64% of Companions who left the South Wales Community were positive move-ons including moving into full-time employment or transferring to another Emmaus Community. It is all illustrative of the fulfilment of the charity's primary purpose.

The Social Enterprise
Emmaus South Wales financial year to 30 June 2021 was a hugely challenging one for the social enterprise. Up to commencement of the Covid lock-down on 23 March 2020, trading was conducted from our five shops at Tremains Road and Caroline Street, Bridgend, Maesteg, Porthcawl and Cowbridge. For most of the year our shops continued to remain closed or operating at a significantly reduced level. Challenges with some shop premises identified during lockdown restricted re-opening.

Total trading income in 2021 was £192,713 (2020: £377,738). Our Tremains Road and Caroline Street stores were only able to open for 8 months of the year and we were only able to open our Porthcawl store for 2 months before the third lockdown was declared. We were unable to open our Maesteg store at all and the difficult decision was made to permanently close our Cowbridge store. Shops continued to be closed or severely restricted, however, the Government grants covering Business Rates and the Job Retention Scheme enabled us to retain our valuable staff whilst unable to work, and the reduction in operating costs made a significant, positive improvement to the Charity's finances. We were in the fortunate position to be able to cover the trading losses with insurance claims, £154,990 and secured grant income to meet core costs £121,867. This meant that the Social Enterprise delivered a surplus of £141,449 in 2021.

An Emmaus social enterprise creates work and training opportunities for Companions, staff, and volunteers. Its dual purposes are to generate the funds to meet Charitable costs, and to provide purpose and meaningful opportunities for Companions to rebuild their self-esteem and to make a contribution.

At the time of writing, the Board and Management Team are rethinking the charity's strategy for the coming five years. We have agreed the following aims for the next 5 years:

- To develop, strengthen and grow our community
- To deliver great sustainable retail
- To diversify our trading and develop new enterprises
- To demonstrate solidarity in action
- To be sustainable

Acts of Solidarity
The Emmaus ethos commits us to acts of solidarity and, in the past year, we continued to support Emmaus International's solidarity projects by donating a days takings from our shops in our 'Solidarity Day Sale'. Our shops donated £2,175 worth of furniture and other items, delivered by the community's van to support local people in need, identified through our links with local housing associations. In total, 10 beds, 19 wardrobes, 9 dining tables and chairs, 11 sofas, 2 tv units and 4 homeware packs were provided. We undertake these activities to help tackle poverty and disadvantage in our local communities.

The Management Team
We are extremely grateful to our Senior Management Team who have not only kept the organisation running over the past year but have also continued to develop and expand our work and deliver support to Companions. Our Senior Team have continued to effectively respond to every challenge thrown at them this year:

Our CEO, Jemma Wray, has led from the front securing significant grant funding to ensure our survival in the face of the closure of much of our trading activity. She has guided the Board through the development of a new Strategic Plan for the organisation, and in reaching important decisions about how we continue to adapt our support for Companions to deliver improved outcomes, including the remodelling of our accommodation offer for Companions to provide long term tenancy options.

Nicola Alsept, our Finance Manager has excelled herself this year in the face of a rapidly developing and changing financial climate. Nicola's outstanding work resulted in successful claims under our Business Interruption Insurance contributing significantly to the Charity's survival, and Nicola has shouldered a significant amount of work in ensuring that the Charity is in a strong position to raise the loan financing required to adapt our accommodation model over the coming year.

Our Head of Retail Marc Roberts has led our Enterprises through the most difficult trading year to date, with long periods of closure to our retail operations. Our trading has been impacted this year both by the Covid pandemic, and by the increasingly noticeable impacts of Brexit, such as the increasing labour shortage in key areas such as drivers. Marc has led developments in our online trading activities, including the development of new platforms which has seen our income from online sales grow significantly this year, as well as playing a vital role in the launching of Lucie our Land Train.

We said goodbye to our interim Community Manager, Eugene Rourke, after almost 2 years in what was initially a temporary 6-month post. We're extremely grateful to Eugene for leading the Companions and Community through the darkest days of the pandemic, keeping everyone safe, well and meaningfully occupied.

We were thrilled to welcome Claire Gore to the team in April, taking up the permanent position of Accommodation and Support Manager, replacing Eugene. Claire brings considerable experience in the delivery of supported housing, and in working with vulnerable client groups. Claire's level head and calm approach have been greatly appreciated and have enabled her to build effective professional relationships with our Companions very quickly. Claire has already made great progress with the backlog of maintenance at Nant Lais, including the replacement of the roof, allowing us to bring additional rooms back into use, alongside beginning to develop a team of volunteers working to support our residential community.

