

Charity registration number 1146326

Company registration number 07871687 (England and Wales)

EMMAUS LEICESTERSHIRE AND RUTLAND
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

EMMAUS LEICESTERSHIRE AND RUTLAND

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Emmaus UK
Peter Savage
Simon Stacey
Emily Smith
Clive Pitt
Lindsay Orton
Anthony Brown
Sarah Johnson
Jane Grice
Nichola Gascoigne

(Appointed 13 August 2024)

Secretary

Clive Pitt

Senior Management

Dawn Wright

Charity number

1146326

Company number

07871687

Principal address

The Emporium
Stockwell Head
Hinckley
Leicestershire
LE10 1RG

Registered office

The Emporium
Stockwell Head
Hinckley
Leicestershire
LE10 1RG

Independent examiner

Thomas Mayfield BA FCA
Mayfield & Co
2 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Bankers

Lloyds TSB Bank
54-56 Chestnut Drive
Oadby
Leicester
LE2 5JG

Solicitors

Headleys Solicitors
15 Station Road
Hinckley
Leicestershire
LE10 1AW

EMMAUS LEICESTERSHIRE AND RUTLAND

CONTENTS

	Page
Trustees report	1 - 6
Independent examiner's report	7
Statement of financial activities	8
Balance sheet	9 - 10
Notes to the financial statements	12 - 24

EMMAUS LEICESTERSHIRE AND RUTLAND

TRUSTEES 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 accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts 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)" (as amended for accounting periods commencing from 1 January 2019)

Objectives and activities

Policies and objectives; In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and in particular to its supplementary public benefit guidance.

The objects of the charity are, without distinction, the alleviation of homelessness and relief of poverty, hardship and the distress they cause to those in need. In addition to its work locally, Emmaus Leicestershire and Rutland is a member of both Emmaus Europe and Emmaus International and contributes to the work of these organisations materially to establish and maintain Emmaus communities throughout the rest of the World.

Strategies for achieving objectives

Emmaus Leicestershire & Rutland provides a home, work, education and training for previously homeless or vulnerable people in and around Leicestershire and Rutland. It also welcomes people who are interested in the way of life and opportunities offered by being an Emmaus Companion.

Emmaus Leicestershire & Rutland Companions each have a room of their own and work together collecting, refurbishing and selling donated goods. They have the opportunity to gain new skills and regain their self-respect while working to support other people in greater need.

Emmaus Leicestershire and Rutland also helps local disadvantaged people to set up home at a reasonable cost, working closely together with Social Services, other charities, local churches and other voluntary organisations. Emmaus International's work has been supported by donations following Solidarity Sales.

We would like to thank everyone who supports our work, the generous people who donate items to us for sale in our shops together with those who come and buy them, the members of the public, churches and groups who continue to donate money to us and support our activities practically by working with us. We would also like to thank those people who have come forward to volunteer in our Community; by so doing they support and encourage companions with their knowledge and experience.

A key feature of the work we do consists of solidarity between ourselves and the community and building on the work we do with our companions. We look to work with vulnerable people and those members of society who may have hit hard times, and look to bring structure to their lives, provide them with responsibility and hope to see a rise in their self-esteem as a consequence of the opportunities they are provided with. Our approach is significantly influenced by the original companion Georges and along with the other Emmaus groups we owe a debt of thanks to Father Henri Marie Joseph Grouès – better known as the "Abbe Pierre".

EMMAUS LEICESTERSHIRE AND RUTLAND

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Public benefit statement

Emmaus activities are all designed to meet the needs of vulnerable people who may have hit on hard times. The charity's objects are to help with the relief of poverty, hardship and distress arising to those in need without distinction. Our activities are in conformance with the principles of the Emmaus movement as published from time to time by Emmaus UK.

We seek to provide accommodation or assistance in such provision, for homeless people in the area and such other places as may seem appropriate from time to time (the beneficiaries). We seek to provide 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.

We believe we have achieved our charitable objectives and therefore provided a public benefit. We have capacity to house sixteen companions in accommodation and they are receiving the relevant support and training that they require, whilst having the opportunity to work and contribute to the future success of the charity.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Review of activities; This report covers the year since the AGM in November 2023. It sets out activities and changes within the organisation for that period and includes the accounts for the period 1 July 2023 to 30 June 2024.

