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**EMMAUS GREENWICH**

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**REPORTS AND FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 1998**

**Company Number: 3422357**

**Registered Charity Number: 1064472**



**LAKIN ROSE**  
**CHARTERED ACCOUNTANTS**

**EMMAUS GREENWICH**  
**REPORTS AND FINANCIAL STATEMENTS**  
**PERIOD ENDED 30 JUNE 1998**

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## EMMAUS GREENWICH

### LEGAL AND ADMINISTRATION DETAILS

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**Company No:** 3422357

**Registered Charity No:** 1064472

**Emmaus Greenwich Council:** Rev J Heskins  
Ms B Fussey  
Mr T Patton  
Ms J Rickford  
Rev J Lee

Mr N Kittoe  
Ms T Sumption  
Mr D Barnett  
Mr I Mackechnie-Jarvis

**Secretary:** Rev J Lee

**Registered Office:** 4 Salisbury Villas  
Station Road  
Cambridge  
CB1 2JF

**Administrative Office:** 226 Elmley Street  
Plumstead  
London  
SE18 7NN

**Accountants:** Lakin Rose  
Enterprise House  
Vision Park  
Histon  
Cambridge  
CB4 9ZR

**Bankers:** National Westminster Bank plc  
26 Trinity Street  
Cambridge  
CB2 1TH

## **EMMAUS GREENWICH**

### **REPORT OF THE EMMAUS GREENWICH COUNCIL**

#### **FOR THE PERIOD ENDED 30 JUNE 1998**

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The members of Emmaus Greenwich Council who are also the trustees and directors of Emmaus Greenwich, present their report and the financial statements for the period ended 30 June 1998.

#### **HISTORY AND PURPOSE OF THE EMMAUS MOVEMENT**

The Emmaus Movement was founded in France just after the Second World War by Abbe Pierre, a priest and former Member of the French Parliament, to combat poverty and homelessness. He began by sharing his presbytery with the homeless and encouraged them to recycle and sell things that others had thrown away. There are now some 400 self-supporting, self-governing secular Communities in 44 countries.

Emmaus offers homeless and unemployed people a home, work, companionship and a chance to regain self-respect. Each Community combines residential accommodation with a self-supporting business based on the collection and sale of donated goods, as well as refurbishment and recycling. Members, known as Companions, have the opportunity, regardless of ability or skills, to help themselves through work and thereby rediscover their self-worth and take steps towards their own personal development and re-integration into society at large.

The Communities are open to anyone, irrespective of background. The principle is that no one will be discriminated against. There are only two conditions: every Companion signs off income support or job seekers allowance and neither drink/drugs or violence are allowed. Each Companion receives food, clothing, shelter and spending money, at present £30 per week plus a further £5 saved for when they leave, with all found.

#### **EMMAUS GREENWICH**

The Community in Greenwich opened in April 1994 with a small group of Companions. The first task was to renovate and adapt the building so that the Community could reach its capacity of 16. It was officially opened by HRH The Prince of Wales in November of the same year. Until October 1997 Emmaus Greenwich was part of Emmaus UK. However, as a result of restructuring, Emmaus Greenwich became a Charity in its own right from 1st November 1997. In addition Emmaus Greenwich is a Company Limited by Guarantee. Emmaus Greenwich is governed by its Memorandum and Articles of Association.

#### **RESULTS AND FINANCIAL REVIEW**

The Statement of Financial Activities covers a period of eight months from November 1997 to June 1998.

The results of the period's operations are set out in the attached financial statements. The net outflow of funds for the period amounted to £14,660. The retained reserves at 30 June 1998 amount to £192,043.

The present accounts are for our first 'year' as an independent Community and as such only cover an 8 month period. As such it is difficult to make comparisons or to draw any conclusions in relation to previous years. However, the Community has built up a modest reserve during these first 4 years and although the accounts show a shortfall in income over expenses, this was within the budget set by the Trustees. As a Community we are indebted to the National Lottery Charities Board for their grant which covers the salary of the Deputy Community Leader and contributes to that of the Community Leader. Throughout the year we receive tremendous support from Marks and Spencer in both Eltham and Woolwich, in the form of donated food. We also receive donations from a few regular supporters including local Churches and businesses as well as individuals.

