

Charity Registration No. 1110220

Company Registration No. 5075117 (England and Wales)

**EMMAUS MERSEYSIDE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**UNAUDITED**  
**FOR THE YEAR ENDED 31 MARCH 2017**

SATURDAY



\*A6LVDTC\*

A17

23/12/2017

#583

COMPANIES HOUSE

# EMMAUS MERSEYSIDE

## LEGAL AND ADMINISTRATIVE INFORMATION

---

**Trustees**

Mr Nigel Mellor (Chairman)  
Ms Neina Cave  
Mr Philip Adams ACA  
Ms Joanne Anderson  
Mr Bill Chambers  
Mr Nick Thompson

**Secretary**

Mr Philip Adams ACA

**Charity number**

1110220

**Company number**

5075117

**Registered office**

11th Floor  
The Plaza  
100 Old Hall Street  
Liverpool  
L3 9QJ

**Independent examiner**

Susan Buckley FCA  
HBD Accountancy Services LLP  
Gladstone House  
2 Church Road  
Liverpool  
L15 9EG

**Solicitors**

Brabners  
Horton House  
Exchange Flags  
Liverpool  
L2 3YL

---

# EMMAUS MERSEYSIDE

## CONTENTS

---

	Page
Trustees' report	1 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6 - 7
Notes to the accounts	8 - 18

---

# **EMMAUS MERSEYSIDE**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017**

---

The Trustees present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

### **Objectives and activities**

The charity was formed on 15 March 2004. The charity's objective is to establish an Emmaus Community in Merseyside. The charity is affiliated to the Emmaus movement in the UK.

After frustrating delays in achieving the handover of the completed building at 1 School Lane Seaforth we finally received the keys on 24 May 2016. We welcomed our first Companions just two weeks later on 6 June 2016. Our first Companions (6) were drawn from across the Emmaus network in the UK which enabled us to draw on and benefit from the knowledge and experience available. After the initial settling in period, we have gradually increased Companions numbers through referrals from the Local Authority system and from other local networks and organisations. Our aim is to be full by the end of March 2018 at the latest. Our Business Plan indicates that we will require working capital during the period until the accommodation is fully occupied and until the Retail Superstore and any other social enterprise activities generate sufficient income to ensure ongoing sustainability. Our Fundraising strategy is based on such circumstances and progress to date is encouraging.

The Trustees have paid due regard to guidance issued by the Charity Commission on public benefit in deciding what activities the charity should undertake.

### **Achievements and performance**

Our thanks to The Henry Smith Charity for their support for the Community Manager post for the first three year period. We were also successful in securing grant aid from the Steve Morgan Foundation towards the Support Worker post also for a three year period.

We have continued to benefit from a number of co-operative working arrangements with other organisations which work to our mutual benefit. The Beech Group and Liverpool One both continue to provide valuable sources of useful furniture and other goods which we can save from being disposed of to landfill. Our partnership with Veolia Environmental Services enables us to operate two Re Use Shops at Household Waste Recycling Centres in Irlam Road, Bootle and Cheadle Avenue, Old Swan, Liverpool. At both these sites we can divert usable unwanted goods from being sent to landfill and generate income from subsequent sales.

The trading at the Superstore has continued to show a slow but steady improvement. There is a continuing need to ensure that our advertising and marketing activities are effective in reaching potential customers and encourages them to visit the store. We are grateful for the funding from the Merseyside Recycling and Waste Authority to run Up Cycling training courses to enable us to give new life to tired furniture and other goods that might not otherwise be saleable. Up cycling provides the opportunity to transform the goods and give them a new life. This new line certainly seems attractive to customers.

Our work has also included developing the open space areas around the Community building. The Participation Garden has been created and securely fenced. The first poly tunnel has been erected to enable Companions to benefit from the produce of their own endeavours. Grant aid from the Burbo Bank Extension Fund has been most helpful in creating this resource. We have also begun the restoration of the public open space which has enabled us to put the Ride on Mower donated by Cammell Laird to regular good use.

