

Registered number: 5075117
Charity number: 1110220

EMMAUS MERSEYSIDE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018



EMMAUS MERSEYSIDE
(A company limited by guarantee)

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EMMAUS MERSEYSIDE
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2018**

Trustees

Mr Nigel Mellor (Chairman)
Ms Neina Cave
Mr Phil Adams
Ms Joanne Anderson (resigned 17 October 2018)
Mr Nick Thompson
Mr Bill Chambers (resigned 8 November 2017)

Company registered number

5075117

Charity registered number

1110220

Registered office

C/O Langtons, The Plaza, 100 Old Hall Street, Liverpool, L3 9QJ

Principal operating office

1 School Lane, Seaforth, Bootle, Liverpool, L21 3TQ

Company secretary

Mr Phil Adams

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2018**

The Trustees present their annual report together with the financial statements of the company for the 1 April 2017 to 31 March 2018. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

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

Objectives and Activities

a. Policies and objectives

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.

b. Activities for achieving objectives

After opening the residential accommodation in June 2016, the number of Companions has increased steadily, so that we now have 20 formerly homeless people living with us. Referrals are received from a wide variety of sources including self-referrals. We did not meet our previously stated objective to be full by the end of March 2018 due to the fact that the Community Manager left her post in January 2018 and we thought it preferable to ensure new staff were in post and properly familiar with their role and responsibilities before increasing the number of Companions to the maximum of 28.

Our Business Plan indicates that we will require working capital during the period until the accommodation is fully occupied and until the social enterprise activities generate sufficient income to ensure ongoing sustainability.

c. Main activities undertaken to further the charity's purposes for the public benefit

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

a. Key financial performance indicators

During the year income totalled £314,560 (2017: £237,313) of which £169,348 was for restricted purposes, including the provision of the Emmaus Community. Expenditure amounted to £296,264 (2017: £211,310), of which £112,003 was spent out of restricted income, resulting in a total surplus for the year of £18,296 (2017: £26,003).

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 2018 is £60,324. The balance of unrestricted reserves at 31 March 2018 was £56,387 (2017: £31,898).

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

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

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 2018 the unrestricted funds represented approximately four months worth of Community expenditure based on the 2018 results (2017 - four months). 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. Risk management procedures are reviewed on a regular basis to ensure that all current risks are effectively managed.

b. Review of activities

During the year we spent some time reviewing the organisation's priorities and the structure required to meet these effectively. This process highlighted the central importance of building the trading income from the social enterprise activities since this is required to fund the deficit on the residential operations. As a result we established the post of Business Manager and Angela Quinn took up this post in June 2017.

We have continued to receive support from the Henry Smith Charity and the Steve Morgan Foundation towards the Community Manager and Support Worker posts respectively which make a significant contribution towards our financial stability during this developmental stage. We have also been successful in raising funds from the Albert Gubay Charitable Trust towards the salaries of two Re Use Shop Manager posts at the Irlam Road, Bootle and Cheadle Avenue, Old Swan, Liverpool Household Waste Recycling Centres. These posts will provide a consistent approach to the reception of goods, merchandising and pricing and promotion of the Re Use Shops throughout the catchment areas concerned. This grant support also provides funding to establish the Emmaus Training Academy which will ensure that Companions are well equipped to undertake the various tasks and responsibilities involved in running furniture recycling activities, whilst at the same time being able to improve their knowledge and skills in support of their movement towards employment.

We completed a further year of training with support from the Merseyside Recycling and Waste Authority which introduced and strengthened trustees, staff and companions' knowledge of and ability to use social media in promoting awareness of Emmaus Merseyside to a new and wider audience. This linked well with the Up Cycling training which had been undertaken in 2017.

Our aim to maximise the resources available towards meeting our financial and operational objectives has meant that some considerable time had been spent in developing ideas and proposals for use of the external space which we own surrounding the residential accommodation. We have made a good start by installing poly tunnels, raised beds and paving which have enabled us to produce an impressive range of vegetables mainly to supply the kitchen with ultra-fresh, healthy ingredients. However to utilise the entire site productively will require further injection of funds towards equipment, operational costs, training and a Horticulture Project manager post to oversee the development going forward. We have been very grateful for the voluntary help provided by several agencies as for example HSBC and Santander Banks, and staff from Liverpool One who have spent their time exchanging cheque books for spades and wheelbarrows. The result of their labours was instantly apparent.