Our revenue from trading continues to grow steadily despite the fact that the Community is situated in an area of high unemployment and great social need. Our largest source of income is from accommodation receipts. During the current period this has fallen due to the fact that as a Community we made a decision both to reduce the number of Companions for a short period so as to encourage stability, and to make more places available to refugees and non-European nationals.

Expenditure has been kept to a similar level as previous years and kept within the budget.

The assets of Emmaus Greenwich are held and used solely in the pursuit of its aims. Their recoverable values do not materially differ from those shown in the accounts.

## **EMMAUS GREENWICH**

### **REPORT OF THE EMMAUS GREENWICH COUNCIL**

**FOR THE PERIOD ENDED 30 JUNE 1998**

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#### **FUTURE PLANS**

As the Community moves into its first complete year we are looking forward to a time of development. We are planning to become members of Emmaus International and strengthen our links as a member of the Federation of Emmaus in the UK. In addition we have an ambitious programme of renovation planned for the building. This will all depend on securing the necessary funding, however, we plan to replace the windows, redecorate the interior of the building and landscape the garden and surrounding area. We are also looking to increase our trading activity by establishing a larger retail outlet. Above all we will continue to provide a place of welcome and a home for those who wish to share our Community life, enabling them to get back their self-esteem.

#### **EMMAUS GREENWICH COUNCIL**

The members who served during the year and their dates of appointment and resignation were as follows:

Rev J Heskins	appointed November 1997
Mr N Kittoe	appointed November 1997
Ms B Fussey	appointed November 1997
Ms T Sumption	appointed November 1997
Mr T Patton	appointed November 1997
Mr D Barnett	appointed February 1998
Ms J Rickford	appointed November 1997
Ms E Bensted	appointed November 1997; resigned January 1998
Mr F Watts	appointed November 1997; resigned March 1998
Mr I Mackechhnie-Jarvis	appointed November 1997
Rev J Lee	appointed November 1997

## EMMAUS GREENWICH

### REPORT OF THE EMMAUS GREENWICH COUNCIL

FOR THE PERIOD ENDED 30 JUNE 1998

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#### STATEMENT OF RESPONSIBILITIES OF THE MEMBERS OF EMMAUS GREENWICH COUNCIL

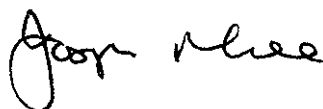
The members of Emmaus Greenwich Council are required by law to prepare financial statements for each financial period which give a true and fair view of the financial activities of the charity and of its financial position at the end of that period. In preparing those financial statements the members of Emmaus Greenwich Council are required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The members of Emmaus Greenwich Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 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.

The members of Emmaus Greenwich Council confirm that the accounts comply with current statutory requirements.

Approved by the members of Emmaus Greenwich Council on 27 May 1999 and signed on their behalf.



Rev J Lee  
Member of Emmaus Greenwich Council

## **ACCOUNTANTS' REPORT ON THE UNAUDITED ACCOUNTS TO THE MEMBERS OF EMMAUS GREENWICH**

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We report on the accounts for the period ended 30 June 1998 set out on pages 6 to 12.

### **Respective responsibilities of the members of Emmaus Greenwich Council and reporting accountants**

As described on page 4 the members of Emmaus Greenwich Council are responsible for the preparation of the accounts, and they consider that the charity is exempt from an audit.

It is our responsibility to carry out procedures designed to enable us to report our opinion.

