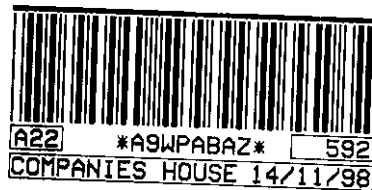


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Emmaus Projects Limited

**Directors Report and Financial Statements
Year Ended 31 March 1998**



Emmaus Projects Limited

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Emmaus Projects Limited

Charity Information

Directors (Management Committee)	P J Viveash (Chairman) Mrs B D Crowther (Vice-chairman) M J Brown (Treasurer) Miss S Robinson (Secretary) Mrs N M Carman P E Crane Mrs R C Crane Mrs S Ogden C H G Parrott G Thomas
Company Secretary	Miss S Robinson
Address and Registered Office	63 Victoria Road Aldershot Hampshire GU11 1SJ
Registered number	2431825 (England & Wales)
Charity number	900308
Bankers	Barclays Bank Aldershot Branch PO Box 75 34/36 Victoria Road Farnborough Hampshire GU14 7YJ
Solicitors	Wills Chandler 76 Bounty Road Basingstoke Hampshire RG21 3BZ
Auditors	Wise & Co, Chartered Accountants Sovereign House 155a High Street Aldershot Hampshire GU11 1TT

Emmaus Projects Limited

Report of the directors for the year ended 31 March 1998

The directors present their report, together with the audited financial statements of the charity, for the year ended 31 March 1998.

Principal activity

The principal activity of the charity in the year under review was the provision of accommodation and support for the homeless in the Blackwater area of North East Hampshire.

Change of name

At the last annual general meeting a special resolution was passed changing the name of the charity to Emmaus Projects Limited. The new name was registered on 17 November 1997.

Status

The company was incorporated under the Companies Act 1985 on 12 October 1989 and is limited by guarantee. The company has been registered as a charity since 25 January 1990.

Review of charitable activities for the year

The statement of financial activities is set out on page 6 and shows the deficit and the net movement in funds for the year.

The year under review has again been one of substantial progress for Emmaus Projects. Our organisation provides accommodation and support to some of the most disadvantaged homeless young people (16 to 25 years old) in the local Aldershot area. Loneliness and lack of money often combine with alcohol and drug problems or abuse making it difficult to become independent. Our mission is "to empower homeless young people to achieve independence" and this is at the heart of all that we aim to do as we work alongside our clients.

In order to fulfil this mission we have a three phased approach to accommodation with each successive phase designed to develop a growing level of independence. It has been the first full year of operation for our three stage accommodation strategy with emergency accommodation for 10 young people with 5 full time staff, move-on accommodation for 13 with 4 full time staff, and finally 7 longer term tenancies for more independent living. This three stage process for up to 30 young people is now proven and working well and is absolutely fundamental to our mission to empower homeless young people to achieve independence. It provides our clients with a clear progression route from the streets to independent living and we are continually encouraged by the young people who successfully make this transition. We could not operate such a strategy without the considerable support and encouragement which we receive from both Rushmoor Borough Council and Hyde Housing Association and we remain continually appreciative of this invaluable contribution.

However experience has taught us, that for many of our client group, supported accommodation is still not enough. These young people need intensive daytime support and this is provided by the Daylight Project. This Project was created when our Phoenix Project joined another local charity, the Daylight Project, to produce a joint programme. This joint programme, now known as the Daylight Project, provides informal training and education opportunities for work and self development to over 150 young people each year, who are homeless/jobless and in the greatest need. In spite of helping many of these young people put a roof over their heads, for some it is not enough and they are still unable to cope. Their vulnerability can lead to a downwardly spiralling journey, the milestones of which include low self-esteem, despair, drugs and alcohol leading in some cases to eviction, prostitution and crime as well as suicide. The Daylight Project helps these young people halt this downward spiral, take control of their lives and make the first steps in an upward direction.

