

Registered number: 5075117  
Charity number: 1110220

**EMMAUS MERSEYSIDE**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**



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**EMMAUS MERSEYSIDE**  
**(A company limited by guarantee)**

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**EMMAUS MERSEYSIDE**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**Trustees**

Mr Nigel Mellor (Chairman)  
Ms Neina Cave  
Mr Phil Adams  
Ms Joanne Anderson (resigned 17 October 2018)  
Mr Nick Thompson

**Company registered number**

5075117

**Charity registered number**

1110220

**Registered office**

C/O Langtons, The Plaza, 100 Old Hall Street, Liverpool, L3 9QJ

**Principal operating office**

1 School Lane, Seaforth, Bootle, Liverpool, L21 3TQ

**Company secretary**

Mr Phil Adams

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**EMMAUS MERSEYSIDE**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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The Trustees present their annual report together with the financial statements of the company for the 1 April 2018 to 31 March 2019. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

**Objectives and Activities**

**a. Policies and objectives**

The charity was formed on 15 March 2004. The charity's objective is to establish an Emmaus Community in Merseyside. The charity is affiliated to the Emmaus movement in the UK.

**b. Main activities undertaken to further the charity's purposes for the public benefit**

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

**Achievements and performance**

**a. Key financial performance indicators**

During the year income totalled £496,592 (2018: £314,560) of which £241,133 (2018: £169,348) was for restricted purposes, including the provision of the Emmaus Community. Expenditure amounted to £429,167 (2018: £296,264), of which £179,049 (2018: £147,244) was spent out of restricted income, resulting in a total surplus for the year of £67,425 (2018: £18,296).

A fixed asset fund has been created to hold the assets which, although unrestricted, are not free reserves. The balance on the fixed asset reserve at 31 March 2019 is £39,802 (2018: £60,324). The balance of unrestricted reserves at 31 March 2019 was £82,250 (2018: £56,387).

At the current time the charity is looking to maximise its income to achieve its objectives of funding the running of the Emmaus Community.

The community is now up and running with a reserves policy of the charity being that unrestricted funds which have not been designated for a specific use will be maintained at a level equivalent to between three and six months' 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. The unrestricted reserves are mainly earned from the furniture stores run by the Community. The surpluses are used as contributions to the running of the Emmaus Community. At 31 March 2019 the unrestricted funds represented approximately four months worth of Community expenditure based on the 2019 results. As the number of Community companions increase expenditure is expected to increase.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. Risk management procedures are reviewed on a regular basis

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**EMMAUS MERSEYSIDE**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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to ensure that all current risks are effectively managed.

**b. Review of activities**

We have experienced several changes in the staff complement during the year. The Business Manager (February 2019) and the Community Leader (September 2019) both tendered their resignations for entirely understandable personal reasons. In addition the Support Worker, who had been with us since the accommodation first opened, moved to a new post as a Driver with Emmaus Burnley in March 2019. We have now completed the recruitment process and made appointments to all positions. We now look forward to working together to build a cohesive staff team across the organisation as we reach full capacity.

The grant support we received from the Henry Smith Charity expired in the spring of 2019. This grant funded the Community Manager post when Emmaus Merseyside was first established and was a great help in enabling the organisation to open the residential accommodation whilst the trading activities were being developed and income generated. The grant from the Steve Morgan Foundation towards the Support Worker post continues into 2020/21 and our financial planning targets reflect the need to raise the necessary income to continue this vital post when the grant expires. Funding from the Albert Gubay Charitable Trust to enable full time Shop Manager posts to be created at the two Re-Use Shops on Household Waste Recycling Centres at Irlam Road, Bootle and Cheadle Avenue, Old Swan, Liverpool has had a most impressive beneficial impact on the trading activities at both sites. We now achieve a more consistent approach to the reception of goods, merchandising, pricing and promotion of sales opportunities. The grant has also provided support towards the variety of training support which Companions require to carry out the various work tasks, as for example, fire safety, manual handling, first aid, customer service etc.

