

EMMAUS SOUTH LAMBETH COMMUNITY

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Company Number: 03458828

Charity Number: 1069610



EMMAUS SOUTH LAMBETH COMMUNITY
(A company limited by guarantee)

FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30TH JUNE 2023

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EMMAUS SOUTH LAMBETH COMMUNITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees and directors

Jonathan Pallas – Chair Resigned 31st
December 2023
Robert Lee
Steven Harmer
Tess Le - Resigned 21st September 2023
Nathaniel Collins - Resigned 23rd March 2023
Jessica Worner
Ravi Rai
Simon Grainge
Zoe Alexander
Amy Boland – Appointed 16th November 2023
John Bozza - Appointed 18th May 2023 Chair
from 1st January 2024
Alvin Jackson – Appointed 18th May 2023
Vice Chair from 1st January 2024
Protima Sikdar-Wood – Resigned 15th
September 2022

Chief Executive Officer/ Company Secretary

James Hayes

Registered Office

Bobby Vincent House
9 Knight's Hill
West Norwood
London
SE27 0HY

Charity registration number

1069610

Company registration number

03458828

Auditor

Baxter & Co.
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Bankers

Barclays Bank UK PLC
1 Churchill Place
London E14 5HP

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

The Charity Bank Limited
Fosse House
82 High Street
Tonbridge
TN9 1BE

EMMAUS SOUTH LAMBETH COMMUNITY

TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 JUNE 2023

The Trustees, who also act as Non-Executive directors of Emmaus South Lambeth Community ("the Charity") for the purposes of company law, present their annual report for the year ended 30 June 2023 together with the financial statements for that year.

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" (FRS 102).

The Charity was incorporated as a company limited by guarantee (number 03458828) and not having a share capital on 31 October 1997 and registered as a charity (number 1069610) on 19 May 1998.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Company was constituted under a Memorandum, which established the objects and powers of the charitable company and is governed by its Articles of Association.

Induction and training of new Trustees

The Trustees are selected for their experience and skills relevant to the tasks required of the Board at each stage.

Each new Trustee is interviewed and inducted into the Charity and its objectives and mission. From time to time, appraisals are undertaken of Trustees' skills and experience.

The training facilities for Trustees offered by Emmaus UK are available to our Trustees.

Organisational structure

Board of Directors

The Board of Directors is responsible for the overall governance of the company and charity.

The management of the Charity is the responsibility of the Non-Executive Directors who act as Trustees for purposes of Charity Law and are elected and co-opted under the terms of the Articles of Association.

The Board of Trustees ("the Board") meets every two months to effect the strategic management of the Charity's affairs with reports from the Board Committees ("Subcommittees").

The Subcommittees are composed of Trustees appointed by the Board, staff of Emmaus South Lambeth Community and volunteers approved by the respective Subcommittee. They normally meet prior to each Board meeting, taking an active role in their respective areas of competence and report back to the Board on matters within their remit.

EMMAUS SOUTH LAMBETH COMMUNITY

TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 JUNE 2023 - continued

Finance & Audit Committee

This Subcommittee is tasked with the following responsibilities:

- Reviewing the monthly Management Accounts;
- Reviewing the Annual Report and Financial Statements prior to approval by the Board;
- Assisting in the preparation of the Annual Budget and presenting it to the Board for approval;
- Reviewing internal financial controls and procedures;
- Ensuring compliance in legal and statutory matters in relation to Emmaus South Lambeth Community; and
- Providing ad-hoc financial reports as requested by the Board.

Business Development and Communications Committee

This Subcommittee is tasked with the following responsibilities:

- Ensuring and overseeing the development and implementation of policies and activities affecting the business/commercial development and all communications concerning Emmaus South Lambeth Community;
- Ensuring the development and implementation of sound business development strategies that will ensure Emmaus South Lambeth Community has a sound financial basis on which to further develop its work; and
- Acting as a forum for Trustees, Emmaus South Lambeth Community's staff, volunteers and Companions, empowering Companions to develop elements of ownership and a stake in the future of the Emmaus South Lambeth Community.

Human Resources and Companion Welfare Committee

This Subcommittee is tasked with the following responsibilities:

- Staffing and welfare guidance to the Charity with regard to staff, volunteers and Companions;
- Oversee and monitor safeguarding policies and procedures
- HR policies and processes, appraisals and training; and
- Health and Safety matters.

EMMAUS SOUTH LAMBETH COMMUNITY

TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 JUNE 2023 - continued

Senior Leadership Team

The Senior Leadership Team consists of a Chief Executive, Head of Finance and Communities, Head of Business and Partnership Manager.