# EMMAUS MERSEYSIDE

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

---

We benefitted significantly from being the nominated charity of The Anne Duchess of Westminster Trust Charity Race Day event at Bangor on Dee in November 2016. Not only did we raise over £30,000 but we raised our profile and made some important links.

The two Tasks Groups on Accommodation Support and Social Enterprise are becoming increasingly active and providing a valuable opportunities to examine and discuss issues, opportunities and ideas in some depth prior consideration by the Board. The Government has announced changes to the financing arrangements for Supported Housing which would have a detrimental effect on Emmaus communities across the country. We are working with Emmaus UK and other colleagues to take full benefit of the opportunity for consultation which has been available. In addition the introduction of Universal Credit as presently proposed would further constrain the way in which Emmaus Communities are able to provide the support and training opportunities which Companions need.

The Board has continued to meet regularly throughout the year to ensure effective strategic management and direction of the many works involved in operating the social enterprise activities and providing accommodation and other support for Companions.

### Financial review

During the year income totalled £237,313 (2016: £144,660) of which £129,444 was for restricted purposes, including the provision of the Emmaus Community. Expenditure amounted to £211,311 (2016: £125,056), of which £112,003 was spent out of restricted income, resulting in a total surplus for the year of £26,002.

A fixed asset fund has been created to hold the assets which, although unrestricted, are not free reserves. The balance on the fixed asset reserve at 31 March 2017 is £88,621. The balance of unrestricted reserves at 31 March 2017 was £31,897 (2016: £53,715).

At the current time the charity is looking to maximise its income to achieve its objectives of funding the running of the Emmaus Community.

The community is now up and running with a reserves policy of the charity being that unrestricted funds which have not been designated for a specific use will be maintained at a level equivalent to between three and six months' expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. The unrestricted reserves are mainly earned from the furniture stores run by the Community. The surpluses are used as contributions to the running of the Emmaus Community. At 31 March 2017 the unrestricted funds represented approximately four months worth of Community expenditure based on the 2017 results. As the number of Community companions increase expenditure is expected to increase.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### Structure, governance and management

The charity is a company limited by guarantee and a registered charity.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr Nigel Mellor (Chairman)

Canon Neville Black MBE

(Retired 14 June 2017)

Mr John Heath

(Retired 10 May 2017)

Mr Graham Parker

(Retired 11 October 2017)

Ms Debbie Statter

(Retired 20 March 2017)

Dr Robert Toomey ACMA

(Retired 8 March 2017)

Ms Neina Cave

Mr Philip Adams ACA

Ms Joanne Anderson

(Appointed 21 December 2016)

# EMMAUS MERSEYSIDE

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

---

Mr Bill Chambers  
Mr Nick Thompson

(Appointed 21 December 2016)  
(Appointed 15 November 2016)

This year has involved a significant change of emphasis in the work of Emmaus Merseyside since we opened the residential community in June 2016 and we are now responsible for operating the accommodation effectively. This has required, amongst other things, strengthening the Board with new members with the requisite skills and experience. It has also enabled some long serving Trustees to step down having made their valued contribution throughout the development stages. This is a healthy process and enables us to ensure we are able to meet the challenges and opportunities ahead robustly and wisely. We are also intending to set up a Friends of Emmaus Merseyside to maintain contact with the wide range of people and organisations who are interested in our work and who have given us their support over the years

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees' report was approved by the Board of Trustees.



**Mr Nigel Mellor (Chairman)**  
Trustee  
Dated: 8 November 2017

# **EMMAUS MERSEYSIDE**

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EMMAUS MERSEYSIDE**

---

I report on the accounts of the charity for the year ended 31 March 2017, which are set out on pages 5 to 18.

