
EMMAUS GREENWICH
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

WEDNESDAY



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23/04/2008
COMPANIES HOUSE



LAKIN ROSE
CHARTERED ACCOUNTANTS

EMMAUS GREENWICH
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1 - 2
Trustees' report	3 - 9
Independent auditors' report	10 - 11
Statement of financial activities	12
Balance sheet	13
Notes to the financial statements	14 - 22

EMMAUS GREENWICH
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2007**

Trustees

J Barrass
B Fussey
P Chambers
P Gale
N Georgis
P Gingold
R Gomez
V Morse (resigned 30/06/2007)
K Parrott
G Stevenson
T Sumption

Company registered number

3422357

Charity registered number

1064472

Registered office and principal operating office

226 Elmley Street
Plumstead
London
SE18 7NN

Company secretary

B Fussey

Auditors

Lakin Rose Limited
Chartered Accountants
Pioneer House
Vision Park
Histon
Cambridge
CB24 9NL

EMMAUS GREENWICH
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2007**

Advisers (continued)

Bankers

HSBC Bank plc
15 Wellington Street
Woolwich
London
SE18 6PH

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

EMMAUS GREENWICH
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2007

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report together with the audited financial statements of Emmaus Greenwich (the charity) for the year ended 30 June 2007. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

a. Constitution

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 20 August 1997.

b. 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.

The current trustees are shown on page 1. The changes in trustees during the year and since are as follows:

V Morse - resigned 30 June 2007

c. Policies adopted for the induction and training of Trustees

New trustees are given an information pack about the charity and an existing trustee meets with them individually to bring them up to speed with matters concerning the charity. Where appropriate, the charity will find suitable training courses for trustees to attend.

One key issue for new trustees is gaining an understanding of how Emmaus communities work. They are therefore encouraged to visit other communities and meet with other members of the Emmaus movement.

d. Organisational structure and decision making

The board of trustees, which meets once every two months, governs Emmaus Greenwich. Following prior recommendation and interview by the Chair of Trustees and another trustee, the trustee board appoints new trustees as required. There are sub-committees focusing on finance, fundraising and recruitment. The Finance sub-committee, consisting of the General Manager and two trustees, oversees all financial matters, and meets two-monthly in the interval between trustee meetings.

e. Risk management

Risks entailed in the management and governance of the Community are constantly under review by the board of trustees. Policies are complied with on a daily basis, and one trustee with responsibility for Risk Assessment carries out a monthly check.

We carry out regular reviews of our Health and Safety policy. Every week we carry out a fire alarm test and periodically there is a fire drill. CRB checks have been completed for all staff. Financial controls are in place which are monitored according to Charity Commission guidelines.

EMMAUS GREENWICH
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2007

Objectives and Activities

a. Policies and objectives

The principal object of the charity is to provide homeless and unemployed people with a home, meaningful work, companionship and a chance to regain self-respect. Each Emmaus Community combines residential accommodation with a 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.

There have been no changes in the objectives since the last report.

b. Strategies for achieving objectives

Mainly, this will be through the continuing development of Emmaus Greenwich as an effective social enterprise, where our trading activities move us closer to becoming financially self-supporting. We expect that this will facilitate our ability to consistently

- provide quality programmes to support homelessness,
- improve significantly on the quality of life and service we provide to Companions,
- support other projects in greater need (i.e. solidarity),
- widen our role as a valuable resource in the local Community.

In addition, we will continue to utilise the funding available to Emmaus Greenwich via governmental agencies and supportive organisations.

c. Activities for achieving objectives

The values of Emmaus Greenwich are founded upon those of the Emmaus International manifesto which all Emmaus Communities accept when they join the Emmaus movement.

Emmaus Greenwich was officially opened in 1994 by HRH The Prince of Wales and Abbe Pierre, a remarkable priest and former member of the French parliament who began the movement in France just after the Second World War. Emmaus provides a solution to the cycle of homelessness by addressing the complex needs of homeless people in a holistic way. Through the service, homeless people are able to regain self-esteem and dignity - the necessary ingredients required for their recovery and development.

Emmaus Greenwich, as with other Emmaus Communities, are open to anyone who is homeless and destitute. There are a few conditions: every Companion signs off income support or job seekers allowance and agrees to work to the best of their ability. Drink and drugs are not allowed. Each Companion receives food, clothing, shelter and spending money, at present £32 per week plus a further £8, which is saved for when they leave.