### **Basis of Opinion**

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the charity, and making such limited enquiries of the members of Emmaus Greenwich Council as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

### **Opinion**

In our opinion:

- a) the accounts are in agreement with the accounting records kept by the charity under section 221 of the Companies Act 1985;
- b) having regard only to, and on the basis of, the information contained in those accounting records:
  - (1) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
  - (2) the charity satisfied the conditions for exemption from an audit of the accounts for the period specified in section 249(4) of the Act and did not, at any time within the period, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



**Lakin Rose**

**Chartered Accountants**

**Enterprise House  
Vision Park  
Histon  
Cambridge  
CB4 9ZR**

**27 May 1999**

**EMMAUS GREENWICH**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE PERIOD ENDED 30 JUNE 1998**

**SUMMARY INCOME AND EXPENDITURE ACCOUNT**

	Note	Unrestricted Funds £	Restricted Funds £	Total 1998 8 months £	Total 1997 12 months £
<b>INCOMING RESOURCES</b>					
Sale of donated goods		20,134	-	20,134	25,429
Accommodation receipts		33,102	-	33,102	54,261
Grants receivable		-	10,745	10,745	26,390
Government grants		-	3,435	3,435	6,977
Donations and gifts	2	2,560	2,700	5,260	9,448
Other income		802	-	802	888
<b>TOTAL INCOMING RESOURCES</b>		<b>56,598</b>	<b>16,880</b>	<b>73,478</b>	<b>123,393</b>
<b>RESOURCES EXPENDED</b>					
	7				
<b>Direct charitable expenditure:</b>					
Direct cost of sales		6,335	5,816	12,151	16,403
Shop costs		2,998	729	3,727	6,477
Companions' costs		28,893	2,700	31,593	43,364
Community house costs		19,379	1,596	20,975	36,184
		<u>57,605</u>	<u>10,841</u>	<u>68,446</u>	<u>102,428</u>
<b>Other expenditure:</b>					
Management and administration of the charity		2,652	17,040	19,692	22,649
<b>TOTAL RESOURCES EXPENDED</b>		<b>60,257</b>	<b>27,881</b>	<b>88,138</b>	<b>125,077</b>
<b>NET OUTGOING RESOURCES BEFORE TRANSFERS</b>		<b>(3,659)</b>	<b>(11,001)</b>	<b>(14,660)</b>	<b>(1,684)</b>
Transfers between funds		19,498	(19,498)	-	-
<b>NET INCOMING/OUTGOING RESOURCES</b>		<b>15,839</b>	<b>(30,499)</b>	<b>(14,660)</b>	<b>(1,684)</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>15,839</b>	<b>(30,499)</b>	<b>(14,660)</b>	<b>(1,684)</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>	3	<b>143,046</b>	<b>63,657</b>	<b>206,703</b>	<b>208,387</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>158,885</b>	<b>33,158</b>	<b>192,043</b>	<b>206,703</b>

- All transactions are derived from continuing activities.
- The notes on pages 8 - 12 form part of these financial statements.
- All recognised gains and losses are included in the Statement of Financial Activities.



**AT 30 JUNE 1998**

		30 June 1998		31 October 1997	
	Note	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	8		172,398		183,978
<b>CURRENT ASSETS</b>					
Debtors	9	4,243		504	
Cash at bank and in hand		28,342		32,128	
		<u>32,585</u>		<u>32,632</u>	
<b>CREDITORS: amounts falling due within one year</b>	10	12,940		9,907	
		<u>12,940</u>		<u>9,907</u>	
<b>NET CURRENT ASSETS</b>			19,645		22,725
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>192,043</u>		<u>206,703</u>
<b>NET ASSETS</b>			<u>£ 192,043</u>		<u>£ 206,703</u>
<b>FUNDS</b>					
Restricted funds:	12		33,158		63,657
Unrestricted funds:					
General funds			158,885		143,046
			<u>£ 192,043</u>		<u>£ 206,703</u>

The members of Emmaus Greenwich Council consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 249A(2) of the Companies Act 1985 and no notice requiring an audit has been deposited under section 249B(2) of the Act. The members of Emmaus Greenwich Council acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the charity as at 30 June 1998 and of its net expenditure for the period then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the charity.

Approved by the members of Emmaus Greenwich Council on 27 May 1999 and signed on their behalf.

Jay Wheeler

Rev J Lee  
Member of Emmaus Greenwich Council

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

## EMMAUS GREENWICH

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 1998

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#### 1. ACCOUNTING POLICIES

##### **Basis of accounting**

The financial statements are prepared under the historical cost basis and in accordance with the Statement of Recommended Practice (Accounting by Charities), and applicable accounting standards.