A highlight in the year was the official Grand Opening of the Emmaus Merseyside community which took place in October 2017. We were honoured by the presence of the Her Majesty's Lord-Lieutenant of Merseyside, Mark Blundell, who formally opened and named the residential accommodation "Seaforth Green House", Terry Waite CBE, President of Emmaus UK, spoke about the importance of responding to the needs of homeless people, Johnathan Masters, Trustee of the Steve Morgan Foundation, unveiled the Plaque acknowledging the

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

support given to Emmaus Merseyside by a wide range of organisations and the Mayor of Sefton Councillor, Dave Robinson, named the area of open space opposite the Community building "Seaforth Green". We were delighted that so many friends and supporters were able to join us on what was a most enjoyable and memorable day.

The Board has continued to meet regularly throughout the year to ensure effective strategic management and direction of the residential accommodation and social enterprise activities. Two Task Groups also provide the opportunity to consider performance and explore issues in more detail. We welcomed the recent Government announcement that the changes to Supported Housing arrangements would not be implemented following the concerns expressed in the consultation. Eligible Companions will continue to claim housing benefit and be able to contribute time and further develop their skills to the various tasks in running the residential accommodation and social enterprise activities to enable them to move towards employment and independence.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 15/03/2004.

The company is constituted under a Memorandum of Association dated 15/03/2004 and is a registered charity number 1110220.

b. Method of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

c. Organisational structure and decision making

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.

Members' liability

The Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the charity

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

in the event of winding up.

This report was approved by the Trustees, on 19 December 2018 and signed on their behalf by:



N. Mellor
Trustee

EMMAUS MERSEYSIDE
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**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2018**

Independent Examiner's Report to the Trustees of Emmaus Merseyside (the 'company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2018.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Responsibilities and Basis of Report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Dated: 19 December 2018

Susan Buckley FCA
HBD Accountancy Services LLP

Gladstone House
2 Church Road
Liverpool
L15 9EG

EMMAUS MERSEYSIDE
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:					
Donations and legacies	2	145,212	72,417	217,629	211,595
Other trading activities		-	96,931	96,931	25,718
Total income		145,212	169,348	314,560	237,313
Expenditure on:					
Raising funds		3,480	3,750	7,230	12,964
Charitable activities		145,540	143,494	289,034	198,346
Total expenditure	6	149,020	147,244	296,264	211,310
Net income / (expenditure) before transfers		(3,808)	22,104	18,296	26,003
Transfers between Funds	15	28,297	(28,297)	-	-
Net income / (expenditure) before other recognised gains and losses		24,489	(6,193)	18,296	26,003
Net movement in funds		24,489	(6,193)	18,296	26,003
Reconciliation of funds:					
Total funds brought forward		31,898	100,616	132,514	106,511
Total funds carried forward		56,387	94,423	150,810	132,514

The notes on pages 11 to 23 form part of these financial statements.

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REGISTERED NUMBER: 5075117

BALANCE SHEET
AS AT 31 MARCH 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	11		60,324		88,621
Current assets					
Debtors	12	20,994		15,177	
Cash at bank and in hand		153,173		93,701	
		<u>174,167</u>		<u>108,878</u>	
Creditors: amounts falling due within one year	13	(34,931)		(14,985)	
Net current assets			139,236		93,893
Total assets less current liabilities			199,560		182,514
Creditors: amounts falling due after more than one year	14		(48,750)		(50,000)
Net assets			<u>150,810</u>		<u>132,514</u>
Charity Funds					
Restricted funds:					
Restricted funds	15	34,099		11,995	
Designated fixed asset fund	15	60,324		88,621	
Total restricted funds			94,423		100,616
Unrestricted funds	15		56,387		31,898
Total funds			<u>150,810</u>		<u>132,514</u>

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

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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BALANCE SHEET (continued)
AS AT 31 MARCH 2018

The financial statements were approved and authorised for issue by the Trustees on 19 December 2018 and signed on their behalf, by:

N. Mellor
Trustee



P. Adams
Trustee



The notes on pages 11 to 23 form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. Accounting Policies

1.1 Basis of preparation of financial statements

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

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

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

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 £.

1.3 Company status

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

Emmaus Merseyside is a registered charity.

The registered office is 11th Floor, The Plaza, 100 Old Hall Street, Liverpool, L3 9QJ.