Whilst the Daylight Project is a joint venture, the cost to Emmaus Projects is considerable and during the year under review this was funded by a substantial grant from the National Lottery Charities Board. This

Emmaus Projects Limited

Report of the directors for the year ended 31 March 1998

Review of charitable activities for the year (continued)

funding ceased at the year end, but the joint venture proved so successful with its pooling of resources that we regard the project as an essential element in the transition of our young people towards independence. Such is our commitment to the Project that we have, since the year end, been funding the Project from the reserves of Emmaus Projects. Whilst this cannot continue indefinitely, we believe that our reserves could not be better employed currently, whilst we urgently seek significant additional money to finance the project.

A further benefit of the Daylight Project has been the closer working relationship and co-operation between Emmaus Projects and the Hampshire Youth Service which is a supporter of the Project. The Youth Service is also closely associated with the Hampshire Youth Bureau (HYB) and we believe there are further considerable benefits to be gained for our young people by strengthening our links with HYB.

In the last review mention was made of the difficult decisions that had to be made regarding where our resources could be most effectively applied. We concluded that Emmaus Projects could make the greatest contribution by concentrating its focus on meeting the needs of its client group of homeless young people through whom we have developed our experience, strength and expertise. During the year this resulted in Emmaus Projects ending its long and close association with the Aldershot Soup Kitchen which supports a different client group. This was much regretted as it was the Soup Kitchen that gave birth to Emmaus Projects, but the separation was considered necessary in the interest of a more clearly defined focus upon our homeless young people. With this closer focus upon our chosen client group and as our reputation for expertise in this area continues to grow, so further opportunities to empower homeless young people to achieve independence are presented to us and considered. The Aldershot Foyer is planned for next year and, whilst its client group may differ from our own, with its focus on young people we look forward to the opportunities and challenges for Emmaus Projects that its opening will present.

At Emmaus Projects we believe that our greatest asset is the continued dedication and commitment of our staff and that effort and resource spent on their development has a direct impact upon the success and well being of our young people. During the year the decision to pay our staff on the National Joint Council scales was fully implemented. This has enabled us to recruit and retain a staff team of the highest calibre which, together with an effective training programme and our management strength, places us in a strong position to empower homeless young people to achieve independence. Increased pay has an inevitable impact on our costs, but our financial position remains satisfactory and efforts to increase our income are already underway.

We are delighted to be able to report another year of considerable progress and we are confident that, with the continued support of the many organisations and individuals that we enjoy, we will continue to succeed in our mission to empower homeless young people to achieve independence.

Fixed Assets

The changes in fixed assets during the year are disclosed in note 12 to the financial statements.

Directors

The directors during the year under review and up to the date of this report were:

P J Viveash (Chairman)

Mrs B D Crowther (Vice chairman)

M J Brown (Treasurer)

Miss S Robinson (Secretary) : appointed 9 April 1997

Mrs N M Carman

Emmaus Projects Limited

Report of the directors for the year ended 31 March 1998

Directors (continued)

P E Crane	
Mrs R C Crane	
Mrs S Ogden	: appointed 6 June 1998
C H G Parrott	
G Thomas	: appointed 30 October 1997
J P Elliott	: resigned 7 June 1997
Mrs V P End	: resigned 5 April 1997
M L S Tinling	: resigned 5 April 1997

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit from financial activities for the period under review. In preparing those financial statements, the directors are required to


- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed and;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Wise & Co have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed in accordance with Section 385 Companies Act 1985.

On behalf of the Board of Directors


Miss S Robinson
Secretary

7 September 1998

Emmaus Projects Limited

**Report of the Auditors to the Members of
Emmaus Projects Limited**

We have audited the financial statements on pages 6 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of the directors and the auditors

As described on page 4 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 1998 and of the deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Wise & Co, Chartered Accountants