We offer a wide variety of voluntary work opportunities and work experience, which enables the Companions to learn skills required for various professions (e.g. catering, woodworking, electrical, retail, transport and warehousing, etc.).

The following below is a profile of the programs and features offered to the Companions we take in:

- Non judgmental and welcoming to all provided that the risk to Community is manageable
- Establishment of identity through assistance with application and payment for birth certificates and passports
- Community life and companionship
- Companions stay for as long as they need to and the average length of stay is six months

EMMAUS GREENWICH
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2007

- On the job training
- Access to a qualified Counsellor
- Access to health care
- Citizenship through concern for others and working with the local community
- Integrating into local homeless provision
- A road back from welfare to self-respect by being self-supporting
- A pathway back into the world of work and job skills

Emmaus Greenwich also provides benefits to others beyond the Companions that are its primary charge. The Greenwich community at large are a benefactor of our operations via the following

As a source of affordable goods, the work we do of collecting and re-using people's unwanted furniture and domestic goods, as a community business, helps to balance out the social equation. We collect largely from the more affluent in society, to whom we offer a service by collecting unwanted and surplus possessions, as well as a means to enable those people to feel more engaged in supporting those less well off. We deliberately price our goods below the market to make what we sell more available to people on low income. In addition we work in partnership with Social Service and Mental Health agencies and will, in cases of special need, provide items of furniture free of charge.

As a local community resource, we are very active in building networks with other local organisations and training providers. We are continually exploring ways in which the resources of the Community might be shared in creative ways for the future, and for the benefit of other organisations in the wider community.

As net contributors to local recycling targets, we help to reduce the amount of junk that end up in landfill sites. This is because so much furniture and other domestic goods which would otherwise be destined for the tip are collected and reused through Emmaus Greenwich, and thereby given a new and useful life.

Achievements and performance

a. Review of activities

Management structure

The reorganisation of our management structure in 2006 is producing very good results.

The General Manager, Dayo Oyinlola is responsible for driving the Emmaus Greenwich Community's vision, including responsibility for finances, health & safety, staff management and external relations.

The Community Leader, Giorgio Salmistraro supported by a Deputy, manages the day to day operations of the Community, the shop and Companion welfare. This involves running Community meetings to discuss and agree the management of the Community with Companions.

Most decisions can be taken by the General Manager and Community Leader, who work closely together and report to the Trustees at regular intervals particularly with matters relating to policy.

Community

Following on from the management re-organisation in 2006, two further changes have been made in the Community. For many years we have wanted to increase in size. In common with other Emmaus Communities we find that the demand for spaces far exceeds the supply, and some months we turn away as many as 10 people.

The decision to make the Community Leader and Deputy's positions non-residential has enabled us to convert two of the staff flats into Companion rooms. Over the course of several months we were able to increase the

EMMAUS GREENWICH
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2007

number of rooms from fifteen to twenty-two. It is a telling sign of the times that these rooms were filled so quickly. There is always a member of staff on call overnight, and the third staff flat is available for whoever is on the rota for night duty. These changes were carried out after careful risk assessment. It has not decreased the amount of staff cover, and has greatly improved working conditions and work-life balance for our staff in this very demanding job. Other Communities in the UK and in France operate successfully with the same system.

After consultation between staff and trustees it was decided to recruit a Community Assistant to provide extra support to the staff, and ensure that there is always adequate cover.

During the year the Community helped 62 homeless people, as compared with 50 the year before. Many were helped into resettlement ranging from moving on into independent accommodation and with jobs in some cases, to going back to live with family and friends and in a few cases to other Emmaus Communities. On the whole, Emmaus Greenwich is assisting more Companions than it has ever done in the past, creating a safe and happy home for all to live and work.

Companion Support

We have created forums to broaden Companions' horizons and improved support planning and development processes. All Companions have a one-to-one support session every four to six weeks. This is carried out by the Deputy Community Leader, with assistance from one of the trustees as a volunteer.

We continue to provide counselling opportunities to Companions to deal with more personal issues and goals. There are now two volunteer counsellors, with up to six or seven Companions per week taking advantage of this service. The volunteer counsellors are supervised by our long established Counsellor, whom we pay for her services.

We continue to partner with businesses to offer Companions different training/experience in a commercial environment. In particular, we are grateful to Freshfields Bruckhaus Deringer (Solicitors) who offer our Companions two weeks of work experience at their office in Fleet Street.