Related Parties

Emmaus South Lambeth Community is an independent charity, which belongs to the international Emmaus movement, and is a member of the Emmaus Federation in the UK. Emmaus South Lambeth Community is known locally as Emmaus SLC.

Risk Management

The Trustees have carried out an assessment of the risks facing the Charity and have a Risk Register which is reviewed annually. They have established procedures for minimising the risks associated with running the Community and risks associated with the business side of the Community's activities to reflect the development of the Charity business and activities, and also to reflect the changing nature of the economic climate.

OBJECTS AND ACTIVITIES

Objects and Aims

According to the Memorandum of Association, the Objects of the Charity are:

1. the alleviation and relief of poverty, hardship and distress arising therefrom to those in need without distinction and in furtherance of those objects but not otherwise;
2. the provision of accommodation, or assistance in such provision, for the poor and homeless in the Southbank area of London and such other places as may seem appropriate from time to time;
3. the provision of education, training and employment training for such persons with the purpose of developing skills to enable them to gain employment;
4. the support of the work of other Emmaus Communities or other agencies in the relief of poverty and homelessness whether in the United Kingdom or elsewhere in the world and in particular (without limitation) by the exchange of resources, information and expertise with other Emmaus Communities worldwide;
5. to educate the public in the needs of poor and marginalised people through whatever means of publicity or education the Charity deems fit, including electronically through our media channels; and
6. to recruit and train workers to support the furtherance of the Objects.

EMMAUS SOUTH LAMBETH COMMUNITY

TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 JUNE 2023 - continued

Significant Activities

Emmaus South Lambeth Community aims to alleviate the distress and hardship of those who have experienced the ravages and trauma of homelessness and other forms of social exclusion in South London.

The Charity strives to achieve this through operating a successful Emmaus Community, which provides not only a warm welcome and a safe home to those in need, but also work, and through work, the chance to regain self-respect and hope.

Emmaus South Lambeth Community enjoys long-standing links with many organisations in London and the surrounding areas through whom our offer of welcome, help and opportunity can be extended to all who need it and are willing to subscribe to the Emmaus Principles.

All Emmaus communities are non-religious and open to all who can accept the simple practical conditions of membership without regard to gender, race, creed, or sexual orientation.

The main business for this, and indeed all Emmaus UK Communities, is collecting, recycling and then selling donated goods including furniture, bric-a-brac and some white goods. Since 2013 the supply of furniture and electrical goods to the London Borough of Lambeth for residents who would previously been eligible for Crisis Loans and Community Care Grants has been a significant part of the business. This 'Emergency Support Scheme' work is mainly carried out by the beneficiaries of the Charity and fits with the core aim of the alleviation and relief of poverty and hardship and distress. This agreement with LB Lambeth is due to end on 31st December 2023 and measures have been put in place to prepare for this.

Every Emmaus Community operates a social enterprise in which all members of the Community contribute to their mutual well-being and support, striving to generate surpluses to benefit others.

The Charity's strategies for achieving these Objects are:

- To provide a twenty-seven bed Community house in Lambeth that is welcoming, friendly and secure;
 - To provide a ten bed Community in Croydon, SE25, for Companions to live safely and securely, and an additional eight bed Community in Croydon, SE19 for Companions wishing to move towards a semi-independent lifestyle;
 - To provide a three bed 'move on' flat for companions who enter the world of external work.
- To provide training and operate sales outlets to carry on a successful social enterprise;

EMMAUS SOUTH LAMBETH COMMUNITY

TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 JUNE 2023 –

continued

- To provide support, hope and encouragement to Companions, as those who live in an Emmaus Community are known to address past and present problems and, if they wish, to equip them for independent living within a timescale determined by the needs and wishes of each individual; and
- To create and maintain appropriate management.

The following factors are relevant to the achievement of the Charity's objectives:

- Adherence to the 5 Year strategic plan which was updated in 2022 with a focus on sustainability, growth, and awareness. This is reviewed annually.
- Development of the Charity's business activity so that trading becomes the major source of income of the Charity.

Grant-making and Solidarity

In 2014 members of the Community organised a Solidarity Committee and have since undertaken a number of fundraising events for other charities. All staff and companions are granted two days off work each year to volunteer with other charities.

Staff, companions and friends of Emmaus South Lambeth Community volunteered their time to support Crisis at Christmas in a hotel in Westminster. When the hotel closed on 4th January 2023, four Crisis at Christmas guests were accommodated in our Community buildings and supported with their move on plans.

