

Registered number: 03422357
Charity number: 1064472

EMMAUS GREENWICH
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



LAKIN ROSE
CHARTERED ACCOUNTANTS

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 2018**

Trustees

E Britton (appointed 20 July 2017)
J Clark
B Fussey
N Georgis
D Hayes
B O'Sullivan
G Stevenson, Chair

Company registered number

03422357

Charity registered number

1064472

Registered office and principal operating office

226 Elmley Street
Plumstead
London
SE18 7NN

Company secretary

B Fussey

Chief executive

T Bradbury

Independent auditors

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

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2018**

Advisers (continued)

Bankers

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

HSBC Bank plc
15 Wellington Street
Woolwich
London
SE18 6PH

EMMAUS GREENWICH
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

The Trustees present their annual report together with the audited financial statements of the charity for the year 1 July 2017 to 30 June 2018. 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), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

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

Objectives and Activities

Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and in particular to its supplementary public benefit guidance.

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. Companions (as residents, and the beneficiaries of the charity, are known) 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.

Since the last report, we have added the following additional objective to our Articles of Association, reflecting our environmental goals: "the protection and preservation of the environment and the relief of financial hardship, by the recycling and provision of furniture, clothes and other household items".

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. The charity expects that this will facilitate our ability to consistently:

- provide quality programmes to support previously homeless people;
- improve significantly on the quality of life and service the charity provides to companions;
- support other people in greater need (known within the Emmaus movement as "solidarity");
- widen our role as a valuable resource in the local Community

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

Activities for achieving objectives

Emmaus Greenwich, which was officially opened in 1994 by HRH The Prince of Wales, subscribes to the values of the Emmaus International manifesto which all Emmaus Communities accept when they join the Emmaus movement.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2018

The Emmaus movement was founded in France just after the Second World War by Abbe Pierre, a remarkable priest and former member of the French parliament. Emmaus provides a solution to the cycle of homelessness by addressing the complex needs of homeless people in a holistic way. Through working and engaging in solidarity, ex-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 without means of support. There are a few conditions: every companion signs off income support or job seekers allowance and agrees to volunteer at Emmaus Greenwich to the best of their ability. Companions are not permitted to use illegal drugs whilst living in the Community and drinking alcohol is prohibited in the Community. Each companion receives food, basic clothing, shelter and spending money, at present £37 per week plus a further £8, which is saved for when they leave.

The charity offers 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, data entry etc.)

Set out below is a profile of the programmes and features offered to companions:

- Non-judgmental and welcoming to all, provided that the risk to the 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 (the average length of stay in 2017/18 was just over 2 years)
- 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

As well as helping companions, Emmaus Greenwich also provides benefits to the wider community as follows:

- The charity is a source of affordable goods for the less well-off members of society. In addition, the charity works in partnership with Social Services and Mental Health agencies and will, in cases of special need, provide items of furniture free of charge to members of the public
- Emmaus provides a service to the better-off members of society by collecting their unwanted goods, which avoids them having to otherwise dispose of the goods, and also enables them to play a key part in helping to alleviate the problem of homelessness
- As a local community resource, the charity is active in building networks with other local organisations and training providers. The charity is 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, the charity helps to reduce the amount of material that ends up in landfill sites by collecting unwanted goods from households and selling them in our shops, thereby giving them a new and useful life.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2018

Review of activities

Community

In the year to June 2018, Emmaus Greenwich continued to provide quality support and assistance to companions, creating a safe and happy home for all to live and work. The stability and cohesion of the Community is good at present and companions are generally happy and secure. This positive environment is reflected in the success enjoyed in the shops and in the way in which the companions are able to engage in meaningful and rewarding work in the Community as a whole. Staff, companions and volunteers are working productively and happily with one another, making Emmaus Greenwich a good place to live and work in for all.

With a capacity for 34 bedrooms, the Community supported 48 homeless people during the year ended 30 June 2018 (62 in the previous year). Many of the companions, after spending some time in the Community, felt able to move on into independent accommodation, with jobs in some cases, or reconnecting with and going to live with family and friends, or moving on for other reasons.