We have continued to receive support from the Merseyside Recycling and Waste Authority which in 2018/19 has enabled Emmaus Merseyside to establish the House Clearance service. We offer a variety of services geared to different needs of customers. Although the service has only been operational for a relatively short period of time, early indications suggest that this activity has significant growth potential.

The initial 5 year lease on the Sandy Road premises expired in December 2018 and we enlisted advice to help with the negotiations involved. These proved protracted and were only completed in November 2019. In the course of the negotiations, we were offered the lease of a smaller unit adjacent to the main Charity Superstore. Unfortunately, this was subsequently withdrawn from the market. We have however sought to relieve the pressure on the space available in the Charity Superstore by rationalising the use of some former ships containers for storage purposes together with two former sales offices which create a 30'x 40' workshop. We will need to keep a watchful eye on the progress of the proposals to re-route part of the A5036 through Rimrose Valley to improve access to and from the Port of Liverpool since the route passes close to Sandy Road, Seaforth.

We have continued with our efforts to develop the external spaces around the residential accommodation. We have secured support to enable us to firm up plans for the development of the garden area where we intend to grow produce for the Companions' kitchen, other plants etc. for window boxes, planters and hanging baskets etc., and create space and facilities to enable a variety of different groups to visit, be involved in and enjoy the benefits of a range of gardening and horticulture activities. Although this development may not generate significant income, our initial aim is to break even. The improvements we have achieved to date in transforming the former derelict site in front of the residential accommodation into a pleasant area of open space which the local community can use and enjoy have been recognised by two awards: Green Flag Status for our work to create Seaforth Green by Keep Britain Tidy and a Neighbourhood Award from Northwest in Bloom.

The Board has continued to meet regularly to review progress and ensure effective strategic management and direction of the residential accommodation and the social enterprise activities. The Board now meets bi-monthly and is supported by three Task Groups: one focusses on the responsibilities which flow from managing the accommodation, a second oversees the support work offered to Companions during their time with Emmaus Merseyside, and the third oversees the development of the various social enterprise activities. We are reviewing

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**EMMAUS MERSEYSIDE**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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our various activities and will produce a Strategic Plan which will outline our aims and targets for the next 3 years. The main financial parameters will include the need to replace revenue grant funding as it expires during the period.

**Financial review**

**a. Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

**Structure, governance and management**

**a. Constitution**

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 15/03/2004 .

The company is constituted under a Memorandum of Association dated 15/03/2004 and is a registered charity number 1110220.

**b. Method of appointment or election of Trustees**

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

**c. Organisational structure and decision making**

This year has involved a significant change of emphasis in the work of Emmaus Merseyside since we opened the residential community in June 2016 and we are now responsible for operating the accommodation effectively. This has required, amongst other things, strengthening the Board with new members with the requisite skills and experience. It has also enabled some long serving Trustees to step down having made their valued contribution throughout the development stages. This is a healthy process and enables us to ensure we are able to meet the challenges and opportunities ahead robustly and wisely. We are also intending to create the opportunity for Emmaus Champions to develop and maintain contact with the wide range of people and organisations who are interested in our work and who have given us their support over the years

**Members' liability**

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

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**EMMAUS MERSEYSIDE**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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This report was approved by the Trustees, on 18 December 2019 and signed on their behalf by:



**Mr Nigel Mellor (Chairman)**  
Trustee



**Mr Phil Adams**  
Trustee

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**EMMAUS MERSEYSIDE**  
**(A company limited by guarantee)**

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**INDEPENDENT EXAMINER'S REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**Independent Examiner's Report to the Trustees of Emmaus Merseyside (the 'company')**

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2019.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

**Responsibilities and Basis of Report**

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

Having satisfied myself that the accounts of the company 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 company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent Examiner's Statement**

Since the company'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 of England and Wales, which is one of the listed bodies.