In September 2022 companions, staff and trustees of Emmaus South Lambeth Community participated in a Solidarity 24-hour Spin-a-thon, and in October a curry fundraiser was held in a local restaurant. Over £3,000 was raised and split between Emmaus Communities in Ukraine, Poland, and Romania.

In addition, Emmaus SLC has supported several ad-hoc requests for furniture and goods in kind with an approximate value of £1,500 for local people in need.

Volunteers

The Charity has over the year had the help of about forty part-time volunteers, some of whom are former companions. Our volunteers assist in the shops, kitchen, warehouse, and vans, working alongside our companions.

Charitable Activity Beginnings

A site suitable for an Emmaus Community was identified and purchased by the Charity in 2001. This included space for accommodation, a warehouse and two shops and a major fundraising effort was undertaken to cover the cost of the accommodation block and warehouse.

EMMAUS SOUTH LAMBETH COMMUNITY

TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 JUNE 2023 – continued

Shops and Warehouse

The Charity opened its first shop selling donated goods in November 2004. In April 2006 a second shop, adjacent to the first one, was opened to allow the Charity to expand the range of goods offered. In November 2009 the Charity moved its furniture sales and workshop into its own building in Beadman Street, after a successful short lease in a local warehouse.

In April 2012 the Charity leased another shop at 88 Knights Hill for selling furniture and other household items.

In spring 2013 the Charity agreed a lease with the London Borough of Lambeth on a unit in Brixton which would be used to supply furniture and electrical goods to the local authority for residents who would previously have been eligible for Crisis Loans and Community Care Grants. This 'Emergency Support Scheme' commenced in April 2013 and fits with the core aim of the alleviation and relief of poverty and hardship and distress. The work involved in the Emergency Support Scheme is mainly carried out by the beneficiaries of the Charity. This agreement with LB Lambeth ended on 31st December 2023 and measures were due been put in place to prepare for this.

In October 2016 the Charity took on a 66-year lease on a large retail property in Stafford Road, Wallington. This unit had previously been trading as Wallington Missionary Mart & Auctions before being transferred to Emmaus UK in 2014. In November 2017, the freehold was purchased from London Borough of Sutton for £25,000. As the buildings on this site are in a poor state of repair and not economically viable to bring up to standard, we have begun to market the sale of the freehold. After careful consideration and legal advice, we are progressing with a purchase offer. There has been a delay, however, due to legalities around right of access and easement over the driveway. Our expectation is that this will be resolved, and contracts exchanged in 2024.

In March 2017, the Charity took on a lease for an antique shop in High Street, Carshalton and then in July 2017, a 5-year lease on a furniture shop in Caterham. In October 2018 a 5-year lease was taken on a high street shop on Brighton Road, Purley. In March 2023 the lease expired on the Carshalton shop and was not renewed due to a proposed increase in rent which made the shop unviable financially. We have also seen considerable growth in our online sales and will look to invest and focus on this part of our business in the future.

Accommodation

In 2006 agreement was reached with Ujima Housing Association (Ujima) whereby Emmaus South Lambeth Community granted Ujima a 999-year lease over part of its site in West Norwood, enabling Ujima to access £1.67 million of funding from the Housing Corporation to fund the construction of the accommodation block.

Construction work was completed in early October 2007 and the first Companion moved into the Community later that month. In January 2008 Ujima was taken over by London and Quadrant Housing Association.

EMMAUS SOUTH LAMBETH COMMUNITY

TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 JUNE 2023 – continued

The West Norwood Community consistently operates at its capacity of twenty-seven Companions.

In May 2014 the Charity entered into a three-year agreement with West London Mission (WLM) to develop and manage a satellite residential Community in WLM premises in Kennington. The project ran, as planned, until May 2017 and was considered a success.

In January 2018 a bid was accepted for the freehold purchase of a 7-bed House of Multiple Occupancy (HMO) in the London Borough of Croydon, owned by Croydon Churches Housing Association, who have supported our Companions throughout the year in accessing independent accommodation. This has since been reconfigured to be an 8-bed home.

This purchase was completed in August 2018 and the capital cost of £700,000 was very generously funded by The Leslie Aldridge Trust, to whom we are extremely grateful.

In October 2019 a freehold purchase was completed for another 7 bed HMO in Croydon, from Croydon Churches Housing Association. This has since been re-configured to be a 10-bed home. We are very grateful to The Leslie Aldridge Trust and Emmaus UK for funding the capital cost of £693,000.

Through 2022 work took place to redevelop the Beadman Street site to include an office complex on a mezzanine floor, and moving of the existing offices in Bobby Vincent House to create a three bedroom 'move on flat' for companions entering paid, external work. The offices in Bobby Vincent House were in an existing two bed flat, so needed minimal reconfiguring in Bobby Vincent House. We are grateful to both Emmaus UK and the Leslie Aldridge Trust for helping to fund this work.