The Trustees would like to thank all the companions, staff and volunteers for their support and contribution to the stability of the Community and to another successful year's trading.

Companion Support

All our companions continue to receive one-to-one support sessions every four to six weeks, carried out by our Community Manager or Support Worker. A professional counselling service is also offered to companions to deal with more personal issues and goals.

The charity continues to provide training courses in Food Hygiene, First Aid, Health & Safety, Manual Handling, Fire Marshalling and PAT testing for companions and staff. Companions are also encouraged to attend evening/weekend training courses provided by external training providers to learn or improve their skills.

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 Manager, may be allowed to live in the Community for up to 6 weeks to allow them to build up 6 weeks' wages as a deposit for moving into independent accommodation. The charity's strategy is to encourage companions to move out of the Community once they have re-gained their confidence and found an external job, but without pressurising the more vulnerable companions who may want to stay in the Community for extended periods. This year the charity is pleased to report that 2 companions have moved on from Emmaus Greenwich having found employment.

Furthermore, the charity 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.

Accreditation

The charity is delighted to report that Emmaus Greenwich has once again been awarded the certification for RNE (Re-use Network Enterprise) standards following an inspection. Achieving this award continues to enhance the charity's reputation with major furniture and electrical retailers, encouraging them to entrust us with handling surplus goods and electrical items donated when the opportunity arises.

After the year end, the charity decided to discontinue its accreditation for ISO9001 and OHSAS18001 given the costs involved and our RNE accreditation.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2018

Emmaus UK and Emmaus International

As a member of Emmaus UK, the national organisation, the charity continues to benefit from advice and assistance on a number of matters including, marketing, recruitment and training. The charity is grateful to the Emmaus UK staff for their readily available assistance.

The charity continues 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, including Emmaus International. The charity also actively participates in the Emmaus UK debates on the future direction of the Emmaus Federation.

Solidarity

An important aspect of the charity's work is a term referred to as 'Solidarity', which is working to help other people or causes in greater need.

In the year ending 30 June 2018, the charity continued to support various solidarity causes, spending approximately £26,900.

Discounts and goods given away to people on low income in our local community amounted to approximately £9,900.

Total Solidarity payments to Emmaus UK, Emmaus Europe and Emmaus International reached £15,633. This includes proceeds from Annual Solidarity Sale held on 10/06/2018 during which a total of £1,885 was raised.

During 2017/18, 3.3% of the Community's total occupancy was taken by subsidised solidarity spaces. Total value of solidarity spaces, including travel and accommodation for prospective and ex companions exceeded £9,521.

Financial review

Going concern

After making appropriate enquiries, the Trustees a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Grants donations and other income

The charity received a total of £40,596, which included grants of £3,595, donations of £36,231 and interest income of £770 in the year ended 30 June 2018.

Amongst the grants and donations were:

- Emmaus UK Companions Training Fund - £1,595 for training, materials and tools for 12 companions
- A grant of £2,000 from an individual towards the purchase of a new van

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2018

Individual Donations

The charity received a total of £4,981 in cash donations outside of the Retail Gift Aid scheme. We are very grateful to all our loyal supporters and want to extend our thanks to St John's Church, Elisabeth and Rog Gregory, Jane Walker & Nazar Georgis, J Rowley and other donors who wish to remain anonymous including an individual who made a magnificent donation of £25,000 plus gift aid.

Finally, the charity would again like to put on record its continuing thanks to Costco in Thurrock for their invaluable regular donations of food.

Reserves policy

The majority of the charity's funds are invested in the Community's fixed assets, including the premises, vehicles, furniture and fittings, with a cost, after depreciation, of about £758,000 as of 30/06/2018. Net current assets totalled approximately £418,000.

The Trustees have a goal of holding sufficient contingency reserves to cover four months operating expenditure (being approximately £272,000, based on average monthly expenses of £68,000).

In addition to operating contingency reserves, the charity holds a total of £100,000 in designated funds, which include two contingency funds to cover the cost of major repairs to the Community premises and major Community expansion plans.

The remainder of the net current assets consists of restricted funds, comprising £4,900 of grants to be spent in 2018/19.

Trading performance

In the year, business and other income (excluding grants and donations) covered 104% of the charity's total expenses (2017: 97%).