Staff and Volunteers

The past year has been a difficult one for our staff and volunteers. Most of the Enterprise Team have had substantive periods on furlough, a challenge for them, but also for the staff managing an increased workload in their absence. Our thanks go to Companion Support Worker, Steve Pullen, who alongside the Senior Management Team has been the only other member of staff in work continuously throughout the pandemic. Supporting and occupying Companions throughout prolonged periods of closure has been a significant challenge, and the intensity of support needed as a result has only been possible with Steve's continued presence.

Our store teams have been challenged this year with the closure and re-openings of our stores, and with implementing a range of measures to keep our companions, volunteers, and customers safe in our stores. Staff have taken the opportunity to re-organise and layout our stores to aid customer flow, along with implementing measures such as the 'quarantining' of donated goods. We have said goodbye to a number of store managers this year and welcomed new members to the team in all stores. We have implemented new induction procedures and put in place a comprehensive package of training to support all our staff in their ongoing development. The challenges of re-opening stores has meant a slow return for many of our volunteers, whilst others have moved on to new opportunities. Our store managers are rebuilding their teams of volunteers, without whom we would not be able to do all that we do. We have put in place new training and support for our volunteers and send our heartfelt thanks to each and every one of them for their contribution and commitment to Emmaus.

Financial review

The total income for the year ending 30 June 2021 was £786,666, £138,075 lower than the previous year. Trading income was £185,024 lower than the previous year, and £553,253 lower than the last 'pre Covid' year in 2019. Grant income in the year was £295,877 (£70,197 lower than in 2020), but another year where we received exceptional support from government and other funders. We were fortunate to be able to make insurance claims for each lockdown to cover trading losses, these amounted to £154,990 for the 3 lockdown periods since the first lockdown in 2020. The claim for the first lockdown, received in March 2021 amounted to £65,636 and covered the period March 2020 to June 2020.

Total expenditure of £680,416, was £187,002, some 22%, lower than in the previous year. A surplus of £106,250 was thereby achieved in the year, an improvement of £48,927 over the previous year.

With sizeable depreciation charges of £53,259 and minimal capital expenditure, and the benefit of a Bounce back loan of £50,000, the Net Surplus of £106,250 resulted in an increase, in the year, of Net Current Assets by £217,434 to £453,926 with a bank balance at the year-end of £493,478. Emmaus UK has again agreed to defer the repayment of its loan of £43,250. Whilst the cash position at the end of 2021 is very positive, there are a number of significant activities/capital spends taking place in the 2021/22 financial year, some of which were planned to take place before the end of the 2021 financial year. For this reason, the Trustees have decided to include some designated funds in this years' accounts. The roof at our Community House was badly in need of significant improvement work, this work was completed in August 2021 at a cost of £44,016. Our appointment as the operator of the Porthcawl Land Train saw us spend a total of £68,000 to purchase the Train, this will therefore be included as designated funds in this year's accounts. A total designated fund of £112,016.

2021/2022 will be another difficult trading year as we recover from the effects of the pandemic, launch our Land Train, and expand our property portfolio. Although we are forecasting a small deficit during the 2021/22 financial year we are confident of being able to continue to trade as a "going concern".

Grants

Emmaus South Wales is founded on a model of sustainable Social Enterprise. We strive to be self-financing through our primary purpose trading activities. The forced closure of our enterprise in March meant that we could not generate the funds needed to sustain our charitable service delivery, without additional financial support. The response to the Covid pandemic from funders and grant making bodies has been exceptional, and we are hugely grateful to all our funders for their help in ensuring that we were able to survive each wave of the pandemic. Alongside vital financial help, many of our funders have also offered and provided other forms of assistance, from making free training available to staff on furlough, to providing networking and support opportunities for Trustees.

During the year, the charity enjoyed generous support, receiving grants of £291,000 in the year from: Homeless Link £91,300, WCVA Resilience Fund £37,500 The Hodge Foundation £25,000, The Lloyds Bank Foundation £24,000, and from the Government to cover rates £80,000 and to furlough staff whilst shops were closed £33,000. This support has been vital in enabling us to continue to support companions throughout the crisis. Our funders have provided funds to meet direct Companion costs, to support salaries in both the community and central teams, and to enable us to meet ongoing core liabilities such as utilities. Covid-19 has been a disaster for many charities, but Emmaus South Wales' survival has been assured by this generosity.

