

Registered number: 3422357  
Charity number: 1064472

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

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**TRUSTEES REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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COMPANIES HOUSE



**LAKIN ROSE**  
CHARTERED ACCOUNTANTS

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

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**CONTENTS**

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	Page
<b>Reference and administrative details of the charity, its trustees and advisers</b>	<b>1 - 2</b>
<b>Trustees' report</b>	<b>3 - 9</b>
<b>Accountants' report</b>	<b>10</b>
<b>Statement of financial activities</b>	<b>11</b>
<b>Balance sheet</b>	<b>12</b>
<b>Notes to the financial statements</b>	<b>13 - 21</b>

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

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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**Trustees**

J Barrass  
B Fussey  
P Chambers  
P Gale  
N Georgis  
P Gingold  
R Gomez  
K Parrott  
G Stevenson  
T Sumption

**Company registered number**

3422357

**Charity registered number**

1064472

**Registered office and principal operating office**

Emmaus Greenwich  
226 Elmley Street  
Plumstead  
London  
SE18 7NN

**Company secretary**

B Fussey

**Accountants**

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

**Bankers**

HSBC Bank plc  
15 Wellington Street  
Woolwich  
London  
SE18 6PH

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**EMMAUS GREENWICH**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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**Advisers (continued)**

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

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

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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The trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report together with the financial statements of Emmaus Greenwich (the charity) for the year ended 30 June 2008. 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. There have been no changes during the year.

**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, govern 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 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 in are place which are monitored according to Charity Commission guidelines.

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

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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**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, is 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 £35 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.)

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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

The Community Leader, supported by two Deputies, 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.

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**EMMAUS GREENWICH**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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**Community**

We have increased the number of companions' rooms from 22 to 24 during the year. It is a telling sign of the times that these rooms were filled so quickly.

In 2006 we recruited a Duty Assistant to provide extra support to staff, and ensure that there is always adequate cover. When this position became vacant, staff and trustees decided that those responsibilities could be undertaken by five Companions with Responsibility, providing more flexible cover within the Community. Adopting this approach has allowed some of our Companions to progress and gain further experience in roles requiring trust and responsibility.

Whilst there is always a member of staff on call overnight, our approach helps in maintaining a positive work-life balance for our staff in this very demanding work.

During the year the Community supported 75 homeless people in total, as compared with 62 the year before. Many were helped into resettlement ranging from moving on into independent accommodation, with jobs in some cases, to going back to live with family and friends. Some because of personal circumstances moved on 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 more 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, carried out by one of our Deputy Community Leaders and a volunteer trustee.

We continue to provide counselling opportunities to Companions to deal with more personal issues and goals. A number of Companions are still taking advantage of this service with volunteer Counsellors. The volunteer Counsellors are supervised by our long established Counsellor, whom we pay for her services.

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 job interviews. In cases when they find work, Companions, at the discretion of the Community Leader, are allowed to live 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.

This year we are pleased that 10 Companions have moved on to find employment, including a Companion who has moved on to the payroll of a newly opened Emmaus Community in Sheffield as Assistant Coordinator.

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.

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.

We would also like to record continuing thanks to Marks and Spencer (Woolwich) and Sainsburys (Woolwich) for their invaluable daily donations of food.

We are extremely grateful to Paul and Sabina Marshall for their generous donation, which is being used to improve facilities for the Companions. The bathrooms and shower rooms are being upgraded using quality



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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fittings, Companions bedrooms are being soundproofed and redecorated and the flooring has been replaced. The donation is also enabling us to refurbish the main kitchen. These improvements and refurbishments were urgently needed as we now have facilities suitable to house the increased number of Companions. It's also helping us to create a safer and happier environment in which our Companions live and work.

We are also grateful to CRASH, who in collaboration with Altro Flooring donated heavily discounted flooring material to help refurbish some of the dated community flooring, and to the Thomas Tallis Society for partnering us and soliciting support for the Community, at their concerts in Greenwich.

We also extend our thanks to:

All Saints' Church, Blackheath, Old Royal Naval College Chapel, St Alfege Church, Greenwich, Slade Church, Plumstead, "Homeless Help" group of St. John Vianney Church, Bexley, St Lawrence Church, Sidcup, St Luke's Church, Charlton, and St Andrews, Bexleyheath.