Shop revenues were down by 5% on 2017, partly due to the closure in September 2017 of the unprofitable Islington shop. After the year end, in December 2018, the shop in Welling was closed due to poor performance, leaving 3 profitable shops at Plumstead, Poplar and Lee.

Cost control remained tight during the year and total expenses were reduced by over 5%.

Structure, governance and management

Constitution

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

The charity is constituted under a Memorandum of Association and is a registered charity number 1064472.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2018

Method of appointment or election of Trustees

Trustees are elected and re-elected in accordance with the terms of the Memorandum of Association. The Board appoints new Trustees based on the recommendation of the Chair of Trustees and one other Trustee who are together responsible for interviewing potential Trustees. Appointments are made on a consideration of the requirements of the charity and an assessment of the skills, specialist knowledge and expertise offered by the prospective Trustee and the needs of the charity.

Trustees give their time freely as volunteers and receive no benefits from the charity. The current Trustees are shown on page 1.

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 acquaint them 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 the charity's premises and other Communities and meet with other members of the Emmaus movement.

Management structure and decision making

The governance of the charity is the responsibility of the Board of Trustees. The Board delegates certain day to day management responsibilities to the Chief Executive.

The Board of Trustees meets once every two months and more frequently if required. There are sub committees focusing on finance and human resources. The finance sub committee, consisting of the Chief Executive and two Trustees, oversees all financial matters, and meets in the interval between Trustee meetings. The human resources sub committee meets as required to consider people related issues. There is a regular Trustee-companion forum, which enables the companions to provide feedback and suggestions directly to the Board.

The Chief Executive is responsible for putting the Emmaus Greenwich Community's vision and strategy into effect, including day to day responsibility for fundraising, risk management, marketing, external relations and management of the other members of the management team, comprising the Community Manager, Business Manager, Operations/Internal Audit Manager and Finance Manager.

The Community Manager is responsible for the welfare and support of the companions and the day-to-day operation of the Community. This includes running Community meetings to discuss and agree the management of the Community with companions.

The Business Manager is responsible for the performance of the social enterprise and for management of the resources used within the business.

The Operations/Internal Audit Manager is responsible for managing the vans, logistics and all operational aspects of the business, for ensuring that internal controls are effective and for liaising with the RNE auditors.

The Finance Manager is responsible for maintaining the financial records of the charity, financial and management reporting, payroll, VAT reporting and internal financial controls.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2018

The charity encourages companions to develop their personal responsibility and skills by working in a wide variety of roles within the Community. This enables companions to regain their self respect and some have then gone on to gain employment in other organisations.

Most decisions are taken by the Chief Executive and the senior management team, with certain decisions, including in respect of policies and strategy, taken by the Board of Trustees or one its sub-committees.

Risk management

The Board of Trustees is responsible for assessing the risks faced by the charity and for ensuring that appropriate systems and procedures have been established to mitigate such risks. The Chief Executive and the senior management team are responsible for ensuring that risk related policies and procedures are complied with on a daily basis and a Trustee signs off monthly. Key risks are discussed by the Board of Trustees at the regular Trustee meetings.

As part of the charity's risk management, the Health and Safety policy and procedures are reviewed regularly, including a weekly test of the fire alarm and, periodically, a fire drill. Also, financial controls have been established and are monitored according to Charity Commission guidelines and Disclosure and Barring Service (DBS) checks have been completed for all staff and volunteers whose duties include working with companions.

Future developments

1. Housing Benefit

After the year end, in August 2018, the government announced that following an extensive period of consultation, it had decided that housing benefit should continue, for the time being, to be the method by which the government would fund supported housing. This decision is excellent news for the charity and removes the uncertainty that followed the government's original announcement to review supported housing funding methods.

2. Maximising Business Profitability

Our current business is profitable, but we continue to focus on improving profitability, particularly by increasing our marketing efforts and by improving our operational efficiency.

3. Enhancing the Community's accommodation

The Community's premises at 226 Elmley Street, London are a bit tired and need regular maintenance and repairs. We carried out some minor repairs to the building in the year to 30 June 2018 and we plan to make more significant repairs in 2018/19.