Reserves

As the charity provides accommodation for up to 24 Companions who would otherwise be vulnerable in housing terms, it is important to ensure that sufficient operating funds are available for a period of at least 3 months in the event of business interruption. Covid 19 has presented a huge challenge to charities in respect of the adequacy of their reserves. Insurance cover is maintained for most contingencies, including business interruption, but a claim for business interruption can be a challenge, as many charities are currently experiencing.

The Board still judges that a total net working capital of £100,000 in unrestricted and restricted funds, is adequate to enable Emmaus South Wales to survive a calamity. The incredible support we have received since the onset of Covid-19 means that the accounts for the financial year show a dramatic improvement. The Net Current Assets increased in the year by £217,434 to £453,926 with a bank balance at 30 June 2021 of £493,478, an increase in the year of £197,682. In November 2021, immediately prior to our Annual General Meeting, forecast financial statements were reviewed by the Board and confirmed that the charity will be able to continue, beyond 31 December 2022, as a 'going concern'.

Structure, governance and management

Governing document
The charity is controlled by its governing document, a deed of trust, and is constituted as a company, limited by guarantee, as defined by the Companies Act 2006. The charity was constituted in 2010 as a company limited by guarantee, controlled by its governing document, the Memorandum and Articles of Association, as defined by the Companies Act 2006.

The objects of the charity are the alleviation and relief of poverty, hardship and distress arising therefrom, in conformance with the principles of the Emmaus Movement; the provision of accommodation for homeless people in South Wales, the rehabilitation of the beneficiaries and the provision of education and training, including employment training and work opportunities with the purpose of developing their skills to enable them to gain employment in the future and thereby develop a sense of self-worth and dignity through having a self-supporting life.

Structure, governance, and management
The Board is responsible for the strategic direction and policy of the charity. Due to the ongoing risks of the pandemic the Board continued to meet monthly, online.

Each meeting is preceded, a week before, by a meeting of the Enterprise and Finance Committee. Its members are Two Trustees, the Chief Executive, the Accommodation & Support Manager, the Finance Manager and the Head of Retail. It reviews the state of the Community and the charity's financial results. It exercises financial control, considers future projections and business proposals, and submits its report and statement of decisions needed to the Board.

Other sub-committees ceased with the need for all Board members to have oversight of the challenges being faced. At the time of writing new Sub-committees in Health & Safety, Human Resources (HR) and Audit & Risk are being formed with a mix of Trustees and Staff, enabling the specific skills of Board members to be utilised, particularly in supporting the new Business Plan currently being finalised. HR advice has continued to be provided to all Emmaus Communities by the HR Consultancy: Roots HR and Emmaus South Wales have sought their support during the year when appropriate. Marketing and Digital Communications support continues to be provided to Emmaus South Wales by Emmaus UK and our appreciation is recorded for the significant service provided during the year. In addition, Emmaus South Wales benefitted from a full Health & Safety Audit through Ellis Whittam and is working through the recommendations made.

A delegation framework is in place, with the day-to-day responsibility for the operations of the charity resting with the Chief Executive. The Chief Executive is responsible for ensuring that the charity delivers its strategic objectives, achieves the budget for the ensuing year and meets key performance indicators.

Planning the Future
Reviewing Strategy and formulating a Business Plan has been particularly challenging during the year. The uncertainty, lack of comparative circumstances, constant changes, and a number of new opportunities along with the considerable additional effort needed by Staff and Trustees just to keep going has made looking forward and planning difficult. During the year separate hubs of strategic planning were achieved with Trustees and some staff taking time to consider our long-term strategy but the valuable collective discussions were unable to be completed. The draft Strategic plan is currently being developed into a Business plan with responsibilities allocated and it is intended that this be a key focus of the year to June 2022. Funding will continue to be a major challenge as our social enterprise may not fully recover in the current financial year. Nevertheless, Emmaus South Wales has set ambitious aims for its future provision to those in greatest need, including expanding our accommodation offer for Companions, and developing non-residential Companion options.

Renting Homes (Wales) Act 2016. The Act, which comes fully into effect next spring, has been a significant consideration for the Charity with a sub-committee being established to plan and manage the changes required This Act is probably the most significant change to the Emmaus structure during our existence, as it requires us to change the way we currently provide accommodation for Companions.

However, Emmaus South Wales see this as an opportunity to provide Companions with better long-term options and outcomes by providing a long term home of their own. Providing houses for Companions within the local area means they can continue to be supported by the Charity and working within our enterprise. This is a positive step forward whilst bringing significant change, some challenges, as well as the need to raise additional finance for the purchase of houses.