#### **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. 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 have actively participated in the Emmaus UK debates on the future direction of the Emmaus Federation. We continue to work in partnership with Emmaus South Lambeth, a sister Community in London which is now open.

#### **Financial activity**

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

With a dedicated team of staff and Companions, this year's shop sales have increased well beyond target to £173,000. That's over 40% up on last year's figures.

We continued to make the much needed improvements to our Community home, more so following the very generous donation of £123,000 from the Marshall family. The improvements to the premises are long term, setting us up well for the foreseeable future. It also means that we can now concentrate our efforts on further developing our business and self-supported living initiatives for Companions.

Also, we received a grant of £5,000 from Streetsmart, and along with an anonymous donation, we were able to replace one of the old Community vans for the business. Many thanks again to the Streetsmart team and Emmaus UK for making this happen.

Continuing thanks to Lloyds TSB, who, this year, have given £15,000 toward the Business Deputy Community Leader's salary, and the Mercers' Company, who have given us £5,000 toward the General Manager's salary.

Evidently, a key milestone in our business plan this year has been the opening of our second retail shop on 332 Lee High Road, Lewisham. We have refurbished the premises to provide a bright retail area with a small amount of on-site storage.

In addition, we are very grateful for a donation of £49,500 (the first of 3 grants) from OAK Foundation. The bulk of this grant falls into the next financial year, thus enabling us to take out the 3 year lease for the shop, to buy a third van, and to employ a paid driver for the business.

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

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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The negotiations for the lease of the new shop took considerably longer than we anticipated; but once we took over, Companions and staff worked tirelessly to decorate and prepare the premises for retail use.

We cannot thank Freshfields Bruckhaus Deringer (Solicitors) enough for the legal assistance given pro-bono in negotiating the lease for our new shop; Freshfields redefined the meaning of the word 'pro-bono' in the manner that they bent over backwards to support us in this matter.

We were delighted that Terry Waite, Emmaus UK President, and his wife Frances, and Sir Steve Bullock, Mayor of Lewisham, conducted the official opening ceremony for the shop on 13 June 2008. The event was attended by other dignitaries and local residents.

## **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 £75,000).

## **Plans for the future**

### **a. Future developments**

The Emmaus Greenwich Community is very much on target to deliver on its business aspirations.

We will continue to create forums to broaden Companions' prospects and improve support planning and development processes. We are looking to establish self-supported housing for a small group of Companions to enable those who wish to make a smoother transition to independent living.

We are moving closer toward our target of becoming self sufficient and now have the majority of our income from non statutory sources. With current statutory income such as Supporting People reducing significantly, it was imperative that we continue to improve our ability to sustain our operations by the continuing development of our business. The opening of the second retail outlet in Lewisham was a step in this direction.

Whilst we do recognise that with the current economic outlook there might be significant challenges in maintaining our level of income, perhaps due to the quality of donations dropping, and thus the corresponding revenue that might be generated in our shops, we are quietly confident that it presents an opportunity for more bargain hunters coming to us, and a greater demand for our work with homeless people.

We will be looking to expand the size of our existing retail shop in Plumstead and to further establish the new shop at Lee High Road. We will also work to create an even more positive environment both for staff and Companions, with increased morale to work creatively and productively.

Also, we will be looking to work in greater partnership with our local council, assisting with and getting recognition via 'recycling credits' for the work we do in diverting waste from landfill.

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

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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**Statement of Trustees' responsibilities**

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

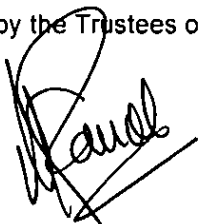
Charity law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, 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 presume that the company 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.

This report was approved by the Trustees on 31/4/09 and signed on their behalf, by:

K Parrott



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

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**AUDIT EXEMPTION REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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**Accountant's Report to the Members on the Unaudited Accounts of Emmaus Greenwich**

We report on the accounts for the year ended 30 June 2008 set out on pages 11 to 21.