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

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



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**EMMAUS MERSEYSIDE**  
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**INDEPENDENT EXAMINER'S REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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

Signed:

Dated: 18 December 2019

Susan Buckley FCA  
HBD Accountancy Services LLP

Gladstone House  
2 Church Road  
Liverpool  
L15 9EG

**EMMAUS MERSEYSIDE**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Income from:</b>					
Donations and legacies	2	255,459	103,138	358,597	217,630
Charitable activities		-	137,995	137,995	96,931
<b>Total income</b>		<b>255,459</b>	<b>241,133</b>	<b>496,592</b>	<b>314,561</b>
<b>Expenditure on:</b>					
Raising funds		-	1,250	1,250	7,230
Charitable activities	5	250,118	177,799	427,917	289,034
<b>Total expenditure</b>	6	<b>250,118</b>	<b>179,049</b>	<b>429,167</b>	<b>296,265</b>
<b>Net income before transfers</b>		<b>5,341</b>	<b>62,084</b>	<b>67,425</b>	<b>18,296</b>
Transfers between Funds	14	20,522	(20,522)	-	-
<b>Net income before other recognised gains and losses</b>		<b>25,863</b>	<b>41,562</b>	<b>67,425</b>	<b>18,296</b>
<b>Net movement in funds</b>		<b>25,863</b>	<b>41,562</b>	<b>67,425</b>	<b>18,296</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		56,387	94,423	150,810	132,514
<b>Total funds carried forward</b>		<b>82,250</b>	<b>135,985</b>	<b>218,235</b>	<b>150,810</b>

The notes on pages 11 to 24 form part of these financial statements.

**EMMAUS MERSEYSIDE**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 5075117**

**BALANCE SHEET**  
**AS AT 31 MARCH 2019**

	Note	£	2019 £	£	2018 £
<b>Fixed assets</b>					
Tangible assets	10		39,802		60,324
<b>Current assets</b>					
Debtors	11	4,302		20,994	
Cash at bank and in hand		324,163		153,173	
		<u>328,465</u>		<u>174,167</u>	
<b>Creditors:</b> amounts falling due within one year	12	(102,282)		(34,931)	
<b>Net current assets</b>			<u>226,183</u>		<u>139,236</u>
<b>Total assets less current liabilities</b>			<u>265,985</u>		<u>199,560</u>
<b>Creditors:</b> amounts falling due after more than one year	13		(47,750)		(48,750)
<b>Net assets</b>			<u><u>218,235</u></u>		<u><u>150,810</u></u>
<b>Charity Funds</b>					
Restricted funds:					
Restricted funds	14	96,183		34,099	
Designated fixed asset fund	14	39,802		60,324	
Total restricted funds			<u>135,985</u>		<u>94,423</u>
Unrestricted funds	14		<u>82,250</u>		<u>56,387</u>
<b>Total funds</b>			<u><u>218,235</u></u>		<u><u>150,810</u></u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

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

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**EMMAUS MERSEYSIDE**  
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**BALANCE SHEET (continued)**  
**AS AT 31 MARCH 2019**

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The financial statements were approved and authorised for issue by the Trustees on 18 December 2019 and signed on their behalf, by:



**Mr Nigel Mellor (Chairman)**



**Mr Phil Adams**

The notes on pages 11 to 24 form part of these financial statements.

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**EMMAUS MERSEYSIDE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**1. Accounting Policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

**1.2 Reconciliation with previous Generally Accepted Accounting Practice**

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

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

**1.3 Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

Emmaus Merseyside is a registered charity.

The registered office is 11th Floor, The Plaza, 100 Old Hall Street, Liverpool, L3 9QJ:

**1.4 Going concern**

At the time of approving the accounts, 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 accounts.

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**EMMAUS MERSEYSIDE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**1. Accounting Policies (continued)**

**1.5 Income**

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

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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**EMMAUS MERSEYSIDE**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**1. Accounting Policies (continued)**

**1.6 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 allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

**1.7 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

**1.8 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	-	25% straight-line
Fixtures and fittings	-	between 20% and 33.3% straight-line

**1.9 Interest receivable**

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**1. Accounting Policies (continued)**

**1.10 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.11 Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.12 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.13 Financial instruments**

The company 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.