In June 2018, we used some of our reserves to purchase a house close to the Community, to accommodate 4 companions. This allowed us to terminate the lease of a house that we had rented for the same purpose.

4. Counselling and Training

The charity intends to increase the amount of counselling and training that is available to our companions.

Fundraising

The charity did not undertake any significant fundraising activities in the year to 30 June 2018.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2018

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure 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 charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees, on 28 March 2019 and signed on their behalf by:

G Stevenson
Chair of Trustees



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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMMAUS GREENWICH

Opinion

We have audited the financial statements of Emmaus Greenwich (the 'charity') for the year ended 30 June 2018 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMMAUS GREENWICH

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMMAUS GREENWICH

to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 opinions we have formed.



Christopher Dougherty (Senior statutory auditor)

for and on behalf of

Lakin Rose Limited

Chartered Accountants
Statutory Auditors

Pioneer House
Vision Park
Histon
Cambridge
CB24 9NL

Date: 29th March 2019

EMMAUS GREENWICH
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:					
Donations and grants	2	36,231	3,595	39,826	35,019
Trading income		602,214	-	602,214	625,332
Accommodation receipts		260,068	-	260,068	221,544
Investments	3	770	-	770	2,106
TOTAL INCOME		899,283	3,595	902,878	884,001
EXPENDITURE ON:					
Charitable activities:					
Shops, Community and companion support costs		821,130	3,536	824,666	860,399
Governance		5,119	-	5,119	8,578
TOTAL EXPENDITURE	4	826,249	3,536	829,785	868,977
NET INCOME BEFORE TRANSFERS		73,034	59	73,093	15,024
Transfers between Funds	14	10,000	(10,000)	-	-
NET MOVEMENT IN FUNDS		83,034	(9,941)	73,093	15,024
RECONCILIATION OF FUNDS:					
Total funds brought forward		1,088,701	14,872	1,103,573	1,088,549
TOTAL FUNDS CARRIED FORWARD		1,171,735	4,931	1,176,666	1,103,573

The notes on pages 17 to 27 form part of these financial statements.

EMMAUS GREENWICH
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REGISTERED NUMBER: 03422357

BALANCE SHEET
AS AT 30 JUNE 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	10		758,283		421,663
CURRENT ASSETS					
Stocks	11	1,413		991	
Debtors	12	99,652		93,877	
Cash at bank and in hand		377,061		624,459	
		<u>478,126</u>		<u>719,327</u>	
CREDITORS: amounts falling due within one year	13	(59,743)		(37,417)	
NET CURRENT ASSETS			<u>418,383</u>		<u>681,910</u>
NET ASSETS			<u>£ 1,176,666</u>		<u>£ 1,103,573</u>
CHARITY FUNDS					
Restricted funds	14		4,931		14,872
Unrestricted funds	14		1,171,735		1,088,701
TOTAL FUNDS			<u>£ 1,176,666</u>		<u>£ 1,103,573</u>

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

The financial statements were approved and authorised for issue by the Trustees on 28 March 2019 and signed on their behalf, by:



G Stevenson

The notes on pages 17 to 27 form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	16	<u>124,377</u>	<u>41,201</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(371,775)</u>	<u>(4,979)</u>
Net cash used in investing activities		<u>(371,775)</u>	<u>(4,979)</u>
Change in cash and cash equivalents in the year		<u>(247,398)</u>	<u>36,222</u>
Cash and cash equivalents brought forward		<u>624,459</u>	<u>588,237</u>
Cash and cash equivalents carried forward	17	<u>£ 377,061</u>	<u>£ 624,459</u>

The notes on pages 17 to 27 form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

1. ACCOUNTING POLICIES

The charity is a private company limited by guarantee and is incorporated in England and Wales. The address of the registered office is 226 Elmley Street, Plumstead, London, SE18 7NN.

1.1 Basis of preparation of financial statements

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

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

1.2 Company status

The charity is a company limited by guarantee. The members of the company 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 or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

1. ACCOUNTING POLICIES (continued)

1.4 Income

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

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

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

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

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

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

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out by the charity's senior management. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

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

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

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

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

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

Land is not depreciated.