Registered Auditors

Sovereign House

155a High Street

Aldershot

Hampshire GU11 1TT

16 September 1998

Emmaus Projects Limited

Statement of financial activities for the year ended 31 March 1998

Income and expenditure	Note	Hostel Funds	Designated Funds	Total Funds 1998	Total Funds 1997
		£	£	£	£
Incoming resources:	2				
Major grants and donations	3	56,785	32,880	89,665	95,027
Other donations	4	21,021	-	21,021	24,261
Housing benefit & rental income	5	113,966	-	113,966	104,027
Bank interest receivable		4,508	-	4,508	4,182
Other income	6	401	-	401	5,839
		<u>196,681</u>	<u>32,880</u>	<u>229,561</u>	<u>233,336</u>
Resources expended:					
<i>Direct charitable expenditure</i>					
Hostel & project staff salaries		139,709	30,539	170,248	128,546
Other hostel & project operating costs	7	56,175	6,422	62,597	56,003
		<u>195,884</u>	<u>36,961</u>	<u>232,845</u>	<u>184,549</u>
<i>Administration & general costs</i>					
Administrative salaries		12,710	-	12,710	32,052
Other administrative costs	8	5,757	-	5,757	8,158
		<u>18,467</u>	<u>-</u>	<u>18,467</u>	<u>40,210</u>
Total resources expended		<u>214,351</u>	<u>36,961</u>	<u>251,312</u>	<u>224,759</u>
Net (outgoing)/incoming resources for the year	10	(17,670)	(4,081)	(21,751)	8,577
Funds transferred		4,227	(4,227)	-	
Fund transferred to English Churches Housing Group		-	-	-	(13,485)
Net movement in funds		<u>(13,443)</u>	<u>(8,308)</u>	<u>(21,751)</u>	<u>(4,908)</u>
Funds at beginning of year		43,394	205,314	248,708	253,616
Funds at end of year		<u>29,951</u>	<u>197,006</u>	<u>226,957</u>	<u>248,708</u>

Continuing Operations

All income and expenditure relates to continuing activities.

Total Recognised Gains and Losses

The charity has no recognised gains and losses other than the income and outgoings stated above for the current and previous years.

The notes on pages 8 to 12 form part of these financial statements

Emmaus Projects Limited

Balance sheet as at 31 March 1998

	Note	1998		1997	
		£	£	£	£
Fixed assets					
Tangible assets	12		123,970		128,197
Current assets					
Debtors	13	18,848		31,841	
Cash at bank					
Short term deposits		69,443		75,123	
Other bank balances		27,601		24,528	
Cash in hand		168		306	
		<u>116,060</u>		<u>131,798</u>	
Creditors - amounts falling due within one year	14	<u>13,073</u>		<u>11,287</u>	
Net current assets			102,987		120,511
Total assets less current liabilities			<u>226,957</u>		<u>248,708</u>
Accumulated Funds					
Hostel funds			29,951		43,394
Designated funds	15		<u>197,006</u>		<u>205,314</u>
Total Funds	16		<u>226,957</u>		<u>248,708</u>

On behalf of the Board of Directors


P J Viveash
Chairman

Approved by the Board on 7 September 1998

The notes on pages 8 to 12 form part of these financial statements

Emmaus Projects Limited

Notes forming part of the financial statements for the year ended 31 March 1998

1 Accounting policies

Accounting convention

The financial statements are prepared on a going concern basis under the historical cost convention and in accordance with applicable accounting standards and the statement of recommended practice "Accounting for Charities". The accounting policies adopted are set out below.

Income

Donations are accounted for in the financial statements on a received basis. Income tax on donations received under deed of covenant and gift aid is reclaimed from the Inland Revenue and credited to income in the year in which the related donations are received.

Income grants from Hyde Housing Association are accounted for in the year to which those grants relate. Other income grants are credited to income when received.

Grants received to support the purchase of tangible fixed assets are credited to income over the expected useful life of the assets concerned on the same basis on which depreciation is provided against those assets.

Housing benefit and rental income in respect of persons living in the charity's hostels are taken to income in the year to which they relate.

Expenditure

Direct charitable expenditure and support is dealt with in the accounts in the year for which such outgoings are incurred and on an accruals basis generally.