**1.14 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**1.15 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**1. Accounting Policies (continued)**

**1.16 Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions: there are no accounting estimates that we deem to be critical.

**2. Income from donations and legacies**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	10,457	103,138	113,595	79,830
Sales of donated furniture	245,002	-	245,002	137,800
	<u>255,459</u>	<u>103,138</u>	<u>358,597</u>	<u>217,630</u>
Total donations and legacies	<u>255,459</u>	<u>103,138</u>	<u>358,597</u>	<u>217,630</u>
<i>Total 2018</i>	<u>145,213</u>	<u>72,417</u>	<u>217,630</u>	

**Detailed analysis of Donations**

	2019 £	2018 £
Merseyside Waste & Recycling Authority	8,000	8,000
The Henry Smith Charity	17,000	33,800
Grantscape	-	3,318
Tesco PLC	-	3,750
The Steve Morgan Foundation	19,000	12,667
Eleanor Rathbone Charitable Trust	-	3,000
The Workers Educational Association	11,000	-
The Albert Gubay Foundation	48,138	-
Unrestricted grants and donations	10,457	15,295
	<u>113,595</u>	<u>79,830</u>
Total	<u>113,595</u>	<u>79,830</u>

**EMMAUS MERSEYSIDE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**3. Direct costs**

	Governance £	Accommod ation £	Trading activities £	Total 2019 £	Total 2018 £
Rent and rates	-	88,472	28,006	116,478	56,269
Travel and general expenses	-	-	3,847	3,847	3,147
Bank charges	-	1,233	-	1,233	2,104
Computer and telephone expenses	-	186	5,976	6,162	2,145
Repairs and renewals	-	992	4,143	5,135	3,320
Insurance	-	-	7,138	7,138	6,412
Heat and light	-	16,604	12,801	29,405	29,300
Volunteer expenses	-	-	3,847	3,847	4,410
Recruitment	-	1,690	-	1,690	-
Motor expenses	-	-	5,497	5,497	3,899
Sundry expenses	-	198	11,613	11,811	25,030
Companion allowances	-	61,012	-	61,012	15,489
Advertising and promotion	-	3,850	1,014	4,864	3,453
Temporary staff	-	-	-	-	4,458
Food	-	3,277	-	3,277	2,190
Printing, postage and stationery	-	-	2,526	2,526	705
Training	-	-	19,177	19,177	805
Cost of Sales	-	-	7,192	7,192	-
Legal and professional fees	285	-	-	285	2,350
Wages and salaries	-	32,071	72,051	104,122	80,364
National insurance	-	-	5,168	5,168	7,866
Pension cost	-	424	1,143	1,567	1,588
Depreciation	-	-	25,990	25,990	33,181
<b>Total</b>	<b>285</b>	<b>210,009</b>	<b>217,131</b>	<b>427,423</b>	<b>288,485</b>
 <i>Total 2018</i>	 <i>2,350</i>	 <i>161,662</i>	 <i>124,472</i>	 <i>288,485</i>	

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**3. Direct costs (continued)**

Total expenditure above: £427,423 (2018: £288,484)  
Finance costs per note 4: £494 (2018: £550)  
**Total: £427,917 (2018: £289,034)**

**4. Finance Costs**

	£	Loan Interest £	Total 2019 £	Total 2018 £
Loan interest	-	494	494	550

**5. Governance costs**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Direct costs - Governance	-	285	285	2,350

The Independent Examiner's remuneration amounts to an Independent Examination fee of £900 (2018 - £750). In 2019, an over-accrual in previous years has given rise to the reduced charge of £285 and, in 2018, governance costs were made up of: accountancy £1,800 and legal and professional £550.