1.7 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.8 Debtors

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

1.9 Liabilities and provisions

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

EMMAUS GREENWICH
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

2. INCOME FROM DONATIONS AND GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	36,231	-	36,231	5,417
Grants	-	3,595	3,595	29,602
	<u>£ 36,231</u>	<u>£ 3,595</u>	<u>£ 39,826</u>	<u>£ 35,019</u>
Total donations and grants				
	<u>£ 36,231</u>	<u>£ 3,595</u>	<u>£ 39,826</u>	<u>£ 35,019</u>
Total 2017	<u>£ 5,417</u>	<u>£ 29,602</u>	<u>£ 35,019</u>	

3. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Interest received	£ 770	£ -	£ 770	£ 2,106
	<u>£ 770</u>	<u>£ -</u>	<u>£ 770</u>	<u>£ 2,106</u>
Total 2017	<u>£ 2,106</u>	<u>£ -</u>	<u>£ 2,106</u>	

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

4. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2018 £	Depreciation 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Shops, Community and companion support costs	301,797	35,155	487,714	824,666	860,399
Governance	-	-	5,119	5,119	8,578
	<u>£ 301,797</u>	<u>£ 35,155</u>	<u>£ 492,833</u>	<u>£ 829,785</u>	<u>£ 868,977</u>
Total 2017	<u>320,634</u>	<u>36,797</u>	<u>511,546</u>	<u>868,977</u>	

Analysis of shops, Community and companion support costs

	2018 £	2017 £
Direct costs (Note 5)	302,795	329,071
Support costs (Note 6)	521,871	531,328
	<u>£ 824,666</u>	<u>£ 860,399</u>

5. DIRECT COSTS

	Total 2018 £	Total 2017 £
Weekly allowances	90,734	88,340
Food and sundries	22,702	20,758
Direct companion expenses	22,587	20,984
Counselling	4,500	4,525
Rent, rates and water	104,495	130,766
Direct shop costs	57,777	63,698
	<u>£ 302,795</u>	<u>£ 329,071</u>
Total 2017	<u>£ 329,071</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

6. SUPPORT COSTS

	Total 2018 £	<i>Total 2017 £</i>
Management and administration	45,256	46,978
Premises expenses	112,735	109,186
Solidarity	26,928	17,733
Wages and salaries	269,937	286,414
National insurance	21,620	23,294
Pension cost	10,240	10,926
Depreciation	35,155	36,797
	<u>£ 521,871</u>	<u>£ 531,328</u>
<i>Total 2017</i>		<u>£ 531,328</u>

7. GOVERNANCE COSTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Accountancy fees	906	-	906	4,055
Audit fees	2,594	-	2,594	3,000
Legal and professional fees	1,619	-	1,619	1,523
	<u>£ 5,119</u>	<u>£ -</u>	<u>£ 5,119</u>	<u>£ 8,578</u>

In 2017, of the total governance costs, £8,578 was to unrestricted funds and £nil was to restricted funds.

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	<i>2017 £</i>
Depreciation of tangible fixed assets:		
- owned by the charity	35,155	36,797
Auditors' remuneration	<u>2,594</u>	<u>3,000</u>

During the year, no Trustees received any remuneration, benefits in kind or reimbursed expenses (2017 - £NIL).

EMMAUS GREENWICH
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

9. STAFF COSTS

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	269,937	286,414
Social security costs	21,620	23,294
Pension costs	10,240	10,926
	<u>£ 301,797</u>	<u>£ 320,634</u>

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

	2018 No.	2017 No.
Charitable activities and administration	10	12

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

10. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 July 2017	710,571	67,462	89,783	867,816
Additions	361,775	10,000	-	371,775
Disposals	-	(10,995)	-	(10,995)
At 30 June 2018	<u>1,072,346</u>	<u>66,467</u>	<u>89,783</u>	<u>1,228,596</u>
Depreciation				
At 1 July 2017	304,923	61,212	80,018	446,153
Charge for the year	26,987	5,208	2,960	35,155
On disposals	-	(10,995)	-	(10,995)
At 30 June 2018	<u>331,910</u>	<u>55,425</u>	<u>82,978</u>	<u>470,313</u>
Net book value				
At 30 June 2018	<u>£ 740,436</u>	<u>£ 11,042</u>	<u>£ 6,805</u>	<u>£ 758,283</u>
At 30 June 2017	<u>£ 405,648</u>	<u>£ 6,250</u>	<u>£ 9,765</u>	<u>£ 421,663</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