As ever The Charity has been very busy with the team working together to strengthen the role the charity plays in supporting Companions and exploring opportunities for improving operations. The staff team, companions and volunteers have contributed tremendously to the charity's performance this year, working as a collective to ensure that the key priorities are achieved.

The Community has been relatively stable again this year with few new additions. The majority of the group have been with Emmaus for a number of years and alongside our management team form the nucleus of the Charity. We seek to increase the size of the group to the maximum 16 who we can accommodate at Elm Lea but this is proving challenging for a number of reasons. In addition we aim to diversify the group to reflect the range of homeless people for whom the Emmaus offer may be suitable.

The awareness of Emmaus continues to grow and our relationships with local authorities and other agencies remain positive. We have developed a number of relationships with commercial organisations who have contributed to our efforts this year. In particular Hinckley and Rugby Building Society, Cadent, Dunelm and Coventry Building Society have made practical contributions which have really helped us and we are most grateful for that.

We continue to lease the Companion house Elm Lea in Hinckley and we have now owned The Emporium building on Stockwell Head, Hinckley for almost 5 years. Both of these properties drain the energy and resources of the charity due to their age and condition and this year we have made significant investments to improve the fabric of the buildings. Our plans for the redevelopment of Stockwell Head are currently under discussion as we have been shocked at the cost of building new, purpose made facilities. In the coming months and as the lease on Elm Lea enters its final phase we will firm up our options to ensure the best solution for Emmaus.

Our Social Enterprise continues to thrive in a challenging environment supported by the key attributes of the town centre location, ease of parking and quality of goods. The 2023/24 year saw record sales and it will be no small feat to continue to grow the business with the operational constraints which we face.

EMMAUS LEICESTERSHIRE AND RUTLAND

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Financial review

The Charity continues to operate in challenging conditions, with considerable pressure on both income generation and costs. All income lines are under pressure and the unit cost of almost everything has increased in the year.

Our charity was established with initial funding supplied from the Pera Foundation which financed our early years. The amount remaining from that fund has now been designated to support future growth or help manage our journey to sustainability.

It is with regret that we continue to have outstanding monies from our participation in the Brighter Futures Project which concluded activities in March 2022. There remains £93,636 of funding for costs incurred on the project, that are due to us, which are currently being retained by the lead partner Business 2 Business (B2B Limited). Trustees have recently approved the use of external legal advisors to attempt to bring this matter to a conclusion. As before we have not added this income to our accounts in the year to June 2024 nor have we made a provision for it as there remains uncertainty as to the process and terms of payment of this funding.

Our Strategic Plan aims to fill the gap in funding with increased shop income, increasing the number of Companions in the Community and by developing our fundraising approach. We continue to be supported by the generosity of other donors and grant making bodies, as well as other member groups within the wider Emmaus family.

During the year we had total income of £502,120 and expenditure of £561,274. This resulted in a deficit for the year of £59,154 (2023: deficit of £30,140). Whilst having a deficit is always disappointing there is considerable positivity within the results given the strong headwinds which have affected income and costs this year.

Our financial results enable us to achieve our charitable objective of providing a community for people who have been homeless, where they can live, receive support and develop skills and dignity through the community life and work within the social enterprise business.

Reserves policy

As a matter of policy, the Trustees regularly review the level of reserves required to be held in order that the charity can maintain its operations into the future. Our revenue and capital reserves are reviewed regularly throughout the year.

Our reserves policy is to have at least three months of normal expenditure in free (cash) reserves at any one time. Our expenses totalled £561,274 for the year which would require reserves of at least £140,318. Our total reserves at the year-end were £523,356. Our cash balance at the year-end was £298,066.

Our key financial risk going forward is from our plans to generate extra income each year from all our principal revenue generating areas. Costs in all areas are increasing and our occupation of two ageing buildings means that maintenance costs will continue to increase until re-development takes place. As explained above there is also a risk that we do not receive the £93,636 funding due to us currently retained by the lead partner of the Brighter Futures project.

Principal Funding

The results of the year's operations are set out in the attached financial statements. Please refer to our Statement of Financial Activities which can be found on page 9 and our Balance Sheet on page 10.