Risk management
Trustees have in place risk management procedures, policies and a Risk Register which aims to identify, manage, and mitigate foreseeable risks that the charity might face. The Chief Executive has overall responsibility for monitoring the risks and ensuring appropriate and timely mitigation is put in place. The Charity is committed to safeguarding staff, Companions and volunteers and effective health and safety risk management in accordance with its Health and Safety policy. Risk assessments and specific procedures are completed, reviewed, and maintained. All new activities and potential risks are risk assessed. All staff and volunteers participate in a health and safety induction, with specific training offered when desirable or necessary.

Policies
A complete portfolio of policies and procedures has been established, which are regularly reviewed. These include:

- Equality and Inclusion Policy
- Data Protection Policies
- Health and Safety Policies and procedures
- Complaints Policy
- Whistleblowing Policy
- Internal Financial Controls policy
- Safeguarding Policy
- Staff and Trustee Codes of Conduct

Recruitment, appointment, and training of new trustees
The Charity is directed by a Board of Trustees who are elected and co-opted under the terms of the Articles of Association. The Board of Trustees continues to review the skills and experience of its members. During the year an additional Trustee was recruited and at the time of writing recruitment of two further Trustees has been confirmed. This continues to strengthen the Board's expertise and skills base. The Board recognise that a proper Recruitment, Induction and Training programme is important to ensure the ongoing strength of the Board.

Each potential Trustee is interviewed by at least two Trustees, briefed about the Community, the History of Emmaus, their legal and ethical responsibilities and provided with the NCVO Code of Good Governance.

Once Board approval is confirmed Induction and training takes the form of attendance at Board Meetings and its Committees, a visit to Nant Lais, our Community home, escorted visits to other neighbouring Emmaus Communities, attending the Emmaus UK Federation Induction Day, training in the responsibilities of a Trustee and assumption of appropriate roles in support of the Community and its social enterprise. Attendance at the Emmaus Annual Assembly and other conferences and meetings of the Emmaus Movement form an important way in which new Trustees learn the Emmaus ethos and best practice and gain essential contacts.

All trustees give their time voluntarily and receive no benefits from the Charity. No expenses have been claimed from the charity since September 2018. None of the trustees has any beneficial interest in the company.

The Wider Emmaus Movement
Emmaus in the UK is part of the international Emmaus Movement, made up of 410 member groups working in 41 countries around the world. The work that the members do varies, depending on the needs of the country that they work in, but all Groups share a commitment to *"serve first those who suffer most"*, as set out in the Universal Manifesto of the Emmaus Movement. Emmaus South Wales has full membership of Emmaus UK, Emmaus Europe and Emmaus International.

As part of an International Movement, we learn from one another, share experiences, and work together to support those in greatest need. Staff, companions, volunteers, and trustees in the UK participate in exchanges, meetings, and in solidarity sales where money is raised for Emmaus projects in poorer countries.

Since the first community opened in the UK in 1992, Emmaus has grown quickly. There are now 29 communities spread across the UK, with a further five groups currently working to establish new communities. Emmaus now supports more than 815 formerly homeless people, living at Emmaus Communities in England, Wales & Scotland with aspirations and plans to grow further to meet the need. The UK now has the largest Emmaus movement outside of France. Each Community has at least one shop or social enterprise, with many running successful cafés, shops, gardening projects and removal companies. No two Emmaus communities are the same – each has its own individual personality, providing a set of services which meet the needs of its local area. For many, Emmaus offers a welcoming place to visit, to speak with companions, volunteers, and staff.

Related parties
Emmaus South Wales is assisted by the Emmaus UK Federation. Under Emmaus UK's Chief Executive, Simon Grainge (who stepped down in July 2021), a team of supporters offers help and advice to Emmaus Groups and Communities on communications, marketing and web management, fundraising, business and retail development, performance monitoring and evaluation, community development, companion referrals, strategic planning, and finance. The Board greatly appreciates the support received. Roots HR provide an HR service to Emmaus Communities and during the year Ellis Whittam provided a full Health & Safety audit enabling us to commence improvements through their recommendations.

THANKS
The Trustees would like to express their thanks to all who have supported the Emmaus South Wales Community and Social Enterprise in the past year, especially the Chief Executive and staff of Emmaus UK, and to all Trustees, staff, and volunteers. The Board expresses its gratitude for the significant contributions made by John Noble, who retired in the past year. John has been a significant part of Emmaus South Wales to the extent his commitment has enabled us to continue during some very challenging times. Johns' knowledge of Emmaus and running Emmaus communities has been invaluable and, recognising this the Board invited John to be our Honorary President, which we are pleased to confirm was accepted

Our sincere thanks also go to Mark Roberts, Peter Knapp and Bethan Jackson who, due to personal reasons also took the difficult decision to step down from the Board. Their input during their time with Emmaus South Wales is greatly appreciated.