This report is made solely to the charity's Trustees, as a body, in accordance with Section 235 of the Companies Act 1985. Our work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an Audit exemption 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 charity and the charity's Trustees as a body, for our work, for this report, or for the opinions we have formed.

**Respective Responsibilities of Trustees and Reporting Accountants**

As described on page 9 the Trustees, who are also directors of the charity for the purposes of the Companies Act, 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 officers of the charity as we considered necessary for the purposes of this report. These procedures provide only the assurances 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, as amended;
- b) having regard only to, and on the basis of, the information contained in those accounting records:
  - i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in the Statement of Recommended Practice, Accounting and Reporting by Charities, and in section 249C(6) of the Act; and
  - ii) the charity satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

Signed:

*Lakin Rose Limited*

Dated:

*6 April 2009*

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

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

**STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating Income and Expenditure Account)  
FOR THE YEAR ENDED 30 JUNE 2008

	Note	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Department for Communities and Local Government Grant	2	-	-	-	150,000
Community Improvement Grant	2	123,000	-	123,000	-
Other voluntary income	2	18,709	33,550	52,259	65,302
Trading income		-	173,010	173,010	120,875
Investment income		-	8,289	8,289	6,160
Incoming resources from charitable activities:					
Accommodation receipts		-	140,676	140,676	150,807
<b>TOTAL INCOMING RESOURCES</b>		<b>141,709</b>	<b>355,525</b>	<b>497,234</b>	<b>493,144</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds:					
Trading expenses		1,083	41,133	42,216	30,905
Charitable activities	7	17,188	297,905	315,093	290,665
Governance costs	3	-	13,353	13,353	3,477
<b>TOTAL RESOURCES EXPENDED</b>	6	<b>18,271</b>	<b>352,391</b>	<b>370,662</b>	<b>325,047</b>
<b>NET INCOME BEFORE TRANSFERS</b>		<b>123,438</b>	<b>3,134</b>	<b>126,572</b>	<b>168,097</b>
Transfers between Funds	13	(5,000)	5,000	-	-
<b>NET INCOME FOR THE YEAR</b>		<b>118,438</b>	<b>8,134</b>	<b>126,572</b>	<b>168,097</b>
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>118,438</b>	<b>8,134</b>	<b>126,572</b>	<b>168,097</b>
<i>Total funds at 1 July 2007</i>		-	422,566	422,566	254,469
<b>TOTAL FUNDS AT 30 JUNE 2008</b>		<b>£ 118,438</b>	<b>£ 430,700</b>	<b>£ 549,138</b>	<b>£ 422,566</b>

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

The notes on pages 13 to 21 form part of these financial statements.

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

**BALANCE SHEET**  
**AS AT 30 JUNE 2008**

	Note	£	2008 £	£	2007 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	10		271,647		277,043
<b>CURRENT ASSETS</b>					
Debtors	11	32,885		39,993	
Cash at bank and in hand		276,077		122,603	
		<u>308,962</u>		<u>162,596</u>	
<b>CREDITORS:</b> amounts falling due within one year	12	(31,471)		(17,073)	
<b>NET CURRENT ASSETS</b>			<u>277,491</u>		<u>145,523</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>£ 549,138</u>		<u>£ 422,566</u>
<b>CHARITY FUNDS</b>					
Restricted funds	13		118,438		-
Unrestricted funds	13		430,700		422,566
			<u>£ 549,138</u>		<u>£ 422,566</u>

The Trustees 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 members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 221 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charity as at 30 June 2008 and of its net income for the year then ended in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements so far as applicable to the charity.

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 2007).

The financial statements were approved by the Trustees on 3/4/09 and signed on their behalf, by:



G Stevenson

The notes on pages 13 to 21 form part of these financial statements.

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007). 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.

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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**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.

**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. Governance 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 charity, 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 2007).