### **Respective responsibilities of Trustees and examiner**

The Trustees, who are also the directors of Emmaus Merseyside for the purposes of company law, are responsible for the preparation of the accounts. The charity's Trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011, (the Charities Act), and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

### **Independent examiner's statement**

In connection with my examination, no material matters have come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;
- (iii) to prepare the accounts in accordance with the Charities SORP (FRS102)
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Susan Buckley**  
**HBD Accountancy Services LLP**

Chartered Accountants  
Gladstone House  
2 Church Road  
Liverpool  
L15 9EG

Dated: 8 November 2017

# EMMAUS MERSEYSIDE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

		Unrestricted funds	Fixed asset fund	Restricted funds	Total 2017	Total 2016
	Notes	£	£	£	£	£
<b><u>Income from:</u></b>						
Donations and legacies	3	6,495	-	103,726	110,221	67,961
Charitable activities	4	101,374	-	25,718	127,092	76,699
<b>Total income</b>		<b>107,869</b>	<b>-</b>	<b>129,444</b>	<b>237,313</b>	<b>144,660</b>
<b><u>Expenditure on:</u></b>						
Raising funds	5	7,964	-	5,000	12,964	1,023
Charitable activities	6	91,241	-	107,003	198,244	124,033
Other	10	103	-	-	103	-
<b>Total resources expended</b>		<b>99,308</b>	<b>-</b>	<b>112,003</b>	<b>211,311</b>	<b>125,056</b>
<b>Net incoming resources before transfers</b>		<b>8,561</b>	<b>-</b>	<b>17,441</b>	<b>26,002</b>	<b>19,604</b>
Gross transfers between funds		(30,379)	69,520	(39,141)	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(21,818)</b>	<b>69,520</b>	<b>(21,700)</b>	<b>26,002</b>	<b>19,604</b>
Fund balances at 1 April 2016		53,715	19,101	33,695	106,511	86,907
<b>Fund balances at 31 March 2017</b>		<b>31,897</b>	<b>88,621</b>	<b>11,995</b>	<b>132,513</b>	<b>106,511</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.



# EMMAUS MERSEYSIDE

## BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	11		88,621		19,101
<b>Current assets</b>					
Debtors	13	15,176		-	
Cash at bank and in hand		93,701		93,711	
		108,877		93,711	
<b>Creditors: amounts falling due within one year</b>	15	(14,985)		(6,301)	
Net current assets			93,892		87,410
<b>Total assets less current liabilities</b>			182,513		106,511
<b>Creditors: amounts falling due after more than one year</b>	16		(50,000)		-
<b>Net assets</b>			132,513		106,511
<b>Income funds</b>					
Restricted funds	17		11,995		33,695
<u>Unrestricted funds</u>					
Fixed asset fund	18	88,621		19,101	
General unrestricted funds		31,897		53,715	
			120,518		72,816
			132,513		106,511

# EMMAUS MERSEYSIDE

## BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2017

---

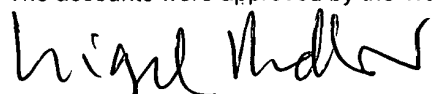
	Notes	2017 £	£	2016 £	£
--	-------	-----------	---	-----------	---

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2017. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

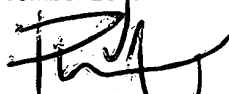
The trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Trustees on 8 November 2017



Mr Nigel Mellor (Chairman)  
Trustee



Mr Philip Adams ACA  
Trustee

Company Registration No. 5075117

# EMMAUS MERSEYSIDE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

---

### 1 Accounting policies

#### Charity information

Emmaus Merseyside is a private company limited by guarantee and registered charity. The registered office is 11th Floor, The Plaza, 100 Old Hall Street, Liverpool, L3 9QJ.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# EMMAUS MERSEYSIDE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

---

### 1 Accounting policies

(Continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

#### 1.5 Resources expended

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered and are allocated to the particular activity where the cost relates directly to that activity.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	Over property lease period - 3 years
Motor vehicles	25% NBV

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# EMMAUS MERSEYSIDE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

---

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument, apart from concessionary loans, is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments, apart from concessionary loans, are subsequently carried at amortised cost, using the effective interest rate method.