We are immensely grateful for the generous support, at a time of crisis, from: The Lloyds Bank Foundation, The Hodge Foundation, The Waterloo Foundation, WCVA, Homeless Link, Albert Hunt Trust and from the Government to cover rates and to furlough staff whilst shops were closed. Covid-19 has been a disaster for many charities, but Emmaus South Wales' survival has been assured by this generosity.

Once again, we thank our generous donors of furniture, clothes, books, and bric-a-brac and to our wonderful customers who then buy them and signpost others to our shops!

Funds held as custodian trustee

Funds held by trustees for third parties

The charity holds funds (savings) on behalf of Companions, which are built up weekly at £5 per Companion from his or her weekly allowance. This enables each Companion to have some savings when they move on from Emmaus South Wales. The savings are held solely for the benefit of the Companions. The amounts saved are recorded at the Community home at Nant Lais and are kept separate from other funds as required by FRS102 module 19.

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

FOR THE YEAR ENDED 30 JUNE 2021

Reference and administrative details

Registered charity name	Emmaus South Wales
Charity number	1136010
Company registration number	07188459
Registered office	6 Caroline Street Bridgend CF31 1DQ
Trustees	J Raikes (Chair) E-W Francis (Treasurer) C A Lowry (Hon Secretary) L Arcos T V Eades E S Hammonds E Venables - Appointed 28th June 2021 P Knapp - Resigned November 2020 J A Noble - Resigned February 2021 B Jackson - Resigned June 2021 M E Roberts - Resigned June 2021
Secretary	C A Lowry
Chief Executive	J Wray
Independent Examiners	Azets Audit Services Chartered Accountants and Statutory Auditors Ty Derw, Lime Tree Court Cardiff Business Park Cardiff CF23 8AB

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

E Francis

Mr E Francis
Trustee
Dated: 29/11/2021

J Raikes

J A Raikes
Trustee
Dated: 29/11/2021

EMMAUS SOUTH WALES

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF EMMAUS SOUTH WALES

I report to the trustees on my examination of the financial statements of Emmaus South Wales (the charity) for the year ended 30 June 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or

4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Sarah Case

Sarah Case FCA DChA
Azets Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB
United Kingdom

Dated: 09-12-2021

EMMAUS SOUTH WALES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income and endowments from:							
Donations and legacies	3	34,394	-	34,394	24,953	-	24,953
Charitable activities	4	353,058	210,704	563,762	635,998	207,015	843,013
Other trading activities	5	33,116	-	33,116	56,493	-	56,493
Investments	6	404	-	404	282	-	282
Other income	7	154,990	-	154,990	-	-	-
Total income		575,962	210,704	786,666	717,726	207,015	924,741
Expenditure on:							
Raising funds	8	6,270	-	6,270	24,049	-	24,049
Charitable activities	9	351,048	318,222	669,270	659,617	182,478	842,095
Other	14	4,876	-	4,876	1,274	-	1,274
Total resources expended		362,194	318,222	680,416	684,940	182,478	867,418
Net incoming/ (outgoing) resources before transfers		213,768	(107,518)	106,250	32,786	24,537	57,323
Gross transfers between funds		36,063	(36,063)	-	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		249,831	(143,581)	106,250	32,786	24,537	57,323
Fund balances at 1 July 2020		66,530	1,115,387	1,181,917	33,744	1,090,850	1,124,594
Fund balances at 30 June 2021		316,361	971,806	1,288,167	66,530	1,115,387	1,181,917

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

All income and expenditure derive from continuing activities.

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

EMMAUS SOUTH WALES

BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	**15**		983,782		1,038,750
Current assets					
Stocks	**16**	2,257		2,968	
Debtors	**17**	75,897		64,144	
Cash at bank and in hand		493,478		295,796	
		571,632		362,908	
Creditors: amounts falling due within one year	**18**	(117,706)		(126,416)	
Net current assets			453,926		236,492
Total assets less current liabilities			1,437,708		1,275,242
Creditors: amounts falling due after more than one year	**20**		(149,541)		(93,325)
Net assets			1,288,167		1,181,917
Income funds					
Restricted funds	**22**		971,806		1,115,387
Unrestricted funds					
Designated funds	**23**	112,016		-	
General unrestricted funds		204,345		66,530	
			316,361		66,530
			1,288,167		1,181,917

EMMAUS SOUTH WALES

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2021.