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**6. Analysis of Expenditure by expenditure type**

	Staff costs 2019 £	Depreciation 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Expenditure on raising voluntary income	-	-	1,250	1,250	7,230
<b>Costs of raising funds</b>	<b>-</b>	<b>-</b>	<b>1,250</b>	<b>1,250</b>	<b>7,230</b>
Accommodation	32,495	-	177,514	210,009	161,662
Trading activities	78,362	25,990	112,779	217,131	124,472
Finance costs	-	-	494	494	550
<b>Charitable activities</b>	<b>110,857</b>	<b>25,990</b>	<b>290,787</b>	<b>427,634</b>	<b>286,684</b>
<b>Expenditure on governance</b>	<b>-</b>	<b>-</b>	<b>285</b>	<b>285</b>	<b>2,350</b>
	<b>110,857</b>	<b>25,990</b>	<b>292,322</b>	<b>429,169</b>	<b>296,264</b>
<i>Total 2018</i>	<i>89,818</i>	<i>33,181</i>	<i>173,265</i>	<i>296,264</i>	

**7. Turnover**

All turnover arose within the United Kingdom.

**8. Net income/(expenditure)**

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets:		
- owned by the charity	25,990	33,182
Accountancy fees	650	750

During the year, no Trustees received any remuneration (2018 - £NIL).

During the year, no Trustees received any benefits in kind (2018 - £NIL).

During the year, no Trustees were reimbursed for expenses incurred (2018 - £213).

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**9. Staff costs**

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	104,122	80,364
Social security costs	5,168	7,866
Other pension costs	1,567	1,588
	<u>110,857</u>	<u>89,818</u>

The average number of persons employed by the company during the year was as follows:

	2019 No.	2018 No.
Superstore	4	1
Residential	2	2
	<u>6</u>	<u>3</u>

No employee received remuneration amounting to more than £60,000 in either year.

**10. Tangible fixed assets**

	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2018	31,080	111,536	142,616
Additions	-	5,468	5,468
At 31 March 2019	<u>31,080</u>	<u>117,004</u>	<u>148,084</u>
<b>Depreciation</b>			
At 1 April 2018	20,964	61,328	82,292
Charge for the year	2,616	23,374	25,990
At 31 March 2019	<u>23,580</u>	<u>84,702</u>	<u>108,282</u>
<b>Net book value</b>			
At 31 March 2019	<u>7,500</u>	<u>32,302</u>	<u>39,802</u>
At 31 March 2018	<u>10,116</u>	<u>50,208</u>	<u>60,324</u>

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**11. Debtors**

	2019 £	2018 £
Other debtors	702	18,750
Prepayments and accrued income	2,600	1,233
Tax recoverable	1,000	1,011
	<u>4,302</u>	<u>20,994</u>

**12. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Other loans	1,000	1,000
Other creditors	16,021	1,628
Accruals and deferred income	85,261	32,303
	<u>102,282</u>	<u>34,931</u>

**13. Creditors: Amounts falling due after more than one year**

	2019 £	2018 £
Other loans	<u>47,750</u>	<u>48,750</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2019 £	2018 £
Repayable by instalments	<u>-</u>	<u>42,500</u>

Interest is charged at 1% for the life of the loan - £1,000 is repayable in 2020, £1,500 in 2021, 2022 and 2023 with the balance of £42,500 payable in 2024.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**14. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
<b>Unrestricted funds</b>					
General Funds - all funds	56,387	255,459	(250,118)	20,522	82,250
<b>Restricted funds</b>					
The Albert Gubay Foundation	-	48,138	(36,160)	-	11,978
The Henry Smith Charity	8,600	17,000	(17,000)	-	8,600
Merseyside Waste & Recycling Authority	-	8,000	(8,000)	-	-
Residential Income	11,056	137,995	(81,327)	-	67,724
Grantscape	1,101	-	(1,101)	-	-
Tesco	2,461	-	(2,461)	-	-
The Steve Morgan Foundation	-	19,000	(19,000)	-	-
Eleanor Rathbone Charitable Trust	3,000	-	(3,000)	-	-
The Workers Educational Association	-	11,000	(11,000)	-	-
Other donations	7,881	-	-	-	7,881
	34,099	241,133	(179,049)	-	96,183
<b>Designated fixed asset fund</b>					
Designated fixed asset fund	60,324	-	-	(20,522)	39,802
Total restricted funds	94,423	241,133	(179,049)	(20,522)	135,985
Total of funds	150,810	496,592	(429,167)	-	218,235

The Albert Gubay Foundation grant was received to contribute towards the cost of two Re-use Shop Operators each year as well as £10,000 for training costs.