The charitable company continues the activities relating to the Greenwich branch of an unincorporated charity known as Emmaus UK which ceased operating on 31 October 1997. On 1 November 1997 the assets and liabilities of the unincorporated charity were transferred to the charitable company and to three other charitable companies incorporated to acquire respectively the assets and liabilities of the Emmaus communities in Cambridge and Coventry and the Emmaus UK federation office in Cambridge.

The comparative figures relate to the activities of the Greenwich community previously reported within the accounts of Emmaus UK.

The charity has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cashflow statement.

##### **Fund Accounting**

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Emmaus Greenwich Council in furtherance of the general charitable objectives. Designated funds are amounts that have been set aside at the discretion of the Emmaus Greenwich Council.

Restricted funds are amounts for specific purposes as defined by the donor.

##### **Incoming resources**

Incoming resources represents the total income receivable during the period comprising grants, donations and gifts. All incoming resources are recognised at the point of receipt of monies except where earlier recognition is prudent, for example grant monies where the grant is made in respect of the accounting period. Incoming resources are deferred where the conditions for receipt are not met at the end of the accounting period.

##### **Resources expended**

Those costs which are directly attributable to different functions of the charity are allocated as such. Where costs relate to more than one function of the charity, the members of Emmaus Greenwich Council do not consider it appropriate to allocate individual costs at the point where the cost is incurred. Alternatively the members of Emmaus Greenwich Council apportion aggregated costs in proportions which they consider to be a fair estimate of their functional split.

##### **Depreciation**

Depreciation is provided to write off the cost of fixed assets over their estimated useful lives using the following rates:

Leasehold property	- 2% straight line
Plant and equipment	- 10% straight line
Motor vehicles	- 25% straight line

#### 2. DONATIONS AND GIFTS

The community occupies a building which is owned by a trust. Whilst the community has a right to use the building for a lease term of 999 years there are no rights of assignment of the lease, hence the building is not shown in these accounts as either a fixed asset or as incoming resources. The building was bought by an anonymous donor in 1994 for the sum of £200,000 and Emmaus Greenwich pay an annual rent of £100 under the terms of the lease.

# EMMAUS GREENWICH

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 1998

### 3. TOTAL FUNDS BROUGHT FORWARD

As described in note 1, the charitable company acquired the assets and liabilities of the Greenwich community from the previous unincorporated charity known as Emmaus UK when that charity devolved all of its assets and liabilities on 1 November 1997.

The funds transferred represent the aggregate of the restricted and unrestricted funds previously attributable to the Greenwich community, and have been treated as opening balances within these financial statements.

The assets represented by each fund continue to be written down over their estimated useful lives based upon their original costs.

### 4. NET MOVEMENT IN FUNDS

8 months 1998 £	12 months 1997 £
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The net movement in funds is stated after charging:

Depreciation of tangible fixed assets

- owned by the charity

- held under finance leases

6,389	3,003
2,067	4,034

### 5. EMPLOYEES AND STAFF COSTS

8 months 1998 Number	12 months 1997 Number
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In aggregate the number of full and part time persons employed during the period was:

Management and administration

2	3
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Staff costs were as follows:

Salaries and wages

£	£
£ 16,841	£ 22,649

### 6. REMUNERATION AND EXPENSES OF MEMBERS OF EMMAUS GREENWICH COUNCIL

No member of Emmaus Greenwich Council received remuneration for their services during the period.

No member of Emmaus Greenwich Council received any reimbursed expenses during the period.

**EMMAUS GREENWICH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 1998**

**7. ANALYSIS OF TOTAL RESOURCES EXPENDED**

	Staff Costs £	Other £	Depreciation £	Total £
<b>Direct Charitable expenditure</b>				
Direct cost of sales	-	7,352	4,799	12,151
Shop costs	-	3,727	-	3,727
Companions' costs	-	31,593	-	31,593
Community house costs	-	17,488	3,487	20,975
	-	60,160	8,286	68,446
<b>Other expenditure:</b>				
Management and administration of the charity	16,841	2,681	170	19,692
	<u>£ 16,841</u>	<u>£ 62,841</u>	<u>£ 8,456</u>	<u>£ 88,138</u>