Tangible fixed assets and depreciation

Freehold land and buildings used as hostel accommodation are capitalised at acquisition cost, together with the cost of renovations and work on improvements carried out subsequent to acquisition. General building repair and maintenance expenditure is written off in hostel operating costs.

Based on renovation and improvement work completed, general building maintenance carried out, linked with an expected useful life of up to 50 years, no depreciation is provided on freehold buildings as it is considered immaterial.

Other fixed assets are capitalised at their acquisition cost and depreciation is provided at the following annual rates so as to write off those assets over their expected useful life.

Hostel furniture and equipment	: 33.33% on cost
Office equipment	: 33.33% on cost

2 Income

The charity's income and deficit (1997surplus) for the year are attributable to the one principal activity, being the provision of accommodation and support for the homeless in the Blackwater Valley area of North East Hampshire.

Emmaus Projects Limited

Notes forming part of the financial statements for the year ended 31 March 1998

3	Major grants and donations	<i>Hostels</i>	<i>Phoenix Project</i>	1998	1997
		£	£	£	£
	Hyde Housing Association:				
	SNMA	45,106	-	45,106	45,639
	Furniture allowance	1,797	-	1,797	1,843
	National Lottery Charities Board	-	31,880	31,880	15,181
	Hampshire County Council	-	1,000	1,000	4,700
	Department of Environment	-	-	-	20,164
	Comic Relief	-	-	-	7,500
		46,903	32,880	79,783	95,027
	Estate of Mrs M M Rouse, dec'd	6,000	-	6,000	-
	St Peters Mission	1,632	-	1,632	-
	Aldershot Garrison Sergeants Mess	1,250	-	1,250	-
	Acorns of Ash	1,000	-	1,000	-
		56,785	32,880	89,665	95,027
4	Other donations	<i>Hostels</i>	<i>Phoenix Project</i>	1998	1997
		£	£	£	£
	Churches	10,688	-	10,688	10,587
	Secular organisations	877	-	877	3,132
	Individuals	7,788	-	7,788	7,024
		19,353	-	19,353	20,743
	Under deed of covenant & gift aid:				
	Income tax recoverable	1,668	-	1,668	3,518
		21,021	-	21,021	24,261
5	Housing benefit & rental income	<i>Hostels</i>	<i>Phoenix Project</i>	1998	1997
		£	£	£	£
	Housing benefit	106,716	-	106,716	98,021
	Rent & personal charges	7,250	-	7,250	6,006
		113,966	-	113,966	104,027
6	Other income	<i>Hostels</i>	<i>Phoenix Project</i>	1998	1997
		£	£	£	£
	Student placement income	306	-	306	2,890
	Administrative costs recovered	-	-	-	2,863
	Membership subscriptions	95	-	95	86
		401	-	401	5,839

Emmaus Projects Limited

Notes forming part of the financial statements for the year ended 31 March 1998

7	Other hostel & project operating costs	Hostels £	Phoenix Project £	1998 £	1997 £
	Phoenix activities costs	-	4,226	4,226	-
	Staff recruitment, training & travel	6,679	716	7,395	7,752
	Rent, rates & water	2,800	-	2,800	2,348
	Insurance	1,762	-	1,762	1,424
	Light & heat	4,619	-	4,619	6,103
	Repairs & maintenance	11,977	-	11,977	14,154
	General housekeeping & cleaning	6,834	-	6,834	6,600
	Printing, stationery & postage	3,386	394	3,780	2,967
	Telephone	2,150	698	2,848	2,574
	Depreciation:				
	Furniture & equipment	10,898	-	10,898	9,182
	Loss on disposal of fixed assets	460	-	460	-
	Sundry other expenses	4,610	388	4,998	2,899
		<u>56,175</u>	<u>6,422</u>	<u>62,597</u>	<u>56,003</u>

8	Other administrative costs	1998 £	1997 £
	Telephone	579	702
	Audit	2,115	2,086
	Legal & other professional fees	867	1,381
	Bank charges	677	575
	Sundry other expenses	1,519	547
		<u>5,757</u>	<u>5,291</u>
	Administrative charge : Winterwatch	-	2,867
		<u>5,757</u>	<u>8,158</u>