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

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

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

The financial statements were approved by the Trustees on 29 November 2021

.....
Mr E Francis
Trustee

.....
J A Raikes
Trustee

Company Registration No. 07188459

EMMAUS SOUTH WALES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Cash flows from operating activities					
Cash generated from operations	**27**		137,945		136,471
Investing activities					
Purchase of tangible fixed assets		(3,167)		(7,464)	
Proceeds on disposal of tangible fixed assets		-		417	
Investment income received		404		282	
Net cash used in investing activities			(2,763)		(6,765)
Financing activities					
Proceeds from borrowings		62,500		-	
Net cash generated from/(used in) financing activities			62,500		-
Net increase in cash and cash equivalents			197,682		129,706
Cash and cash equivalents at beginning of year			295,796		166,090
Cash and cash equivalents at end of year			493,478		295,796

1 Accounting policies

Charity information

Emmaus South Wales is a private company limited by guarantee incorporated in England and Wales. The registered office is 6 Caroline Street, Bridgend, CF31 1DQ.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies **(Continued)**

Grants receivable are treated in different ways dependent upon their purposes and the terms of the grant.

Grants receivable for the specific purpose of purchasing fixed assets for the continued use of the charity are treated as restricted funds. The restricted fund is then reduced by amounts equivalent to the depreciation charges on the assets concerned and will continue to do so over the expected useful lives of the assets concerned.

Grants receivable for specific purposes are also treated as restricted funds so that any unused funds can be separately identified.

Grants receivable to facilitate the general running of the charity for example where the trustees can choose how the funds are expended, are treated as unrestricted funds.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Social enterprise income is recognised in the period in which the service relates to.

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.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees report and their associated support costs.

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

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% - 20% straight line
Fixtures and fittings	20% straight line
IT Equipment	20% straight line
Motor vehicles	40% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1 Accounting policies **(Continued)**

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

Basic financial assets

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

1 Accounting policies **(Continued)**

Basic financial liabilities

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.14 Taxation

As a registered charity, Emmaus South Wales is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	29,394	24,953
Legacies receivable	5,000	-
	34,394	24,953

4 Charitable activities

	2021	**2020**
	£	**£**
Social Enterprise	267,885	476,939
Grants	295,877	366,074
	563,762	843,013
Analysis by fund		
Unrestricted funds	353,058	635,998
Restricted funds	210,704	207,015
	563,762	843,013

Grants

Lloyds Bank Foundation	24,000	23,000
Hodge Foundation	25,000	25,000
Welsh Council for Voluntary Action	37,500	106,607
Fareshare	-	3,809
Welsh Government	80,000	125,000
The Souter Charitable Trust	-	3,000
Charities Aid Foundation	-	10,000
HMRC Job Retention Scheme	32,904	26,034
Moondance Foundation	-	10,666
Waterloo Foundation	-	25,000
Homeless Link	91,300	-
The Albert Hunt Trust	5,000	-
Other	173	7,958
	295,877	366,074

5 Other trading activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Shop income	8,876	34,196
Online shop	18,023	12,414
House clearance	1,917	3,383
Recycling income	4,300	6,500
Other trading activities	33,116	56,493

6 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	404	282

7 Other income

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Insurance claims	154,990	-

8 Raising funds

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Purchases	6,270	24,049
	6,270	24,049

9 Charitable activities

	2021 £	2020 £
Staff costs	199,689	228,706
Depreciation and impairment	53,259	71,942
Other staff costs	4,100	10,333
Premises costs	116,717	167,258
Travel and subsistence	309	2,302
Motor expenses	17,500	18,599
Telephone	7,084	9,539
Bank charges	4,409	5,412
Insurance	10,185	8,016
Repairs and renewals	49,836	75,004
Shop expenses	9,439	7,902
Companion costs	48,230	62,990
Computer costs	3,159	7,056
Advertising and marketing	130	785
Licences and subscriptions	1,460	552
Printing, postage and stationery	6,157	3,410
Other costs	7,440	11,581
	539,103	691,387
Share of support costs (see note 10)	125,195	142,374
Share of governance costs (see note 10)	4,972	8,334
	669,270	842,095
Analysis by fund		
Unrestricted funds	351,048	659,617
Restricted funds	318,222	182,478
	669,270	842,095