11. STOCKS

	2018 £	2017 £
Finished goods and goods for resale	£ 1,413	£ 991

12. DEBTORS

	2018 £	2017 £
Trade debtors	11,051	10,763
Other debtors	20,035	24,111
Prepayments and accrued income	47,645	47,366
Tax recoverable	20,921	11,637
	£ 99,652	£ 93,877

13. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	27,142	9,834
Other taxation and social security	5,978	5,976
Other creditors	17,299	15,715
Accruals and deferred income	9,324	5,892
	£ 59,743	£ 37,417

EMMAUS GREENWICH
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

14. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 July 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2018 £
Designated funds					
Designated funds	250,000	-	-	(150,000)	100,000
General funds					
General funds	838,701	899,283	(826,249)	160,000	1,071,735
Total Unrestricted funds	1,088,701	899,283	(826,249)	10,000	1,171,735
Restricted funds					
Restricted funds	14,872	3,595	(3,536)	(10,000)	4,931
Total of funds	£ 1,103,573	£ 902,878	£ (829,785)	£ -	£ 1,176,666

Designated Funds

The Designated Funds represent contingency funds to cover major repairs to the Community premises and Community expansion plans (that are not covered by grants). The Board decided that £150,000 should be released from designated funds as the strategy is now to seek grants to fund any new major repairs or expansion, so the fund that was previously set aside was more than is now necessary.

Restricted Funds

The Restricted Fund represents the following grants:

Barbon "Sofa Carry" Event - £12,931 brought forward, further donations received in the year of £2,000, £10,000 has been used towards the purchase of a new van and this amount has been transferred to general funds. Carried forward £4,931.

Emmaus UK Companion Training Fund - £941 brought forward, donations of £1,595 received in the year towards companion training costs, £2,536 was expended in the year. Carried forward £nil.

Companions Social Grant Fund - £1,000 brought forward towards the costs of companion outings or trips, £1,000 has been expended in the year. Carried forward £nil.

EMMAUS GREENWICH
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

14. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 July 2016</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 30 June 2017</i>
	£	£	£	£	£
Designated funds	250,000	-	-	-	250,000
General funds	824,338	854,399	(840,036)	-	838,701
Restricted funds					
Restricted funds	14,211	29,602	(28,941)	-	14,872
Total of funds	£ 1,088,549	£ 884,001	£ (868,977)	£ -	£ 1,103,573

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2018	Restricted funds 2018	Total funds 2018
	£	£	£
Tangible fixed assets	758,283	-	758,283
Current assets	473,195	4,931	478,126
Creditors due within one year	(59,743)	-	(59,743)
	£ 1,171,735	£ 4,931	£ 1,176,666

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017	Restricted funds 2017	Total funds 2017
	£	£	£
Tangible fixed assets	421,663	-	421,663
Current assets	704,455	14,872	719,327
Creditors due within one year	(37,417)	-	(37,417)
	£ 1,088,701	£ 14,872	£ 1,103,573

EMMAUS GREENWICH
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	73,093	15,024
Adjustment for:		
Depreciation charges	35,155	36,797
(Increase)/decrease in stocks	(422)	1,345
(Increase)/decrease in debtors	(5,775)	28,248
Increase/(decrease) in creditors	22,326	(40,213)
Net cash provided by operating activities	£ 124,377	£ 41,201

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	377,061	624,459
Total	£ 377,061	£ 624,459

18. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £10,240 (2017 - £10,926). Contributions totalling £nil (2017 - £1,309) were payable to the fund at the balance sheet date and are included in creditors.

19. OPERATING LEASE COMMITMENTS

At 30 June 2018 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
Amounts payable:		
Within 1 year	46,440	74,523
Between 1 and 5 years	-	19,833
Total	£ 46,440	£ 94,356