Workshop/Warehouse

In March 2007 the Charity was successful in being awarded £250,000 from the Department of Communities and Local Government, which, together with other pledged funds and donations already received enabled the Charity to commence construction of a workshop/warehouse on a site purchased by the Charity at the rear of the Accommodation Block in West Norwood.

The Charity modified its original plans for the warehouse for which planning permission had been granted as the cost of that warehouse design proved to be prohibitive and the Charity obtained revised planning permission for a smaller warehouse. The construction commenced in spring 2009 and was completed in November 2009.

Social Impact

The year 2022-23 saw a total of 32 new Companions join, an increase of six on the previous year. We received 246 enquires and referrals for accommodation in the year, which is the highest on record. This is due to a combination of employing a Partnerships Manager from April 2023 but also reflective of the increase in homelessness and cost of living more widely in society.

EMMAUS SOUTH LAMBETH COMMUNITY

TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 JUNE 2023 – continued

These enquiries and referrals come from a wide range of sources, including homeless hostels and day centres, rough sleeper outreach teams, the prison service, and self-referrals.

Of the 21 Companions moving on from the Community (an increase of one from the previous year), 11 of these were planned, positive move ons, moving into a combination of independent accommodation in the private rented sector, social housing, age-appropriate accommodation, and other Emmaus Communities. 5 were considered neutral.

All Companions were given monthly support plan meetings and Personal Development Plans to assist them in achieving their aims and aspirations. Companions were supported with their physical and mental health by way of therapeutic counselling, dental and medical appointments. Companions were also offered, and engaged with, a range of external services, including work experience placements, and courses including food hygiene, PAT testing, art, literacy, numeracy, ESOL, SIA, CSCS, and computer training. Eight companions undertook a NVQ qualification in warehousing and one completed a telescopic forklift course and went on to gain employment into that industry.

We have successfully assisted all our Companions to have bank accounts and make the transition to receiving their allowance monthly into the bank, rather than weekly in cash. This enables them to prepare for life outside of the Emmaus Community, whether that be in paid employment or in receipt of Universal Credit. Companions have also been supported to get identification such as Passports and Driving Licences. Companions, staff and Trustees have been supporting local rough sleepers through volunteering activities with food distribution organisations and Crisis at Christmas.

We have been pleased to employ the services of a Move-On Support Worker and a Progression Coach. The Move-On Support Worker assists Companions in their goal towards independent living and employment, including support with external training. We have also been fortunate to employ an externally funded Support Worker to deliver a 'Cooking with Confidence' course to assist companions to not only cook, but to budget and plan around kitchen and food activities.

The focus to engage Companions in social events remains high, however, with trips to the theatre, cinema, various football and rugby matches, and group events such as 10 pin bowling, barbeques and our annual summer Bank Holiday trip to Brighton taking place throughout the year, wherever possible.

We have had a higher number of companions join us who are looking to regularise their immigration status and they do not have recourse to public funds, e.g. Universal Credit and Housing Benefit. There has been lots of activity from our Community Managers working with various law centres and specialists in immigration advice to assist individuals in the lengthy and often complicated issues surrounding immigration and welfare benefits.

EMMAUS SOUTH LAMBETH COMMUNITY

TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 JUNE 2023 – continued

FINANCIAL REVIEW

There was a deficit in the year of £127,976 (2022:£41,960)

The balance sheet shows that the charity had net funds of £3,409,524 (2022 £3,537,500) at the year end.

Reserves Policy

The Trustees maintain a conservative Reserves Policy to ensure that all short term and long term commitments can be met in the current economic environment. Reserves constitute funds arising from income which becomes available to the charity and is to be spent at the discretion of the Trustees in furtherance of the objects of the Charity and which is not yet spent, committed, restricted or designated. Reserves are held to finance all liabilities and future development of the charity.

The Trustees wish to maintain a sufficient level of liquid unrestricted reserves so that there are adequate funds to meet all current and known liabilities ideally for a range of between three and five months' revenue expenditures.

Emmaus South Lambeth Community is extremely grateful for all the generous donations given throughout the year.

Investment Policy and Objectives

The Charity's principal investment is in land and buildings in West Norwood, Croydon and Surrey.

The Trustees, having regards to the liquidity of the Charity keep its funds on deposit so that the funds are available when required and are satisfied with the return achieved on cash deposits.

FUTURE DEVELOPMENTS

Both business and residential opportunities will continue to be explored and developed with further new retail outlets being sought for the coming year. Support Workers will be considered for all new retail activities to provide Companions with additional support in the workplace as well as continuing support from staff by way of monthly support plans and Personal Development Plans.