10 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	94,085	-	94,085	84,241	-	84,241
Other staff costs	1,636	-	1,636	15,565	-	15,565
Premises costs	8,577	-	8,577	18,896	-	18,896
Insurance	1,869	-	1,869	1,471	-	1,471
Printing, postage and stationery	481	-	481	1,440	-	1,440
Telephone	3,225	-	3,225	3,353	-	3,353
Travel and subsistence	434	-	434	3,234	-	3,234
Computer costs	1,507	-	1,507	5,894	-	5,894
Advertising and marketing	5,862	-	5,862	4,092	-	4,092
Licences and subscriptions	6,837	-	6,837	1,459	-	1,459
Other costs	682	-	682	2,729	-	2,729
Independent examination fees	-	3,000	3,000	-	5,041	5,041
Legal and professional	-	900	900	-	89	89
Accountancy fees	-	1,072	1,072	-	3,204	3,204
	125,195	4,972	130,167	142,374	8,334	150,708
Analysed between						
Charitable activities	125,195	4,972	130,167	142,374	8,334	150,708

Governance costs includes payments to the independent examiners of £3,000 (2020- £5,041) for independent examination fees.

11 Trustees

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

12 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	11	15

Employment costs	2021 £	2020 £
Wages and salaries	269,907	290,842
Social security costs	17,001	15,830
Other pension costs	6,866	6,275
	293,774	312,947

Key management personnel
The total amount of employee benefits (including gross salary, employers national insurance contributions and employers pension contributions) received by the charity's key management personnel for their services to the charity during the year was £143,212 (2020: £127,000).

There were no employees whose annual remuneration was £60,000 or more (2020: nil).

13 Retirement benefit schemes

Defined contribution schemes
The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £6,866 (2020 - £6,275).

14 Other

	Unrestricted funds 2021	Unrestricted funds 2020
Net loss on disposal of tangible fixed assets	4,876	1,274
	4,876	1,274

15 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	IT Equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 July 2020	1,254,757	148,786	9,917	23,079	1,436,539
Additions	-	775	2,392	-	3,167
Disposals	-	(16,688)	-	-	(16,688)
At 30 June 2021	1,254,757	132,873	12,309	23,079	1,423,018
Depreciation and impairment					
At 1 July 2020	242,312	130,443	5,144	19,890	397,789
Depreciation charged in the year	42,774	5,947	4,340	198	53,259
Eliminated in respect of disposals	-	(11,812)	-	-	(11,812)
At 30 June 2021	285,086	124,578	9,484	20,088	439,236
Carrying amount					
At 30 June 2021	969,671	8,295	2,825	2,991	983,782
At 30 June 2020	1,012,445	18,343	4,773	3,189	1,038,750

16 Stocks

	2021	2020
	£	£
Finished goods and goods for resale	2,257	2,968

17 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Other debtors	18,080	30,587
Prepayments and accrued income	57,817	33,557
	75,897	64,144

18 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Borrowings		4,184	-
Other taxation and social security		5,000	2,570
Deferred income	19	25,000	13,000
Trade creditors		11,391	26,863
Other creditors		5,785	9,125
Accruals and deferred income		66,346	74,858
		117,706	126,416

19 Deferred income

	2021 £	2020 £
Arising from grants	25,000	13,000

Deferred income is included in the financial statements as follows:

	2021 £	2020 £
Balance brought forward	13,000	34,370
Income received	307,877	344,704
Income released	(295,877)	(366,074)
Balance carried forward	25,000	13,000

20 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Borrowings	101,566	43,250
Other creditors	47,975	50,075
	149,541	93,325

21 Loans and overdrafts

	2021	2020
	£	£
Other loans	105,750	43,250
Payable within one year	4,184	-
Payable after one year	101,566	43,250

22 Restricted funds

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

	Movement in funds				Movement in funds			
	Balance at 1 July 2019	Incoming resources	Resources expended	Balance at 1 July 2020	Incoming resources	Resources expended	Transfers	Balance at 30 June 2021
	£	£	£	£	£	£	£	£
WCVA - Voluntary Services Emergency Fund	-	97,550	(30,092)	67,458	-	(60,294)	(7,164)	-
Charities Aid Foundation - Coronavirus Emergency Fund	-	10,000	(1,556)	8,444	-	(8,444)	-	-
Lloyds Bank Foundation	-	23,000	(23,000)	-	24,000	(24,000)	-	-
Hodge Foundation	-	25,000	(25,000)	-	25,000	(25,000)	-	-
Nant Lais - Development of Community Home	1,086,284	-	(54,020)	1,032,264	-	(42,774)	(19,819)	969,671
Fareshare	-	3,809	(1,384)	2,425	-	(520)	-	1,905
Bridgend Association of Voluntary Organisations	-	1,000	(770)	230	-	-	-	230
Emmaus UK / Dulverton Trust	-	900	(900)	-	-	-	-	-
WCVA - Volunteering in Wales	-	9,057	(9,057)	-	-	-	-	-
HMRC Job Retention Scheme	-	26,033	(26,033)	-	32,904	(32,904)	-	-
Moondance Foundation	73	10,666	(10,666)	73	-	-	(73)	-
Shaw Trust	4,493	-	-	4,493	-	-	(4,493)	-
Homeless Link	-	-	-	-	91,300	(86,786)	(4,514)	-
WCVA - Resilience Fund	-	-	-	-	37,500	(37,500)	-	-
	1,090,850	207,015	(182,478)	1,115,387	210,704	(318,222)	(36,063)	971,806