The Community continues to provide courses in Food Hygiene, First Aid and PAT testing for Companions and staff, and Companions are encouraged to attend evening / weekend training courses.

Companions are given time off to find work and attend interviews, and in cases when they find work. Companions, at the discretion of the Community Leader, are allowed to stay in the Community for up to 2 months to allow them to build up two months wages as deposits for moving into independent accommodation. We remain watchful in balancing between the need to move Companions on but not pressurising the more vulnerable ones who need to stay longer into doing so prematurely.

Seven Companions took part in the Pennine Way Walk in April 2006, raising just over £2,000 for Emmaus Greenwich. The gruelling walk took seven days, and two Companions provided back-up support. We are grateful to the Scots Guards at Chelsea Barracks for provision of the equipment used. Congratulations to all involved, and thanks to Companions who stayed behind and worked extra hours to cover for reduced manpower.

We were very grateful to Terry Waite for attending our Open Day in September 2006 and conducting the official opening ceremony. The event was also attended by the Mayor of Greenwich, several Councillors and local residents. Proceeds were donated to other local projects in the community. Several of our Companions took part in Plumstead Make Merry, Glyndon Festival, and the Woodlands Farm Festival.

We would like to thank Anna McKay for her invaluable work as Deputy Community Leader. Anna joined us in June 2006 and was responsible for a considerable advance in the personal support we offer Companions. Following a tragic loss of her brother in an accident, she returned with her husband James, to live in Yorkshire.

EMMAUS GREENWICH
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2007

and be closer to other family members. She now works at the Emmaus Leeds Community. Anna had received training in addiction problems, and we are working to recruit a replacement with similar experience.

Also, many thanks to

Old Royal Naval College Chapel, for again for making us one of their chosen charities in 2006

Gill Moody, fundraising consultant and supporter

Mike Thompson, who as volunteer interim finance manager, ensured the smooth transition of financial matters during the changeover period

Freshfields Bruckhaus Deringer (Solicitors) for legal assistance given pro-bono in negotiating the lease of our new shop, Freshfields have redefined the meaning of the word 'pro-bono' in the manner that they have bent over backwards to support us in this matter

Thomas Tallis Society for partnering us and soliciting support for the Community, at their concerts in Greenwich

We would like to record our thanks to all Companions and staff and volunteers for their contribution to the stability of the Community and another successful year's trading. Marks and Spencer for continued weekly donations of food

We are grateful to CRASH, who in collaboration with Altro Flooring donated heavily discounted flooring

We also extend our thanks to

All Saints' Church, Blackheath, Old Royal Naval College Chapel, St Alfege Church, Greenwich, The Slade Church, Plumstead, "Homeless Help" group of St John Vianney Church, Bexley

Furthermore, the Emmaus Greenwich Community continues to support ex-companions where appropriate, as is seen in the number of ex-Companions who keep in touch, drop in for a meal, and continue to volunteer every now and then

Emmaus UK and Emmaus International

As a member of the national organisation, we continue to benefit from advice and assistance on a number of matters including, marketing, recruitment and training, and we are grateful to the Emmaus UK staff for their readily available assistance. We continue to play a role in the development and growth of Emmaus in the UK by welcoming visitors and potential funders from other Emmaus Communities and Groups. We are now working in partnership with Emmaus South Lambeth, a sister Community in London which is now open. In April 2007, Emmaus Greenwich became a full member of Emmaus International.

Financial activity

Our aim to become financially self-sustaining has advanced considerably.

Under the guidance of Giorgio Salmistraro and his dedicated, hard working team of Companions, this year's shop sales have increased well beyond target, to £120,000. That's over 65% on last year's figures.

Our Community building, which used to be a former children's home, is an old building, which not only requires high maintenance but also came short in a number of health and safety points. In March 2007, we were awarded a grant of £150,000 under the Hostel Capital Improvement Programme of the DCLG (Office of the Deputy Prime Minister), which had been negotiated by Emmaus UK. This enabled us to install a completely new and more efficient heating system costing £69k, make the electrical wiring and fittings safe, lay new roofing for 80% of the Community building, lay new flooring for a wide portion of the ground floor and create a mini kitchen to enforce the necessary restrictions with respect to Companions using the main kitchen. The net

EMMAUS GREENWICH
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2007

effect of the enhancements is in creating a safer and happier home for our Companions