As financial self-sufficiency is maintained, the Trustees plan to use any surplus generated in future years in line with the charity's 5 year strategic plan which includes the development of new Emmaus Communities and for charitable purposes consistent with the aims and objectives of Emmaus South Lambeth Community.

EMMAUS SOUTH LAMBETH COMMUNITY

TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 JUNE 2023 – continued

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charitable company and the incoming resources and application of the resources, including the net income or expenditure, of the charitable company for the year. In preparing these financial statements, the Trustees are required to:

- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Disclosure of information to auditor

So far as the trustees are aware, there is no relevant audit information which has not been disclosed to the charity's auditors. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any matters which would be relevant for audit purposes, and to ensure that such information has been communicated to the charity's auditors.

Risk Management

The major risks to which the charity is exposed, as identified by the Trustees, have been reviewed and systems and procedures have been established to manage those risks.

Going Concern

As described in the accounting policies on page 24, the accounts have been prepared on a going concern basis which assumes that the charitable company can continue to operate.

EMMAUS SOUTH LAMBETH COMMUNITY

TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 JUNE 2023 – continued


Auditors

A resolution will be proposed at the next Annual General Meeting to re-appoint Baxter & Co as the company's auditors.

Small Companies' Exemptions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the board on 25-1-24 and signed on its behalf by:


.....
Robert Lee - Trustee

EMMAUS SOUTH LAMBETH COMMUNITY INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EMMAUS SOUTH LAMBETH COMMUNITY

Opinion

We have audited the financial statements of Emmaus South Lambeth Community (The 'Charitable Company') for the year ended 30 June 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, 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 accounts:

- give a true and fair view of the state of the charity's affairs as at 30 June 2023 and of its incoming resources and application of resources, 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 Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC'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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

EMMAUS SOUTH LAMBETH COMMUNITY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMMAUS SOUTH LAMBETH COMMUNITY – Continued

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions 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, which includes the strategic report and the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 strategic report or the directors' report included within the trustees' report.

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

- the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's 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

EMMAUS SOUTH LAMBETH COMMUNITY

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF EMMAUS SOUTH LAMBETH
COMMUNITY - Continued

Responsibilities of Trustees

As explained more fully in the Statement of Trustees Responsibilities as set out on page 12, the trustees (who are also the directors of the charitable company 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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the either intend to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

Capability of the audit in detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the sector as a whole, and through discussions with the trustees and other management (as required by auditing standards), we identified that the principal risks of non compliance with laws and regulations, related to the Companies Act, the Charities Act, and safeguarding.

EMMAUS SOUTH LAMBETH COMMUNITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF EMMAUS SOUTH LAMBETH COMMUNITY - Continued

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We evaluated trustees and managements incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined the principal risks related to posting inappropriate journals to manipulate revenue or expenditure.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquires of management and those charged with governance and obtaining additional corroborative evidence as required.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

EMMAUS SOUTH LAMBETH COMMUNITY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF EMMAUS SOUTH LAMBETH COMMUNITY – Continued

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).

EMMAUS SOUTH LAMBETH COMMUNITY
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF EMMAUS SOUTH LAMBETH
COMMUNITY – Continued

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report or for the opinions we have formed.



Christopher Jones FCCA, Senior Statutory Auditor 25 March 2024
For and on behalf of
Baxter & Co
Chartered Certified Accountants
Statutory Auditor

Lynwood House
Crofton Road
Orpington
Kent

EMMAUS SOUTH LAMBETH COMMUNITY

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account) FOR THE YEAR ENDED 30TH JUNE 2023

	Notes	<u>Unrestricted funds</u> £	<u>Restricted funds</u> £	<u>30/06/2023</u> Total funds £	<u>30/06/2022</u> Total funds £
INCOME FROM:					
Donations and legacies	2	55,796	52,531	108,327	276,417
Activities for Generating Funds	3	1,803,555	-	1,803,555	1,562,998
Investments – Bank Interest	4	7,311	-	7,311	1,783
Government Grants	5	-	-	-	107
Total incoming resources		1,866,662	52,531	1,919,193	1,841,305
EXPENDITURE ON:					
Charitable activities: -					
Community Development/Operations	6	425,064	47,981	473,045	437,889
Trading	6	1,523,274	-	1,523,274	1,410,067
Governance costs	7	50,850	-	50,850	35,309
Total Resources Expended		1,999,188	47,981	2,047,169	1,883,265
Net Incoming (Outgoing) Resources Before Transfers		(132,526)	4,550	(127,976)	(41,960)
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		(132,526)	4,550	(127,976)	(41,960)
Total funds brought forward		3,530,500	7,000	3,537,500	3,579,460
TOTAL FUNDS CARRIED FORWARD		3,397,974	11,550	3,409,524	3,537,500