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2008**

**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:

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

**2. VOLUNTARY INCOME**

	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
Department for Communities and Local Government Grant	-	-	-	150,000
Community Improvement Grant	123,000	-	123,000	-
<b>Subtotal</b>	<b>123,000</b>	<b>-</b>	<b>123,000</b>	<b>150,000</b>
Donations and gifts	-	33,550	33,550	8,221
Grants receivable	18,709	-	18,709	57,081
<b>Subtotal</b>	<b>18,709</b>	<b>33,550</b>	<b>52,259</b>	<b>65,302</b>
<b>Voluntary income</b>	<b>£ 141,709</b>	<b>£ 33,550</b>	<b>£ 175,259</b>	<b>£ 215,302</b>

**3. GOVERNANCE COSTS**

	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
Accountancy fees	-	8,134	8,134	1,350
Audit fees	-	-	-	750
Legal and professional fees	-	5,219	5,219	1,377
<b></b>	<b>£ -</b>	<b>£ 13,353</b>	<b>£ 13,353</b>	<b>£ 3,477</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2008**

**4. DIRECT COSTS**

	Companion welfare and amenities £	Total 2008 £	Total 2007 £
Weekly allowances	58,698	58,698	45,569
Food and sundries	20,337	20,337	19,877
Miscellaneous	15,581	15,581	19,953
Counselling	2,400	2,400	3,325
Light and heat	14,965	14,965	13,708
Rent, rates and water	4,285	4,285	3,833
Repairs and low cost assets	31,909	31,909	37,852
Insurance	8,606	8,606	10,600
Wages and salaries	31,917	31,917	39,889
National insurance	3,249	3,249	3,494
Depreciation	20,273	20,273	10,728
	<u>£ 212,220</u>	<u>£ 212,220</u>	<u>£ 208,828</u>

**5. SUPPORT COSTS**

	Companion welfare and amenities £	Total 2008 £	Total 2007 £
Vehicle costs	2,988	2,988	2,311
Telephone and mobile phones	3,613	3,613	3,840
Printing and stationery	8,692	8,692	8,053
Training and recruitment	5,428	5,428	5,771
Bank charges	677	677	141
Miscellaneous expenses	6,680	6,680	6,170
Donations	265	265	700
Wages and salaries	66,648	66,648	48,678
National insurance	6,511	6,511	4,800
Depreciation	1,371	1,371	1,374
	<u>£ 102,873</u>	<u>£ 102,873</u>	<u>£ 81,838</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2008**

**6. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	Staff costs 2008 £	Depreciation 2008 £	Other costs 2008 £	Total 2008 £	Total 2007 £
Trading expenses	-	4,695	37,521	42,216	30,905
Companion welfare and amenities	108,325	21,644	185,124	315,093	290,665
Governance	-	-	13,353	13,353	3,477
	<u>£ 108,325</u>	<u>£ 26,339</u>	<u>£ 235,998</u>	<u>£ 370,662</u>	<u>£ 325,047</u>

**7. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

	Activities undertaken directly 2008 £	Support costs 2008 £	Total 2008 £	Total 2007 £
Companion welfare and amenities	<u>£ 212,220</u>	<u>£ 102,873</u>	<u>£ 315,093</u>	<u>£ 290,665</u>

**8. NET INCOME**

This is stated after charging:

	2008 £	2007 £
Depreciation of tangible fixed assets:		
- owned by the charity	26,339	14,861
Audit fees	-	750
	<u>26,339</u>	<u>15,611</u>

During the year, no Trustees received any remuneration or benefits in kind (2007 - £NIL).

1 Trustee received reimbursement of expenses amounting to £163 in the current year, (2007 - £NIL).

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2008**

**9. STAFF COSTS**

Staff costs were as follows:

	2008 £	2007 £
Wages and salaries	98,565	88,567
Social security costs	9,760	8,294
	<u>£ 108,325</u>	<u>£ 96,861</u>

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

	2008 No.	2007 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 £
<b>Cost</b>				
At 1 July 2007	314,836	44,117	47,680	406,633
Additions	4,400	9,152	7,391	20,943
Disposals	-	(1,000)	-	(1,000)
At 30 June 2008	<u>319,236</u>	<u>52,269</u>	<u>55,071</u>	<u>426,576</u>
<b>Depreciation</b>				
At 1 July 2007	70,052	28,593	30,945	129,590
Charge for the year	15,324	5,052	5,963	26,339
On disposals	-	(1,000)	-	(1,000)
At 30 June 2008	<u>85,376</u>	<u>32,645</u>	<u>36,908</u>	<u>154,929</u>
<b>Net book value</b>				
At 30 June 2008	<u>£ 233,860</u>	<u>£ 19,624</u>	<u>£ 18,163</u>	<u>£ 271,647</u>
At 30 June 2007	<u>£ 244,784</u>	<u>£ 15,524</u>	<u>£ 16,735</u>	<u>£ 277,043</u>