The Henry Smith Charity grant was received to contribute towards the Community Manager's salary.

The Merseyside Waste & Recycling Authority grant was received for the landfill reduction project.

The Steve Morgan grant is to contribute towards the Community Support Worker's salary.

The Grantscape and Tesco grants were received to contribute towards the costs of creating and maintaining the Community Open Space and Participation Garden. The Eleanor Rathbone Charitable Trust grant was to contribute towards various training courses for the benefit of the Community's Companions.

The residential and other income represents amounts received from Housing Benefit and sundry donors to fund the provision of the Emmaus Residential Community.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**14. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 April 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2018 £</i>
General Funds - all funds	31,898	145,212	(149,020)	28,297	56,387
<b>Restricted funds</b>					
Anne Duchess of Westminster Race Day	3,595	-	(3,595)	-	-
The Henry Smith Charity	8,400	33,800	(33,600)	-	8,600
Merseyside Waste & Recycling Authority	-	8,000	(8,000)	-	-
Residential Income	-	96,931	(85,875)	-	11,056
Grantscape	-	3,318	(2,217)	-	1,101
Tesco	-	3,750	(1,289)	-	2,461
The Steve Morgan Foundation	-	12,667	(12,667)	-	-
Eleanor Rathbone Charitable Trust	-	3,000	-	-	3,000
Other donations	-	7,882	-	-	7,882
	<u>11,995</u>	<u>169,348</u>	<u>(147,243)</u>	<u>-</u>	<u>34,100</u>
<b>Designated fixed asset fund</b>					
Designated fixed asset fund	88,621	-	-	(28,297)	60,324
Total restricted funds	<u>100,616</u>	<u>169,348</u>	<u>(147,243)</u>	<u>(28,297)</u>	<u>94,424</u>
Total of funds	<u>132,514</u>	<u>314,560</u>	<u>(296,263)</u>	<u>-</u>	<u>150,811</u>



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**NOTES TO THE FINANCIAL STATEMENTS  
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**14. Statement of funds (continued)**

**Summary of funds - current year**

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
General funds	56,387	255,459	(250,118)	20,522	82,250
Restricted funds	34,099	241,133	(179,049)	-	96,183
Designated fixed asset fund	60,324	-	-	(20,522)	39,802
	<u>150,810</u>	<u>496,592</u>	<u>(429,167)</u>	<u>-</u>	<u>218,235</u>

**Summary of funds - prior year**

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
General funds	31,898	145,212	(149,020)	28,297	56,387
Restricted funds	11,995	169,348	(147,243)	-	34,100
Designated fixed asset fund	88,621	-	-	(28,297)	60,324
	<u>132,514</u>	<u>314,560</u>	<u>(296,263)</u>	<u>-</u>	<u>150,811</u>

**15. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	39,802	39,802
Current assets	82,250	246,215	-	328,465
Creditors due within one year	-	(102,282)	-	(102,282)
Creditors due in more than one year	-	(47,750)	-	(47,750)
	<u>82,250</u>	<u>96,183</u>	<u>39,802</u>	<u>218,235</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**15. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	-	60,324	60,324
Current assets	105,137	34,099	-	139,236
Creditors due within one year	(48,750)	-	-	(48,750)
	<u>56,386</u>	<u>34,099</u>	<u>60,324</u>	<u>150,807</u>

**16. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £1,567 (2018 - £1,588).

**17. Related party transactions**

There were no disclosable related party transactions during the year (2018 - none).