We received funding from donations and legacies, which includes grant funding, and totalled £56,436 during the year which is a decrease on 2023 (£61,638).

We received £143,456 from housing benefit (2023: £115,423) and raised £295,556 of funds through our shop sales and other activities (2023: £261,028)

Finally, we take this opportunity to thank all our donors for their much-needed contributions.

EMMAUS LEICESTERSHIRE AND RUTLAND

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Risk Management

The Trustees regularly review their strategic and operational risks, also reviewing on a regular basis policy and procedures with regard to minimising the risks which the charity, its employees, Companions, volunteers and customers might encounter. Health and safety and specific procedure notes exist for any areas of concern. Specific nominated personnel have overall responsibility for ensuring compliance. These cover, but not exclusively, workshops, misuse of drugs and alcohol, finance, manual handling, safeguarding and COSHH.

Plans for the future

Emmaus will continue to be primarily focussed on its community of Companions ensuring that they receive support, encouragement and opportunity in their lives. Support will be tailored to the specific needs of the Companion where some will seek opportunity elsewhere but others will seek to remain within the community for the long run. This primary focus is central to the reason for our being and must as such be the first thing we seek to achieve.

There are financial pressures on the Charity principally because we operate from old buildings in less than perfect condition. Quite often this year Trustees have had little or no choice but to approve significant expenditure in maintenance or repair items to enable continuity of operation. This places great emphasis on improving performance and our management team are organised to improve efficiency in all areas of operation. As stated previously our Social Enterprise is a perfect example of this approach delivering tangible improvement year on year but it must be anticipated that the degree of improvement is limited.

The project to consolidate all activity at Stockwell Head has been a substantial effort and investment this year. As reported earlier we have been shocked at the costs associated with such a redevelopment programme and this as required some further work to establish the best way forward. Our lease at Elm Lea expires in a relatively short period and as such the decision about how to move forward is becoming urgent.

Last year I reported on the formative discussions with Emmaus Coventry and Warwickshire about the possibility of merging our two organisations. Those discussions concluded at the end of 2023 with Emmaus C&W unilaterally deciding not to proceed with the proposal. No further discussions are planned at the current time.

Life within Emmaus will always be challenging because of the nature of the challenges faced by increasing numbers of homelessness within our society, but we are confident that we will continue to accept those challenges with enthusiasm and commitment and because our excellent management team continue to perform at an exceptional level in support of the Companions.

Structure, governance and management

Organisation

On the 5th December 2011 Emmaus Leicestershire and Rutland was incorporated under the Companies' Act 2006 as a private company limited by guarantee, registered number 07871687.

The company was granted charitable status on the 9th March 2012 under charity number 1146326.

Constitution

The charity is constituted under a Memorandum of Association dated 5th December 2011 and is a registered charity.

The Memorandum of Association has been amended in accordance with the wishes of Emmaus UK and a new constitution was agreed on 8th December 2014.

EMMAUS LEICESTERSHIRE AND RUTLAND

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Emmaus UK
Peter Savage
Simon Stacey
Emily Smith
Clive Pitt
Lindsay Orton
Anthony Brown
Sarah Johnson
Jane Grice
Dr Heather Hollins
Nichola Gascoigne

(Appointed 12 December 2023 and resigned 4 October 2024)
(Appointed 13 August 2024)

Recruitment and appointment of trustees

It was generally felt that the Board would benefit not only from additional Trustees, to share the load, but also from a wider range of skill, expertise and diversity. We will continue to encourage people with appropriate skills, free time and a passion to support our work to apply to join us.

Method of appointment or election of Trustees

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

Trustee nominations usually come from other Trustees within the charity, its supporters and through advertising in the local media and county wide networks.

These nominations must be approved by existing Trustees, in accordance with the Articles of Association. When specific skills are required, approaches would be made to people with relevant expertise who are sympathetic to the ethos of the Charity. If necessary, a Trustee would be co-opted specifically to cover the required function, the current Trustees are those shown on page 1.

Policies adopted for the induction and training of Trustees

Each new Trustee is briefed about the Community and their legal and ethical responsibilities as Trustees. Any prospective Trustee needs to attend one board meeting to observe the requirements and responsibilities to be undertaken. Then when an individual is ready to join the board an induction pack is given to each new Trustee to support the briefing prior to their appointment. In addition, there is an opportunity to attend a full day induction session run by Emmaus UK.