We also received a grant of over £8,400 from Streetsmart, with which we were able to replace one of the three old community vans for the business. Many thanks to the ODPM, Streetsmart and Emmaus UK

Continuing thanks to the Mercers' Company, who this year have given us £10,000 (as part of their £30,000 over 3 year sponsorship towards the General Manager's salary

At the time of writing, and in line with our business plan, we are negotiating the lease of a second shop on 332 Lee High Road, Lewisham SE13 close to Lewisham Market

Financial review

a. Reserves policy

The majority of the charity's funds are invested in the Community's operations, including the premises, vehicles and equipment. Emmaus Greenwich's policy is to strive to break-even on a year by year basis, after providing for the maintenance of the charity's property to a good standard

The trustees endeavour to hold contingency reserves representing approximately three month's operating expenditure and the annual insurance premium (approximately £50,000)

b. Principal funding

Funding our operations each year requires that we mine income from a variety of sources, but primarily via statutory support, grants and donations from supporters, and self generated income via our recycling and trading activities

Plans for the future

a. Future developments

We will continue to create forums to broaden Companions' horizons and improve support planning and development processes. Although we now have a more positive environment both for Staff and Companions, with increased morale to work creatively and productively, we are still a long way from achieving our objective of becoming self sufficient. With current statutory income such as Supporting People reducing significantly, it is imperative that we continue to improve our ability to sustain our operation by the continuing development of our business. The opening of the second retail outlet in Lewisham is a step in this direction

In subsequent years, we expect to build on our achievements in a manner that will result in a healthier organisation that has a better standing in the broader community and that is recognised for championing the plight of and serving more Companions and homeless people in general

EMMAUS GREENWICH
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2007

Statement of Trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Charity law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom). In preparing these financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that 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.

Provision of information to auditors

Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- each Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charity's auditors in connection with preparing their report and to establish that the charity's auditors are aware of that information.

This report was approved by the Trustees on 17 April 2008 and signed on their behalf, by

P GALE



EMMAUS GREENWICH
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMMAUS GREENWICH

We have audited the financial statements of Emmaus Greenwich for the year ended 30 June 2007 set out on pages 12 to 22. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

The responsibilities of the Trustees (who also act as company directors of Emmaus Greenwich for the purposes of company law) for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of Trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the Trustees' annual report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the charity is not disclosed.

We read the Trustees' annual report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments made by the Trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed 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.

EMMAUS GREENWICH
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMMAUS GREENWICH

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs as at 30 June 2007 and of its incoming resources and application of resources, including its income and expenditure for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' annual report is consistent with the financial statements

Lakin Rose Limited

Lakin Rose Limited

Chartered Accountants
Registered Auditors

Pioneer House
Vision Park
Histon
Cambridge
CB24 9NL

Date *22 April 2008*

EMMAUS GREENWICH
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 30 JUNE 2007

	Note	Restricted Funds 2007 £	Unrestricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Department for Communities and Local Government Grant	2	150,000	-	150,000	-
Other voluntary income	2	57,081	8,221	65,302	55,885
Trading income		-	120,875	120,875	72,641
Investment income		-	6,160	6,160	4,986
Incoming resources from charitable activities					
Accommodation receipts		-	150,807	150,807	126,732
TOTAL INCOMING RESOURCES		207,081	286,063	493,144	260,244
RESOURCES EXPENDED					
Costs of generating funds					
Trading expenses		-	30,905	30,905	54,686
Charitable activities	7	64,567	226,098	290,665	194,167
Governance costs	3	-	3,477	3,477	4,046
TOTAL RESOURCES EXPENDED	6	64,567	260,480	325,047	252,899
NET INCOME BEFORE TRANSFERS		142,514	25,583	168,097	7,345
Transfers between Funds	13	(142,514)	142,514	-	-
NET INCOME FOR THE YEAR		-	168,097	168,097	7,345
NET MOVEMENT IN FUNDS FOR THE YEAR		-	168,097	168,097	7,345
<i>Total funds at 1 July 2006</i>		-	254,469	254,469	247,124
TOTAL FUNDS AT 30 JUNE 2007		£ -	£ 422,566	£ 422,566	£ 254,469

The Statement of Financial Activities includes all gains and losses recognised in the year

The notes on pages 14 to 22 form part of these financial statements

EMMAUS GREENWICH
(A company limited by guarantee)