The comparative figures for 2022 are analysed according to fund on the next page of these financial statements.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EMMAUS SOUTH LAMBETH COMMUNITY

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account) FOR THE YEAR ENDED 30TH JUNE 2023

	Notes	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>30/06/2022 Total funds</u>	<u>30/06/2021 Total funds (see over)</u>
		£	£	£	£
INCOME FROM:					
Donations and legacies	2	125,913	150,504	276,417	345,860
Activities for Generating Funds	3	1,562,998	-	1,562,998	1,320,063
Investments – Bank Interest	4	1,783	-	1,783	2,359
Government Grants	5	107	-	107	137,020
Total incoming resources		1,690,801	150,504	1,841,305	1,805,302
EXPENDITURE ON:					
Charitable activities: -					
Community Development/Operations	6	235,635	202,254	437,889	384,486
Trading	6	1,410,067	-	1,410,067	1,236,694
Governance costs	7	35,309	-	35,309	27,793
Total Resources Expended		1,681,011	202,254	1,883,265	1,648,973
Net Incoming (Outgoing) Resources Before Transfers		9,790	(51,750)	(41,960)	156,329
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		9,790	(51,750)	(41,960)	156,329
Total funds brought forward		3,520,710	58,750	3,579,460	3,423,131
TOTAL FUNDS CARRIED FORWARD		3,530,500	7,000	3,537,500	3,579,460

EMMAUS SOUTH LAMBETH COMMUNITY

BALANCE SHEET AS AT 30TH JUNE 2023

		<u>30/06/2023</u>	<u>30/06/2022</u>
		£	£
	Notes		
FIXED ASSETS			
Tangible assets	11	2,672,099	2,755,465
CURRENT ASSETS			
Debtors	12	96,725	179,129
Cash at bank and in hand		759,640	676,256
Stock		5,375	10,121
		<u>861,740</u>	<u>865,506</u>
CREDITORS			
amounts falling due within one year	13	124,315	83,471
NET CURRENT ASSETS		<u>737,425</u>	<u>782,035</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,409,524</u>	<u>3,537,500</u>
FUNDS			
General unrestricted funds			
Unrestricted funds		3,397,974	3,530,500
Restricted funds		11,550	7,000
TOTAL FUNDS	14	<u>3,409,524</u>	<u>3,537,500</u>

The accounts are prepared in accordance with the provisions of part 15 of the Companies Act 2006 relating to small companies.

Approved by the Trustees on 25-1-24

Robert Lee - Trustee



EMMAUS SOUTH LAMBETH COMMUNITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2023

		<u>30/06/2023</u>	<u>30/06/2022</u>
		£	£
	Notes		
Cash Flows from operating activities			
Cash generated from operations	17	115,172	16,431
Net cash (outflow)/inflow from operating activities		115,172	16,431
Investing Activities			
Purchase of tangible assets		(48,765)	(140,144)
Proceeds from disposal of tangible fixed assets		9,666	7,900
Interest received		7,311	1,783
Net (decrease)/increase in cash and cash equivalents		83,384	(114,030)
Cash and cash equivalents at beginning of year		676,256	790,286
Cash and cash equivalents at end of year		759,640	676,256

EMMAUS SOUTH LAMBETH COMMUNITY

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 30TH JUNE 2023

1 Basis of Preparation

Emmaus South Lambeth Community is company limited by guarantee in England and Wales. 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. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are set out on page 6.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least 12 months from the date of authorisation of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future, and there are no material uncertainties about the charity's ability to continue as a going concern, this they continue to adopt the going concern bases of accounting in preparing the financial statements.

Fund Accounting

General Funds are unrestricted funds 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.

EMMAUS SOUTH LAMBETH COMMUNITY
PRINCIPAL ACCOUNTING POLICIES
FOR THE YEAR ENDED 30TH JUNE 2023 - Continued

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 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. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

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.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

EMMAUS SOUTH LAMBETH COMMUNITY

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 30TH JUNE 2023 - Continued

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

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

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Governance Costs

Governance costs are those associated with compliance with constitutional and statutory requirements and are allocated, along with other support costs, to charitable expenditure.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

EMMAUS SOUTH LAMBETH COMMUNITY

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 30TH JUNE 2023 - Continued

Freehold property - 2% on cost

Long leasehold - 1 – 20% on cost and reducing balance

Fixtures and fittings - 20% and 33% on cost

Motor vehicles - 25% on cost

Office equipment - 33% on cost

Investments

Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Provision is made for damaged, obsolete and slow-moving stock where appropriate. Stock does not include donated assets for sale as it is impractical to measure reliably the fair value of these donated assets.