Organisational structure and decision making

In order to work effectively towards the alleviation and relief of poverty in and around Leicestershire and Rutland, Trustees and the Leadership Team believe that the Companions are central to the existence of the organisation and this is reflected in the structure of the charity.

Each week a meeting of the whole community takes place in order to discuss and agree decisions which affect the community as a whole.

EMMAUS LEICESTERSHIRE AND RUTLAND

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Related party relationship

Emmaus Leicestershire and Rutland is member of the Federation of Emmaus in the UK and continues to work closely with Communities, Groups and staff in the Federation.

Independent Examiners

A resolution will be proposed at the Annual General Meeting that Thomas Mayfield of Mayfield and Co (Accountants) Ltd will be re-appointed as Independent Examiner to the charity for the ensuing year.

Trustees' liability

The Trustees of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

Disclosure of information

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the examination of the accounts, but of which the examiner is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees report was approved by the Board of Trustees.



Clive Pitt
Trustee

17 December 2024

EMMAUS LEICESTERSHIRE AND RUTLAND

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF EMMAUS LEICESTERSHIRE AND RUTLAND

I report to the trustees on my examination of the financial statements of Emmaus Leicestershire and Rutland (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 (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.



Thomas Mayfield BA FCA

Mayfield & Co
2 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Dated: 17 December 2024

EMMAUS LEICESTERSHIRE AND RUTLAND

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Unrestricted funds general 2024	Unrestricted funds designated 2024	Restricted funds 2024	Total 2024	Unrestricted funds general 2023	Unrestricted funds designated 2023	Restricted funds 2023	Total 2023
		£	£	£	£	£	£	£	£
Income and endowments from:									
Donations and legacies	3	25,486	-	30,950	56,436	47,888	-	13,750	61,638
Charitable activities	4	143,456	-	-	143,456	115,423	-	-	115,423
Other trading activities	5	295,556	-	-	295,556	261,028	-	-	261,028
Investments	6	4,327	-	-	4,327	1	-	-	1
Other Income	7	2,345	-	-	2,345	1,140	-	-	1,140
Total Income		471,170	-	30,950	502,120	425,480	-	13,750	439,230
Expenditure on:									
Charitable activities	8	536,189	-	25,085	561,274	444,332	-	25,038	469,370
Total expenditure		536,189	-	25,085	561,274	444,332	-	25,038	469,370
Net Income/(expenditure) and movement in funds		(65,019)	-	5,865	(59,154)	(18,852)	-	(11,288)	(30,140)
Reconciliation of funds:									
Fund balances at 1 July 2023		289,878	188,545	104,087	582,510	308,730	188,545	115,375	612,650
Fund balances at 30 June 2024		224,859	188,545	109,952	523,356	289,878	188,545	104,087	582,510

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

EMMAUS LEICESTERSHIRE AND RUTLAND

BALANCE SHEET

AS AT 30 JUNE 2024

		2024	2023
	Notes	£	£
Fixed assets			
Tangible assets	14	767,929	770,856
Current assets			
Debtors	15	58,680	69,351
Cash at bank and in hand		298,066	345,119
		356,746	414,470
Creditors: amounts falling due within one year	17	(44,798)	(37,092)
Net current assets		311,948	377,378
Total assets less current liabilities		1,079,877	1,148,234
Creditors: amounts falling due after more than one year	18	(556,521)	(565,724)
Net assets excluding pension liability		523,356	582,510
Net assets		523,356	582,510
The funds of the charity			
Restricted income funds	19	109,952	104,087
Unrestricted funds - general		224,859	289,878
Unrestricted funds - designated	20	188,545	188,545
		523,356	582,510

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. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

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.