Concessionary loans received are initially measured at amounts received with the amount in subsequent years being adjusted to reflect any accrued interest payable.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **1.10 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# EMMAUS MERSEYSIDE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Donations and gifts	-	61,882	61,882	60,095
Other	6,495	41,844	48,339	7,866
	<u>6,495</u>	<u>103,726</u>	<u>110,221</u>	<u>67,961</u>
<b>For the year ended 31 March 2016</b>	<u>7,866</u>	<u>60,095</u>		<u>67,961</u>
<b>Donations and gifts</b>				
The Henry Smith Charity	-	33,200	33,200	16,400
P H Holt Foundation	-	-	-	13,695
Liverpool Charity and Voluntary Services	-	-	-	2,000
Merseyside Waste & Recycling Authority	-	8,000	8,000	8,000
The Clothworkers' Foundation	-	-	-	20,000
The Dowager Countess Eleanor Peel Trust	-	12,000	12,000	-
Burbo Bank Extension Fund	-	8,682	8,682	-
	<u>-</u>	<u>61,882</u>	<u>61,882</u>	<u>60,095</u>

### 4 Charitable activities

	2017 £	2016 £
Sales within charitable activities	101,374	76,699
Other income	25,718	-
	<u>127,092</u>	<u>76,699</u>
<b>Analysis by fund</b>		
Unrestricted funds	101,374	
Restricted funds	25,718	
	<u>127,092</u>	
<b>For the year ended 31 March 2016</b>		
Unrestricted funds		<u>76,699</u>

# EMMAUS MERSEYSIDE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 5 Raising funds

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
<u>Fundraising and publicity</u>				
Advertising	7,964	-	7,964	1,023
Other fundraising costs	-	5,000	5,000	-
	<u>7,964</u>	<u>5,000</u>	<u>12,964</u>	<u>1,023</u>
 <b>For the year ended 31 March 2016</b>				
Fundraising and publicity	<u>1,023</u>	<u>-</u>		<u>1,023</u>

# EMMAUS MERSEYSIDE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 6 Charitable activities

	2017 £	2016 £
Staff costs	63,783	51,651
Depreciation and impairment	33,270	10,096
Food	660	-
Rent and rates	48,677	28,806
Travel and general expenses	2,593	1,935
Motor expenses	2,550	1,710
Printing, postage and stationery	-	265
Computer and telephone expenses	1,887	1,144
Property expenses	10,353	4,024
Insurance	5,049	4,089
Heat and light	14,228	1,876
Credit card charges	2,219	922
Recruitment expenses	255	1,649
Volunteer expenses	2,075	352
Sundry expenses	4,138	1,320
Companion spends	6,260	-
Advertising and promotion	2,835	8,000
Emmaus Mossley	500	-
	<u>201,332</u>	<u>117,839</u>
Share of governance costs (see note 7)	(3,088)	6,194
	<u>198,244</u>	<u>124,033</u>
<b>Analysis by fund</b>		
Unrestricted funds	91,241	
Restricted funds	107,003	
	<u>198,244</u>	
<b>For the year ended 31 March 2016</b>		
Unrestricted funds		97,633
Restricted funds		26,400
		<u>124,033</u>



# EMMAUS MERSEYSIDE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 7 Support costs

	Support costs £	Governance costs £	2017 £	2016 £	Basis of allocation
Accountancy fees	-	2,000	2,000	-	Governance
Legal and professional	-	(5,088)	(5,088)	6,194	Governance
	-	(3,088)	(3,088)	6,194	
Analysed between					
Charitable activities	-	(3,088)	(3,088)	6,194	

Legal and professional fees includes the write back of a provision no longer required

Governance costs includes £2,000 paid to the Independent examiner for the preparation and examination of the accounts.

### 8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but one of them was reimbursed a total of £656 for travel expenses.

### 9 Employees

#### Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
Superstore	1	1
Residential	1	1
	2	2
<b>Employment costs</b>	<b>2017 £</b>	<b>2016 £</b>
Wages and salaries	58,678	46,994
Social security costs	2,428	4,657
Other pension costs	2,677	-
	63,783	51,651

There were no employees whose annual remuneration was £60,000 or more.