Debtors

Debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

Tax

- 、 The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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 reliably estimated.

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 obligations. 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 in the Statement of financial activities as a finance cost.

EMMAUS SOUTH LAMBETH COMMUNITY

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 30TH JUNE 2023 - Continued

Financial instruments

The charity only has financial assets liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured out their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Operating leases

Rentals paid under operating leases or charged to the Statement of financial activities on a straight line basis over the lease term.

Pensions

Charity operates A defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

Critical accounting estimates and areas of judgement

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of Judgement:

Charity has recognised tangible fixed assets with the carrying value of £2,672,099 (see note 11). These assets are stated at their cost less provision for depreciation and impairment.

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful lives and the residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancements, future investments, economic utilisation and the physical condition of the assets.

EMMAUS SOUTH LAMBETH COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023

	<u>30/06/2023</u>	<u>30/06/2022</u>
	£	£
2. VOLUNTARY INCOME		
Donations and Gift Aid claims	108,327	276,417
3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES		
Trading income	1,567,389	1,332,213
Accommodation receipts	236,166	230,785
	<u>1,803,555</u>	<u>1,562,998</u>
4. INVESTMENT INCOME		
Interest receivable	7,311	1,783
5. GOVERNMENT GRANTS		
Job Retention Scheme	-	107
6. Analysis of resources expended		
<u>Direct charitable costs</u>		
Staff costs	1,032,198	1,044,268
Premises costs	325,529	228,133
Companions costs	196,103	169,242
Depreciation (see note below)	130,761	114,226
Goods purchased for resale	132,858	119,117
Other charitable expenditure including reallocations	178,870	172,970
	<u>1,996,319</u>	<u>1,847,956</u>

EMMAUS SOUTH LAMBETH COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023 – continued

7. GOVERNANCE COSTS

	<u>30/06/2023</u>	<u>30/06/2022</u>
	£	£
Accountancy fees	17,139	12,751
Professional fees	27,211	19,058
Auditor's remuneration	6,500	3,500
	<u>50,850</u>	<u>35,309</u>

8. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after
charging/(crediting):

Auditors' remuneration	6,500	3,500
Depreciation – owned assets	130,761	114,226
(Gain) Loss on disposal of fixed assets	<u>(8,296)</u>	<u>(2,800)</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2023 nor for the year ended 30 June 2022.

Trustees' Expenses

There were no expenses reimbursed to the trustees during the year
(2022 - £nil).

10. STAFF COSTS

Wages and salaries	971,724	968,866
Social security costs	60,474	75,402
	<u>1,032,198</u>	<u>1,044,268</u>

The number of employees during the year was as follows:

<u>49</u>	<u>50</u>
-----------	-----------

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

EMMAUS SOUTH LAMBETH COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023 – continued

	Freehold property £	Long leasehold £	Fixtures, fittings and office equipment £	Motor vehicles £	Total £
11. TANGIBLE FIXED ASSETS					
COST					
At 1 July 2022	2,919,221	200,000	422,430	72,783	3,614,434
Additions	-	-	48,765	-	48,765
Disposals	-	-	-	(9,400)	(9,400)
At 30 June 2022	2,919,221	200,000	471,195	63,383	3,653,799
DEPRECIATION					
At 1 July 2022	552,612	41,688	229,595	35,074	858,969
Charge for year	55,718	2,000	56,985	16,058	130,761
Disposals	-	-	-	(8,030)	(8,030)
At 30 June 2023	608,330	43,688	286,580	43,102	981,700
NET BOOK VALUE					
At 30 June 2023	2,310,891	156,312	184,615	20,281	2,672,099
At 30 June 2022	2,366,609	158,312	192,835	37,709	2,755,465

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>30/06/2023</u>	<u>30/06/2022</u>
	£	£
Other debtors	96,725	179,129

EMMAUS SOUTH LAMBETH COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023 – continued

	<u>30/06/2023</u>	<u>30/06/2022</u>
	£	£
13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Trade creditors	23,919	18,880
Taxation and social security	5,703	26,348
Other creditors	94,693	38,243
	<u>124,315</u>	<u>83,471</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Total funds 2023	Total funds 2022
	£	£	£	£
Fixed assets	2,672,099	-	2,672,099	2,755,465
Current assets	839,955	11,550	851,505	851,023
Current liabilities	(114,080)	-	(114,080)	(68,988)
	<u>3,397,974</u>	<u>11,550</u>	<u>3,409,524</u>	<u>3,537,500</u>

The designated Fixed Asset Fund represents fixed assets for the continuing use within the Charity. These assets were, in part, purchased using donations restricted for such use. As each restriction is discharged the Trustees have designated them as an unrestricted fixed asset fund to emphasise that they are not funds available for spending.