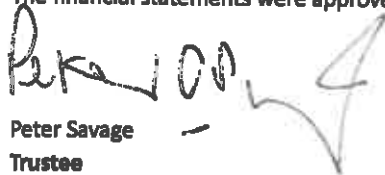
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

EMMAUS LEICESTERSHIRE AND RUTLAND

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2024

The financial statements were approved by the trustees on 17 December 2024


Peter Savage
Trustee

Company registration number 07871687 (England and Wales)

EMMAUS LEICESTERSHIRE AND RUTLAND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	25		(39,113)		(16,963)
Investing activities					
Purchase of tangible fixed assets		(8,000)		-	
Proceeds from disposal of tangible fixed assets		4,454		-	
Investment Income received		4,327		1	
Net cash generated from investing activities			781		1
Financing activities					
Repayment of bank loans		(8,721)		(11,882)	
Net cash used in financing activities			(8,721)		(11,882)
Net decrease in cash and cash equivalents			(47,053)		(28,844)
Cash and cash equivalents at beginning of year			345,119		373,963
Cash and cash equivalents at end of year			298,066		345,119

EMMAUS LEICESTERSHIRE AND RUTLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

Charity information

Emmaus Leicestershire and Rutland is a private company limited by guarantee incorporated in England and Wales. The registered office is The Emporium, Stockwell Head, Hinckley, Leicestershire, LE10 1RG.

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 charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees 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.

EMMAUS LEICESTERSHIRE AND RUTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

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.

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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, others are apportioned on an appropriate basis.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

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:

Land and buildings	4% straight line (building only)
Motor vehicles	25% 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).

EMMAUS LEICESTERSHIRE AND RUTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

1.8 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.

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are 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.

1.10 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.

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 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	25,486	2,170	27,656	10,305	250	10,555
Grants receivable	-	20,780	20,780	37,583	13,500	51,083
Donated goods and services	-	8,000	8,000	-	-	-
	<u>25,486</u>	<u>30,950</u>	<u>56,436</u>	<u>47,888</u>	<u>13,750</u>	<u>61,638</u>

EMMAUS LEICESTERSHIRE AND RUTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

3 Income from donations and legacies

(Continued)

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts						
General donations	7,914	250	8,164	7,719	250	7,969
Gift Aid	5,600	-	5,600	1,836	-	1,836
Two Ways CIC	5,000	-	5,000	-	-	-
Vera Outhwaite	2,000	-	2,000	-	-	-
Florence Turner Trust	1,000	-	1,000	-	-	-
J R Corah Foundation	750	-	750	750	-	750
NFU Mutual	3,222	-	3,222	-	-	-
J Baker	-	1,000	1,000	-	-	-
Ragdale Hall	-	500	500	-	-	-
Cardent Van WRAP	-	420	420	-	-	-
	<u>25,486</u>	<u>2,170</u>	<u>27,656</u>	<u>10,305</u>	<u>250</u>	<u>10,555</u>
Grants receivable for core activities						
The National Lottery	-	10,000	10,000	-	-	-
Emmaus UK	-	1,630	1,630	-	7,500	7,500
HSBC	-	750	750	-	-	-
Tesco Groundworks	-	1,000	1,000	-	-	-
Henry Smith	-	6,000	6,000	-	6,000	6,000
Charity Link	-	400	400	-	-	-
Leeds Building Society	-	1,000	1,000	-	-	-
Lloyds Foundation	-	-	-	35,583	-	35,583
Other	-	-	-	2,000	-	2,000
	<u>-</u>	<u>20,780</u>	<u>20,780</u>	<u>37,583</u>	<u>13,500</u>	<u>51,083</u>

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Charitable activities		
Housing Benefit	<u>143,456</u>	<u>115,423</u>

EMMAUS LEICESTERSHIRE AND RUTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

5 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Shop Income	295,556	261,028

6 Income from Investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	4,327	1

7 Other Income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other Income	2,345	1,140

EMMAUS LEICESTERSHIRE AND RUTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