# EMMAUS MERSEYSIDE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 10 Other

	2017	2016
	£	£
Financing costs	103	-

### 11 Tangible fixed assets

	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£
<b>Cost</b>			
At 1 April 2016	19,210	15,731	34,941
Additions	92,326	10,464	102,790
At 31 March 2017	111,536	26,195	137,731
<b>Depreciation</b>			
At 1 April 2016	7,974	7,866	15,840
Depreciation charged in the year	26,721	6,549	33,270
At 31 March 2017	34,695	14,415	49,110
<b>Carrying amount</b>			
At 31 March 2017	76,841	11,780	88,621
At 31 March 2016	11,236	7,865	19,101

### 12 Financial instruments

	2017	2016
	£	£
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	2,933	-
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	64,985	6,301

### 13 Debtors

	2017	2016
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	15,176	-

# EMMAUS MERSEYSIDE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 14 Loans and overdrafts

	2017 £	2016 £
Emmaus UK Loan	50,000	-
	<u>50,000</u>	<u>-</u>
Payable after one year	50,000	-
	<u>50,000</u>	<u>-</u>
Amounts included above which fall due after five years:		
Payable other than by instalments	45,000	-
	<u>45,000</u>	<u>-</u>

Interest is charged at 1% for the life of the loan. £1,000 is repayable in 2019 and 2020, £1,500 in 2021, 2022 and 2023 with the balance of £43,500 repayable in 2024.

### 15 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	-	5,101
Accruals and deferred income	14,985	1,200
	<u>14,985</u>	<u>6,301</u>

### 16 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Emmaus UK loan	14	50,000	-
		<u>50,000</u>	<u>-</u>

# EMMAUS MERSEYSIDE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

#### 17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 April 2016	Incoming resources	Resources expended	Transfers
	£	£	£	£
The Clothworkers' Foundation	20,000	-	-	(20,000)
Merseyside Waste & Recycling Authority	-	8,000	(8,000)	-
The Henry Smith Charity	-	33,200	(24,800)	-
PH Holt Foundation	13,695	-	-	(13,695)
The Dowager Countess Eleanor Peel Trust	-	12,000	-	(12,000)
Burbo Bank Extension Fund	-	8,682	-	(8,682)
Other grants	-	3,830	(3,830)	-
Anne Duchess of Westminster Race Day	-	30,062	-	(26,467)
Residential income	-	33,670	(75,373)	41,703
	<u>33,695</u>	<u>129,444</u>	<u>(112,003)</u>	<u>(39,141)</u>
				<u>11,995</u>

The Clothworkers' Foundation grant was received to contribute to the fit-out of rooms and communal areas of the Emmaus Merseyside Community Building.

The Merseyside Waste and Recycling Authority grant was received for the landfill reduction project

The Henry Smith Charity grant was received to contribute towards the Community Manager's salary.

The PH Holt Foundation grant was received to contribute towards equipment and furniture.

The Dowager Countess Eleanor Peel Trust grant is to contribute towards the cost of a new van

The Burbo Bank Extension Fund grant is to contribute towards the costs of creating a Community Open Space and Participation Garden

The Anne Duchess of Westminster Race Day proceeds are used towards the general operating costs of the Emmaus community and towards the costs of creating the Community Open Space and Participation Garden

The residential and other income represents amounts received from Housing Benefit and sundry donors to fund the provision of the Emmaus Residential Community

# EMMAUS MERSEYSIDE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2016 £	Movement in funds		Transfers £	Balance at 31 March 2017 £
		Incoming resources £	Resources expended £		
Fixed Asset Fund	19,101	-	-	69,520	88,621
	<u>19,101</u>	<u>-</u>	<u>-</u>	<u>69,520</u>	<u>88,621</u>

### 19 Analysis of net assets between funds

	Unrestricted funds £	Fixed asset fund £	Restricted funds £	Total £
Fund balances at 31 March 2017 are represented by:				
Tangible assets	-	88,621	-	88,621
Current assets/(liabilities)	81,897	-	11,995	93,892
Long term liabilities	(50,000)	-	-	(50,000)
	<u>31,897</u>	<u>88,621</u>	<u>11,995</u>	<u>132,513</u>

### 20 Related party transactions

There were no disclosable related party transactions during the year (2016- none).