PRIOR YEAR

	Unrestricted funds	Restricted funds	Total funds 2022	Total funds 2021
	£	£	£	£
Fixed assets	2,755,465	-	2,755,465	2,734,647
Current assets	844,023	7,000	851,023	927,924
Current liabilities	(68,988)	-	(68,988)	(83,111)
	<u>3,530,500</u>	<u>7,000</u>	<u>3,537,500</u>	<u>3,579,460</u>

EMMAUS SOUTH LAMBETH COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023 – continued

15. CAPITAL COMMITMENTS

There were no capital commitments contracted prior to 30th June 2023.

16. RELATED PARTIES

Emmaus South Lambeth Community is a member of the Emmaus UK Federation, Emmaus Europe and Emmaus International. It pays an annual subscription to all three of these organisations which is variable according to its turnover. In the year ended 30th June 2023 £23,737 (2022: £15,298) was paid to the Emmaus UK Federation, Emmaus Europe and Emmaus International.

17. CASH GENERATED FROM OPERATIONS

	<u>30/06/2023</u>	<u>30/06/2022</u>
	£	£
Surplus/Deficit for the year	(127,976)	(41,960)
Adjustments for:		
Depreciation	130,761	114,226
Interest	(7,311)	(1,783)
Gain on Disposal	(8,296)	(2,800)
Movement in working capital:		
Increase/decrease in stock	4,746	(2,818)
Increase/decrease in debtors	82,404	(23,590)
Increase/decrease in creditors	40,844	(24,844)
	115,172	16,431

18. ANALYSIS OF CHANGES IN NET FUNDS

	Balance at 1 July 2022	Cashflows	Balance at 30 June 2023
	£		£
Cash at bank and in hand	676,256	83,384	759,640
	676,256	83,384	759,640

EMMAUS SOUTH LAMBETH COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023 – continued

19. ANALYSIS OF FUNDS

	Balance at 1 July 2022 £	Net movement in funds £	Transfer between funds £	Total funds 30 June 2023 £
Unrestricted Fund				
General Fund	775,035	(49,160)	-	725,875
Designated Fund	2,755,465	(83,366)	-	2,672,099
Restricted Fund				
Albert Hunt Trust	7,000	(7,000)	-	-
Croydon Relief in Need	-	11,550	-	11,550
	<u>3,537,500</u>	<u>(127,976)</u>	<u>-</u>	<u>3,409,524</u>

PRIOR YEAR

	Balance at 1 July 2021 £	Net movement in funds £	Transfer between funds £	Total funds 30 June 2022 £
Unrestricted Fund				
General Fund	710,122	64,913	-	775,035
Designated Fund	2,810,588	(55,123)	-	2,755,465
Restricted Fund				
Albert Hunt Trust	58,750	(51,750)	-	7,000
	<u>3,579,460</u>	<u>(41,960)</u>	<u>-</u>	<u>3,537,500</u>

RESTRICTED FUNDS

During the year under review the charitable company received a donation of £12,600 from Croydon Relief in Need to fund a support worker from June 2023 – May 2024.

UNRESTRICTED FUNDS

The designated fund represents fixed assets for the continuing use within the Charity. These assets were, in part, purchased using donations restricted for such use. As each restriction is discharged the Trustees have designated them as an unrestricted fixed asset fund to emphasise that they are not funds available for spending.

EMMAUS SOUTH LAMBETH COMMUNITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2023 – continued

20. OPERATING LEASE COMMITMENTS

Lessee

At the reporting date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<u>30/06/2023</u>	<u>30/06/2022</u>
	£	£
Within one year	113,252	113,252
Between two and five years	151,562	264,814
	<hr/>	<hr/>
	264,814	378,066

Balance paid and due to the
 company and year

364,814	338,080
121,285	504,814
113,505	113,505
300,000	300,000

Balance paid and due to the company and year are as follows:
 At the end of the year the company had outstanding commitments for future minimum issues
 of \$113,505.

30. OPERATING LEASE COMMITMENTS

YEAR ENDED 30.06.2013 - continued
 NOTES TO THE FINANCIAL STATEMENTS FOR THE

EMMAUS SOUTH LIMESTONE COMMUNITY