8 Charitable activities

	Unrestricted Charitable Expenditure 2024 £	Restricted Charitable Expenditure 2024 £	Total 2024 £	Total 2023 £
Staff costs	187,493	-	187,493	157,271
Depreciation and impairment	1,754	4,719	6,473	5,490
Staff training and expenses	3,818	-	3,818	6,984
Companion and fundraising expenses	58,563	7,741	66,304	62,839
Rent, rates and water	62,683	-	62,683	49,251
Light and heat	36,838	1,500	38,338	26,469
Repairs, maintenance and computer equipment	32,668	9,705	42,373	37,140
Legal and professional fees	15,007	-	15,007	3,609
Insurance	10,514	-	10,514	10,884
Sundry expenses	16,375	1,000	17,375	11,312
Telephone, internet and television	7,416	-	7,416	8,977
Printing, postage and stationery	3,094	-	3,094	5,589
Advertising	8,922	-	8,922	6,848
Motor and travel expenses	19,660	420	20,080	16,308
Other charitable expenditure	61,377	-	61,377	50,749
	<u>526,182</u>	<u>25,085</u>	<u>551,267</u>	<u>459,720</u>
Share of governance costs (see note 9)	10,007	-	10,007	9,650
	<u>536,189</u>	<u>25,085</u>	<u>561,274</u>	<u>469,370</u>
Analysis by fund				
Unrestricted funds - general	536,189	-	536,189	444,332
Restricted funds	-	25,085	25,085	25,038
	<u>536,189</u>	<u>25,085</u>	<u>561,274</u>	<u>469,370</u>
For the year ended 30 June 2023				
Unrestricted funds - general	444,332	-		444,332
Restricted funds		25,038		25,038
	<u>444,332</u>	<u>25,038</u>		<u>469,370</u>

EMMAUS LEICESTERSHIRE AND RUTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

9 Support costs

	Support costs	Governance costs	2024	2023	Basis of allocation
	£	£	£	£	
Independent examiners fees	-	3,720	3,720	3,660	Governance
Accountancy fees	-	2,820	2,820	2,800	Governance
Bank charges	-	3,467	3,467	3,190	Governance
		10,007	10,007	9,650	
Analysed between					
Charitable activities	-	10,007	10,007	9,650	

Governance costs Includes payments to the independent examiners of £3,720 (2023-£3,660) for examination fees.

10 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	3,720	3,660
Depreciation of owned tangible fixed assets	6,473	5,490

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but meeting costs totalling £94 (2023: £284) were reimbursed.

12 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
General charitable activities	7	6
Employment costs	2024	2023
	£	£
Wages and salaries	187,493	157,271

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

EMMAUS LEICESTERSHIRE AND RUTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

12 Employees

(Continued)

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024	2023
	£	£
Aggregate compensation	58,906	57,128

13 Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

14 Tangible fixed assets

	Land and buildings	Motor vehicles	Total
	£	£	£
Cost			
At 1 July 2023	767,980	38,009	805,989
Additions	-	8,000	8,000
Disposals	-	(22,299)	(22,299)
At 30 June 2024	767,980	23,710	791,690
Depreciation and Impairment			
At 1 July 2023	5,438	29,695	35,133
Depreciation charged in the year	2,719	3,754	6,473
Eliminated in respect of disposals	-	(17,845)	(17,845)
At 30 June 2024	8,157	15,604	23,761
Carrying amount			
At 30 June 2024	759,823	8,106	767,929
At 30 June 2023	762,542	8,314	770,856

EMMAUS LEICESTERSHIRE AND RUTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

15 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	4,194	2,621
Other debtors	20,500	28,056
Prepayments and accrued income	33,986	38,674
	<u>58,680</u>	<u>69,351</u>

16 Loans and overdrafts

	2024	2023
	£	£
Bank loans	<u>565,932</u>	<u>574,653</u>
Payable within one year	9,411	8,929
Payable after one year	<u>556,521</u>	<u>565,724</u>
Amounts included above which fall due after five years:		
Payable by instalments	<u>502,687</u>	<u>511,408</u>

The long-term loans are secured by fixed charges over the property The Emporium, Stockwell Head, Hinckley, Leicestershire, LE10 1RG.

17 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Bank loans	16	9,411	8,929
Other taxation and social security		2,641	2,967
Trade creditors		8,181	4,977
Other creditors		13,689	12,267
Accruals and deferred income		10,876	7,952
		<u>44,798</u>	<u>37,092</u>

18 Creditors: amounts falling due after more than one year

	Notes	2024	2023
		£	£
Bank loans	16	<u>556,521</u>	<u>565,724</u>

EMMAUS LEICESTERSHIRE AND RUTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

19 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.