9	Staff costs	1998 £	1997 £
	Wages and salaries	169,043	147,233
	Social security costs	13,915	13,365
		<u>182,958</u>	<u>160,598</u>

The average monthly number of employees during the year was

	Number	Number
Administration	1	2
Hostel and project management	5	4
Project and hostel workers	6	5
Live in volunteers	3	2
	<u>15</u>	<u>13</u>

Emmaus Projects Limited

Notes forming part of the financial statements for the year ended 31 March 1998

10	Net incoming resources	1998 £	1997 £
	Net incoming resources for the year are stated :		
	After crediting		
	Interest receivable	4,508	4,182
	and after charging		
	Directors' emoluments	-	-
	Auditors remuneration	2,115	2,086
	Depreciation - owned assets	10,898	9,182
	Loss on disposal of fixed assets	460	-
	Operating lease rentals	1,154	748

11 Taxation

The company is a registered charity (registered number 900308) and is not liable to UK corporation tax on income derived from its charitable activities.

12	Tangible assets	Freehold land & buildings £	Freehold building improvements £	Furniture & equipment £	Total £
	<i>Cost</i>				
	At beginning of year	93,814	18,595	27,549	139,958
	Additions in the year	-	-	7,331	7,331
	Disposals	-	-	(1,924)	(1,924)
	At end of year	93,814	18,595	32,956	145,365
	<i>Depreciation</i>				
	At beginning of year	-	-	11,761	11,761
	Charge for year	-	-	10,898	10,898
	Disposals	-	-	(1,264)	(1,264)
	At end of year	-	-	21,395	21,395
	<i>Net book value at end of year</i>	93,814	18,595	11,561	123,970
	<i>Net book value at beginning of year</i>	93,814	18,595	15,788	128,197

The charity's freehold land and buildings are situate at 61 Victoria Road, Aldershot, Hampshire.

13	Debtors: amounts falling due within one year	1998 £	1997 £
	Debtors	16,919	30,858
	Prepayments and accrued income	1,929	983
		18,848	31,841
14	Creditors: amounts falling due within one year	1998 £	1997 £
	Creditors	1,661	1,227
	Social security & other taxes	3,550	3,577
	Accruals and deferred income	7,862	6,483
		13,073	11,287

Emmaus Projects Limited

Notes forming part of the financial statements for the year ended 31 March 1998

15 Other funds	Balance	Movement in funds		Funds	Balance
	1997	Incoming	Outgoing	Transferred	1998
	£	£	£	£	£
<i>Designated</i>					
Property acquisition fund	130,000	-	-	-	130,000
Furniture & equipment fund	15,788	-	-	(4,227)	11,561
Phoenix project fund	9,526	32,880	(36,961)	-	5,445
Emergency fund	50,000	-	-	-	50,000
	205,314	32,880	(36,961)	(4,227)	197,006

16 Analysis of net assets between funds

	Tangible assets	Cash and deposits	Other net assets	Total
	£	£	£	£
<i>Designated funds</i>				
Property acquisition fund	112,409	17,591	-	130,000
Furniture & equipment fund	11,561	-	-	11,561
Phoenix project fund	-	5,445	-	5,445
Emergency fund	-	50,000	-	50,000
	123,970	73,036	-	197,006
<i>Hostels Fund</i>	-	24,176	5,775	29,951
	123,970	97,212	5,775	226,957

17 Reconciliation of movement in accumulated funds

	1998	1997
	£	£
(Deficit)/surplus for the financial year	(21,751)	8,577
Fund transferred to English Churches Housing Group		(13,485)
Net addition to accumulated funds	(21,751)	(4,908)
Opening funds	248,708	253,616
Closing funds	226,957	248,708

18 Other financial commitments

At 31 March 1998 the company had an annual commitment of £2,370 under operating leases which expire within 2 to 5 years (1997 £748).