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2008**

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**11. DEBTORS**

	2008 £	2007 £
Other debtors	12,458	26,903
Prepayments and accrued income	14,526	11,257
Tax recoverable	4,401	1,000
Grants Receivable	1,500	833
	<u>£ 32,885</u>	<u>£ 39,993</u>

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

	2008 £	2007 £
Trade creditors	1,877	3,243
Social security and other taxes	2,933	2,679
Accruals and deferred income	26,661	11,151
	<u>£ 31,471</u>	<u>£ 17,073</u>

Deferred income of £16,090 (2007 - £4,813) 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 2008**

**13. STATEMENT OF FUNDS**

	<b>Brought Forward £</b>	<b>Incoming resources £</b>	<b>Resources Expended £</b>	<b>Transfers in/out £</b>	<b>Carried Forward £</b>
<b>Designated funds</b>					
Expansion fund	-	-	-	133,000	133,000
Development fund	40,000	-	(40,000)	-	-
	<u>40,000</u>	<u>-</u>	<u>(40,000)</u>	<u>133,000</u>	<u>133,000</u>
<b>General funds</b>					
General funds	382,566	355,525	(312,391)	(128,000)	297,700
	<u>382,566</u>	<u>355,525</u>	<u>(312,391)</u>	<u>(128,000)</u>	<u>297,700</u>
<b>Total Unrestricted funds</b>	<u>422,566</u>	<u>355,525</u>	<u>(352,391)</u>	<u>5,000</u>	<u>430,700</u>
<b>Restricted funds</b>					
Restricted funds	-	141,709	(18,271)	(5,000)	118,438
	<u>-</u>	<u>141,709</u>	<u>(18,271)</u>	<u>(5,000)</u>	<u>118,438</u>
<b>Total of Funds</b>	<u>£ 422,566</u>	<u>£ 497,234</u>	<u>£ (370,662)</u>	<u>£ -</u>	<u>£ 549,138</u>

The Expansion Fund has been designated by the Trustees for expansion and improvement of the charity's accommodation and business premises.

The Restricted Fund represents the following donations:

£123,000 from Mr and Mrs Marshall for improvements to the community building - £4,562 expended, £118,438 carried forward.

£5,000 from Streetsmart for a new community van - expended and transferred out.

£9,584 from the Mercers' Company for the General Manager's salary - expended and transferred out.

£3,042 from Emmaus UK for staff training costs - expended and transferred out.

£1,083 from OAK for shop rental costs - expended and transferred out.

**SUMMARY OF FUNDS**

	<b>Brought Forward £</b>	<b>Incoming resources £</b>	<b>Resources Expended £</b>	<b>Transfers in/out £</b>	<b>Carried Forward £</b>
<b>Designated funds</b>	40,000	-	(40,000)	133,000	133,000
<b>General funds</b>	382,566	355,525	(312,391)	(128,000)	297,700
	<u>422,566</u>	<u>355,525</u>	<u>(352,391)</u>	<u>5,000</u>	<u>430,700</u>
<b>Restricted funds</b>	-	141,709	(18,271)	(5,000)	118,438
	<u>-</u>	<u>141,709</u>	<u>(18,271)</u>	<u>(5,000)</u>	<u>118,438</u>
<b>Total of Funds</b>	<u>£ 422,566</u>	<u>£ 497,234</u>	<u>£ (370,662)</u>	<u>£ -</u>	<u>£ 549,138</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2008**

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

	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
Tangible fixed assets	-	271,648	271,648	277,043
Current assets	118,438	190,525	308,963	162,596
Creditors due within one year	-	(31,473)	(31,473)	(17,073)
	£ 118,438	£ 430,700	£ 549,138	£ 422,566

**15. OPERATING LEASE COMMITMENTS**

At 30 June 2008 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2008 £	2007 £
<b>Expiry date:</b>		
Between 2 and 5 years	13,000	-