	Movement in funds			Movement in funds			
	Balance at 1 July 2022	Income	Expenditure	Balance at 1 July 2023	Income	Expenditure	Balance at 30 June 2024
	£	£	£	£	£	£	£
The Van Fund	-	-	-	-	420	(420)	-
Building Better Opportunities (BBO)	(11,702)	-	-	(11,702)	-	-	(11,702)
The National Lottery	-	-	-	-	10,000	-	10,000
Emmaus UK	97,600	-	(2,400)	95,200	-	(2,400)	92,800
Emmaus UK 2	-	7,500	(7,500)	-	1,630	(1,630)	-
Charity Link	-	-	-	-	400	-	400
Tesco Ground Work	-	-	-	-	1,000	-	1,000
Leicestershire County Council	7,944	-	(319)	7,625	-	(319)	7,306
The Bailey Will Trust - Companion training & progression	4,352	-	(1,319)	3,033	-	(1,348)	1,685
The Bailey Will Trust - Property Purchase	9,681	-	-	9,681	-	(9,681)	-
Shires Community Grant	7,500	-	(7,500)	-	-	-	-
Leeds Building Society	-	-	-	-	1,000	(24)	976
Ragdale Hall	-	-	-	-	500	(500)	-
Henry Smith	-	6,000	(6,000)	-	6,000	(5,763)	237
Rotary Club	-	250	-	250	250	(250)	250
HSBC Making a Difference	-	-	-	-	750	(750)	-
J Baker	-	-	-	-	1,000	-	1,000
Donated Van	-	-	-	-	8,000	(2,000)	6,000
	<u>115,375</u>	<u>13,750</u>	<u>(25,038)</u>	<u>104,087</u>	<u>30,950</u>	<u>(25,085)</u>	<u>109,952</u>

EMMAUS LEICESTERSHIRE AND RUTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

20 Unrestricted funds - designated

These are unrestricted funds which are material to the charity's activities.

	At 1 July 2023	At 30 June 2024
	£	£
Designated funds	188,545	188,545
Previous year:	At 1 July 2022	At 30 June 2023
	£	£
Designated funds	188,545	188,545

21 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	289,878	471,170	(536,189)	224,859
Previous year:	At 1 July 2022	Incoming resources	Resources expended	At 30 June 2023
	£	£	£	£
General funds	308,730	425,480	(444,332)	289,878

22 Analysis of net assets between funds

	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total
	2024	2024	2024	2024
	£	£	£	£
At 30 June 2024:				
Tangible assets	661,823	-	106,106	767,929
Current assets/(liabilities)	119,557	188,545	3,846	311,948
Long term liabilities	(556,521)	-	-	(556,521)
	224,859	188,545	109,952	523,356

EMMAUS LEICESTERSHIRE AND RUTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

22 Analysis of net assets between funds

(Continued)

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
At 30 June 2023:				
Tangible assets	666,294	-	104,562	770,856
Current assets/(liabilities)	189,308	188,545	(475)	377,378
Long term liabilities	(565,724)	-	-	(565,724)
	<u>289,878</u>	<u>188,545</u>	<u>104,087</u>	<u>582,510</u>

23 Financial commitments, guarantees and contingent liabilities

A grant of £100,000 was received from Emmaus UK (a national charity which provides guidance and support for individual Emmaus communities such as Emmaus Leicestershire and Rutland) in 2021 and has been used to help purchase The Emporium, Stockwell Head, Hinckley, Leicestershire, LE10 1RG as the community accommodation. This grant becomes repayable if the building is sold within 10 years of the agreement dated 12 October 2020 or if Emmaus Leicestershire and Rutland ceases to be a member of Emmaus UK within the same timeframe. The potential contingent liability is £100,000 being the full grant provided.

24 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	52,000	52,000
Between two and five years	65,000	117,000
	<u>117,000</u>	<u>169,000</u>

EMMAUS LEICESTERSHIRE AND RUTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

25	Cash generated from operations	2024	2023
		£	£
	Deficit for the year	(59,154)	(30,140)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(4,327)	(1)
	Depreciation and Impairment of tangible fixed assets	6,473	5,490
	Movements in working capital:		
	Decrease in debtors	10,671	27,483
	Increase/(decrease) in creditors	7,224	(19,795)
	Cash absorbed by operations	(39,113)	(16,963)