22 **Restricted funds** **(Continued)**

WCVA Voluntary Services Emergency Fund - this funding was provided to support volunteer training and recruitment.

Charities Aid Foundation Coronavirus Emergency Fund - this funding was provided to support core costs.

Lloyds Bank Foundation - this funding was provided to support the cost of finance and administrator's wages and associated costs.

Hodge Foundation - this funding was provided to support the community manager and support workers wages costs.

Nant Lais Development of Community Home - this funding was provided to develop the charity's community home. The Big Lottery and Welsh Government provided grants with a supporting charge on the land and buildings to ensure that the property is used for the purpose of providing homes for companions, and cannot be sold without permission from the donors. The expenditure on this fund relates to the depreciation charge on the property.

Fareshare - this funding was provided to purchase kitchen equipment for the community.

Bridgend Association of Voluntary Organisations - this funding was provided to support the cost of making face masks.

Emmaus UK / Dulverton Trust - this funding was provided to purchase hygiene and safety products.

WCVA Volunteering in Wales - this funding was provided to support the charity during the Covid-19 pandemic.

HMRC Job Retention Scheme - this funding was provided to support wages costs during the Covid-19 pandemic.

Moondance Foundation - this funding was provided to support the business manager wages and associated costs.

Shaw Trust - this funding was provided to support the costs the opening.

Homeless Link - this funding was provided to fund core and charitable costs during the Covid-19 pandemic normally funded through trading income to enable operational service delivery to continue.

WCVA Resilience Fund - this funding was provided to support core and companion costs.

23 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 July 2020	Transfers	Balance at 30 June 2021
	£	£	£
Nant Lais Roof Improvements	-	44,016	44,016
Land Train	-	68,000	68,000
	-	112,016	112,016

Nant Lais Roof Improvements - this fund relates to the cost of significant repair and improvement work to the roof at the charity's Community Home in Nant Lais. This was carried out in August 2021.

Land Train - The charity has launched a new Land Train service in Porthcawl in August 2021. The designated fund created is to reflect the cost of purchasing the train.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

24 Analysis of net assets between funds

	Unrestricted funds 2021	Designated funds 2021	Restricted funds 2021	Total 2021	Unrestricted funds 2020	Designated funds 2020	Restricted funds 2020	Total 2020
	£	£	£	£	£	£	£	£
Fund balances at 30 June 2021 are represented by:								
Tangible assets	12,206	-	971,576	983,782	4,061	-	1,034,689	1,038,750
Current assets/(liabilities)	341,680	112,016	230	453,926	155,794	-	80,698	236,492
Long term liabilities	(149,541)	-	-	(149,541)	(93,325)	-	-	(93,325)
	204,345	112,016	971,806	1,288,167	66,530	-	1,115,387	1,181,917

25 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	78,450	92,832
Between two and five years	96,453	178,708
	174,903	271,540

26 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

27 Cash generated from operations	2021	2020
	£	£
Surplus for the year	106,250	57,323
Adjustments for:		
Investment income recognised in statement of financial activities	(404)	(282)
Loss on disposal of tangible fixed assets	4,876	1,274
Depreciation and impairment of tangible fixed assets	53,259	71,942
Movements in working capital:		
Decrease in stocks	711	10,034
(Increase)/decrease in debtors	(11,753)	7,027
(Decrease)/increase in creditors	(26,994)	10,523
Increase/(decrease) in deferred income	12,000	(21,370)
Cash generated from operations	137,945	136,471

28 Analysis of changes in net funds

	At 1 July 2020	Cash flows	At 30 June 2021
	£	£	£
Cash at bank and in hand	295,796	197,682	493,478
Loans falling due within one year	-	(4,184)	(4,184)
Loans falling due after more than one year	(43,250)	(58,316)	(101,566)
	252,546	135,182	387,728