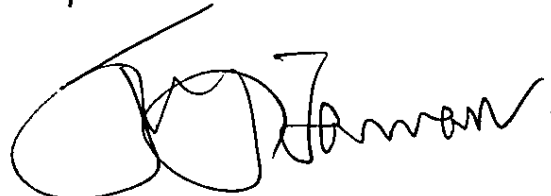
BALANCE SHEET
AS AT 30 JUNE 2007

	Note	£	2007 £	£	2006 £
FIXED ASSETS					
Tangible fixed assets	10		277,043		146,811
CURRENT ASSETS					
Debtors	11	39,993		24,574	
Cash at bank and in hand		122,603		133,885	
		<u>162,596</u>		<u>158,459</u>	
CREDITORS: amounts falling due within one year	12	<u>(17,073)</u>		<u>(50,801)</u>	
NET CURRENT ASSETS			145,523		107,658
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£ 422,566</u>		<u>£ 254,469</u>
CHARITY FUNDS					
Unrestricted funds	13		<u>422,566</u>		<u>254,469</u>
			<u>£ 422,566</u>		<u>£ 254,469</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Trustees on 17 April 2008 and signed on their behalf, by

J. BARRASS



The notes on pages 14 to 22 form part of these financial statements

EMMAUS GREENWICH
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 1985.

1.2 Company status

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

1.3 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 charity 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 which have been raised by the charity for particular purposes. The cost 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.

Investment income, gains and losses are allocated to the appropriate fund.

EMMAUS GREENWICH
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

1. ACCOUNTING POLICIES (continued)

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

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.

Accommodation receipts are recognised in the period for which they are receivable.

Grants and other income received for expenditure in future periods are deferred.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.6 Cash flow

The financial statements do not include a cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2005).

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. 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:

Leasehold property	- 2-10% straight line
Motor vehicles	- 25% straight line
Fixtures & fittings	- 20-30% straight line

2. VOLUNTARY INCOME

	Restricted Funds 2007 £	Unrestricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
Department for Communities and Local Government Grant	150,000	-	150,000	-
Donations and gifts	-	8,221	8,221	32,636
Grants receivable	57,081	-	57,081	23,249
Subtotal	57,081	8,221	65,302	55,885
Voluntary income	£ 207,081	£ 8,221	£ 215,302	£ 55,885

3. GOVERNANCE COSTS

	Restricted Funds 2007 £	Unrestricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
Accountancy fees	-	1,350	1,350	2,118
Audit fees	-	750	750	750
Legal and professional fees	-	1,377	1,377	1,178
	£ -	£ 3,477	£ 3,477	£ 4,046

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

4. DIRECT COSTS

	Companion welfare and amenities £	Total 2007 £	Total 2006 £
Weekly allowances	45,569	45,569	30,671
Food and sundries	19,877	19,877	16,186
Miscellaneous	19,953	19,953	6,303
Counselling	3,325	3,325	3,829
Light and heat	13,708	13,708	13,397
Rent, rates and water	3,833	3,833	3,536
Repairs and low cost assets	37,852	37,852	17,279
Insurance	10,600	10,600	11,893
Wages and salaries	39,889	39,889	16,795
National insurance	3,494	3,494	1,245
Depreciation	10,728	10,728	9,707
	<u>£ 208,828</u>	<u>£ 208,828</u>	<u>£ 130,841</u>

5 SUPPORT COSTS

	Companion welfare and amenities £	Total 2007 £	Total 2006 £
Vehicle costs	2,311	2,311	1,512
Telephone and mobile phones	3,840	3,840	6,389
Postage and stationery	8,052	8,052	5,330
Training and recruitment	5,771	5,771	3,064
Miscellaneous expenses	6,311	6,311	6,215
Donations	700	700	-
Wages and salaries	48,678	48,678	36,846
National insurance	4,800	4,800	2,832
Depreciation	1,374	1,374	1,138
	<u>£ 81,837</u>	<u>£ 81,837</u>	<u>£ 63,326</u>

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

6. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2007 £	Depreciation 2007 £	Other costs 2007 £	Total 2007 £	Total 2006 £
Trading expenses	-	2,761	28,144	30,905	54,686
Companion welfare and amenities	96,861	12,102	181,702	290,665	194,167
Governance	-	-	3,477	3,477	4,046
	<u>£ 96,861</u>	<u>£ 14,863</u>	<u>£ 213,323</u>	<u>£ 325,047</u>	<u>£ 252,899</u>

7. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2007 £	Support costs 2007 £	Total 2007 £	Total 2006 £
Companion welfare and amenities	<u>£ 208,828</u>	<u>£ 81,837</u>	<u>£ 290,665</u>	<u>£ 194,167</u>

8. NET INCOME

This is stated after charging

	2007 £	2006 £
Depreciation of tangible fixed assets		
- owned by the charity	14,862	14,177
Audit fees	750	750
	<u>15,612</u>	<u>14,927</u>

During the year, no Trustees received any remuneration, benefits in kind or reimbursement of expenses (2006 - £NIL)

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

9. STAFF COSTS

Staff costs were as follows

	2007 £	2006 £
Wages and salaries	88,567	69,415
Social security costs	8,294	5,519
	<u>£ 96,861</u>	<u>£ 74,934</u>

The average monthly number of employees during the year was as follows

	2007 No.	2006 No.
Charitable activities	<u>4</u>	<u>4</u>

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

10. TANGIBLE FIXED ASSETS

	Land and buildings £	Motor vehicles £	Furniture, fittings and equipment £	Total £
Cost				
At 1 July 2006	194,049	29,122	38,368	261,539
Additions	120,787	14,995	9,312	145,094
At 30 June 2007	<u>314,836</u>	<u>44,117</u>	<u>47,680</u>	<u>406,633</u>
Depreciation				
At 1 July 2006	61,853	25,537	27,338	114,728
Charge for the year	8,199	3,056	3,607	14,862
At 30 June 2007	<u>70,052</u>	<u>28,593</u>	<u>30,945</u>	<u>129,590</u>
Net book value				
At 30 June 2007	<u>£ 244,784</u>	<u>£ 15,524</u>	<u>£ 16,735</u>	<u>£ 277,043</u>
At 30 June 2006	<u>£ 132,196</u>	<u>£ 3,585</u>	<u>£ 11,030</u>	<u>£ 146,811</u>

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

11. DEBTORS

	2007 £	2006 £
Other debtors	26,903	3,517
Prepayments and accrued income	11,257	17,607
Tax recoverable	1,000	2,200
Grants Receivable	833	1,250
	<u>£ 39,993</u>	<u>£ 24,574</u>

12. CREDITORS

Amounts falling due within one year

	2007 £	2006 £
Trade creditors	3,243	4,209
Social security and other taxes	2,679	1,975
Accruals and deferred income	11,151	44,617
	<u>£ 17,073</u>	<u>£ 50,801</u>

Deferred income of £4,813 (2006 - £35,730) represents income received during the year, which is specifically allocated to funding future expenditure

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

13. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
Designated funds					
Development Fund	40,000	-	-	-	40,000
General funds					
General Funds	214,469	286,063	(260,480)	142,514	382,566
Total Unrestricted funds	254,469	286,063	(260,480)	142,514	422,566
Restricted funds					
Restricted Funds	-	207,081	(64,567)	(142,514)	-
Total of Funds	£ 254,469	£ 493,144	£ (325,047)	£ -	£ 422,566

The Restricted Fund represents the following donations

£150,000 from The Department of Communities and Local Government for building improvements - expended and transferred out
£27,833 from Emmaus UK for the Community Leader's salary - expended and transferred out
£14,583 from The Mercers' Company for the Community Leader's salary - expended and transferred out
£1,250 from CRASH for new flooring - expended and transferred out
£8,415 from Streetsmart for a new community van - expended and transferred out
£5,000 from Streetsmart for a new people carrier - expended and transferred out

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
Designated funds	40,000	-	-	-	40,000
General funds	214,469	286,063	(260,480)	142,514	382,566
Unrestricted funds	254,469	286,063	(260,480)	142,514	422,566
Restricted funds	-	207,081	(64,567)	(142,514)	-
	£ 254,469	£ 493,144	£ (325,047)	£ -	£ 422,566

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds 2007 £	Unrestricted Funds 2007 £	Total Funds 2007 £	<i>Total Funds 2006 £</i>
Tangible fixed assets	-	277,043	277,043	146,811
Current assets	-	162,594	162,594	158,460
Creditors due within one year	-	(17,071)	(17,071)	(50,802)
	<u>£ -</u>	<u>£ 422,566</u>	<u>£ 422,566</u>	<u>£ 254,469</u>