**8. TANGIBLE ASSETS**

	Leasehold property £	Plant and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
1 November 1997	149,683	27,916	35,290	212,889
Disposals	-	(2,994)	(6,495)	(9,489)
30 June 1998	<u>149,683</u>	<u>24,922</u>	<u>28,795</u>	<u>203,400</u>
<b>Depreciation</b>				
1 November 1997	8,343	4,489	16,079	28,911
Charge for the year	1,996	1,661	4,799	8,456
Disposals	-	(1,096)	(5,269)	(6,365)
30 June 1998	<u>10,339</u>	<u>5,054</u>	<u>15,609</u>	<u>31,002</u>
<b>Net Book Value</b>				
30 June 1998	<u>£ 139,344</u>	<u>£ 19,868</u>	<u>£ 13,186</u>	<u>£ 172,398</u>
31 October 1997	<u>£ 141,340</u>	<u>£ 23,427</u>	<u>£ 19,211</u>	<u>£ 183,978</u>

The net book value at 30 June 1998 represents fixed assets used for:

Direct cost of sales	-	-	13,186	13,186
Community house costs	139,344	19,047	-	158,391
Management and administration	-	821	-	821
	<u>£ 139,344</u>	<u>£ 19,868</u>	<u>£ 13,186</u>	<u>£ 172,398</u>

**9. DEBTORS**

	1998 £	1997 £
Other debtors	2,841	504
Prepayments and accrued income	1,402	-
	<u>£ 4,243</u>	<u>£ 504</u>

EMMAUS GREENWICH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 1998

<b>10. CREDITORS: amounts falling due within one year</b>	<b>1998</b>	<b>1997</b>			
	<b>£</b>	<b>£</b>			
Obligations under hire purchase leases	-	1,797			
Trade creditors	4,345	4,360			
Other creditors	-	250			
Accruals and deferred income	8,595	3,500			
	<hr/>	<hr/>			
	£ 12,940	£ 9,907			
	<hr/>	<hr/>			
<b>11. OPERATING LEASE COMMITMENTS</b>	<b>1998</b>	<b>1997</b>			
	<b>£</b>	<b>£</b>			
At 30 June 1998 the charity had annual commitments under non cancellable operating leases as follows:					
Expiry date:					
After five years	£ 100	£ 100			
	<hr/>	<hr/>			
<b>12. RESTRICTED FUNDS</b>					
	<b>Balance at</b>	<b>Incoming resources</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Balance at</b>
	<b>1 November 1997</b>				<b>30 June 1998</b>
Tudor Trust fund	18,979	-	267	-	18,712
National Lottery fund	42,578	10,745	21,279	(19,498)	12,546
DETR fund	-	3,435	3,435	-	-
Howard fund	2,100	-	200	-	1,900
Marks and Spencer fund	-	2,700	2,700	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	£ 63,657	£ 16,880	£ 27,347	£ (19,498)	£ 33,158

Tudor Trust fund represents a grant to repair and enhance the community house.

National Lottery fund represents a grant from the National Lottery Charities Board for the following purposes:

Provision of educational and promotional materials.

Purchase of a new van and upgrading of the fire alarm system.

Three years salary funding for the deputy community leader.

Surplus salary funding was transferred to general funds during the period with the agreement of the National Lottery Charities Board.

The DETR fund represents salary funding for the community leader from the Department of the Environment, Transport and the Regions.

The Howard Fund represents a grant for the purchase of a computer.

The Marks & Spencer fund represents food donated to the community on a regular basis for its own consumption.



**EMMAUS GREENWICH****NOTES TO THE FINANCIAL STATEMENTS****FOR THE PERIOD ENDED 30 JUNE 1998**

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**13. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds £</b>
Tangible assets	137,095	35,303	172,398
Current assets	32,585	-	32,585
Current liabilities	(10,795)	(2,145)	(12,940)
<b>Total Net Assets</b>	<b>£ 158,885</b>	<b>£ 33,158</b>	<b>£ 192,043</b>

**14. SHARE CAPITAL**

Emmaus Greenwich is a company limited by guarantee and has no share capital. The liability of each member is limited to £1.