1.4 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting Policies (continued)

1.5 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting Policies (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

1.7 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.8 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

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

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

Motor vehicles	- 25% straight-line
Fixtures and fittings	- between 20% and 33.3% straight-line

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting Policies (continued)

1.10 Debtors

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

1.11 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Liabilities and provisions

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

1.13 Financial instruments

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

1.14 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting Policies (continued)

1.16 Critical accounting estimates and areas of judgment

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: there are no accounting estimates that we deem to be critical.

2. Income from donations and legacies

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	7,413	72,417	79,830	110,221
Sales of donated furniture	137,800	-	137,800	101,374
Total donations and legacies	145,212	72,417	217,629	211,595
Total 2017	107,869	103,726	211,595	

Detailed analysis of Donations

	2018 £	2017 £
Merseyside Waste & Recycling Authority	8,000	8,000
The Henry Smith Charity	33,800	33,200
Grantscape	3,318	-
Tesco PLC	3,750	-
The Steve Morgan Foundation	12,667	-
Eleanor Rathbone Charitable Trust	3,000	-
The Dowager Countess Eleanor Peel Trust	-	12,000
Burbo Bank Extension Fund	-	8,682
Other grants and donations	15,295	18,277
Anne Duchess of Westminster Race Day	-	30,062
Total	79,830	110,221

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**NOTES TO THE FINANCIAL STATEMENTS
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3. Direct costs

	Governance	Accommodation	Trading activities	Total 2018	Total 2017
	£	£	£	£	£
Rent and rates	-	30,632	25,637	56,269	48,677
Travel and general expenses	-	-	3,147	3,147	2,593
Bank charges	-	-	2,104	2,104	2,219
Computer and telephone expenses	-	173	1,972	2,145	1,887
Repairs and renewals	-	-	3,320	3,320	10,353
Insurance	-	-	6,412	6,412	5,049
Heat and light	-	17,703	11,597	29,300	14,228
Volunteer expenses	-	-	875	4,410	2,075
Recruitment	-	-	-	-	255
Motor expenses	-	-	3,899	3,899	2,550
Sundry expenses inc. exceptional item	-	20,581	337	25,030	4,138
Companion allowances	-	15,489	-	15,489	6,260
Advertising and promotion	-	-	3,453	3,453	2,835
Donation	-	-	-	-	500
Temporary staff	-	-	4,458	4,458	-
Food	-	2,190	-	2,190	660
Printing, postage and stationery	-	-	704	704	-
Training	-	-	8,452	805	-
Accounting fees	1,800	-	-	1,800	2,000
Legal and professional fees	550	-	-	550	(5,089)
Wages and salaries	-	48,240	32,124	80,364	58,678
National insurance	-	4,471	3,395	7,866	2,428
Pension cost	-	1,311	277	1,588	2,677
Depreciation	-	20,872	12,309	33,181	33,270
	2,350	161,662	124,472	288,484	198,243
<i>Total 2017</i>	-	103,914	94,329	198,243	

Total expenditure above: £288,484 (2017: £198,243)

Finance costs per note 4: £550 (2017: £103)

Total expenditure on charitable activities: £289,034 (2017: £198,346)

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**NOTES TO THE FINANCIAL STATEMENTS
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4. Finance Costs

	£	Total 2018 £	Total 2017 £
Finance costs	550	550	103
<i>Total 2017</i>	<i>103</i>	<i>103</i>	

5. Governance costs

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Direct costs - Governance	550	1,800	2,350	(3,088)

6. Analysis of Expenditure by expenditure type

	Staff costs 2018 £	Depreciation 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on raising voluntary income	-	-	7,230	7,230	12,964
Costs of raising funds	-	-	7,230	7,230	12,964
Accommodation	54,022	20,872	86,768	161,662	107,003
Trading activities	35,796	12,309	76,367	124,472	94,329
Finance costs	-	-	550	550	103
Charitable activities	89,818	33,181	163,685	286,684	201,435
Expenditure on governance	-	-	2,350	2,350	(3,088)
	89,818	33,181	173,265	296,264	211,311
<i>Total 2017</i>	<i>63,783</i>	<i>33,270</i>	<i>114,258</i>	<i>211,311</i>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

7. Turnover

All turnover arose within the United Kingdom.

8. Net income/(expenditure)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	33,182	33,270
Accountancy fees	750	2,000
	<u> </u>	<u> </u>

During the year, no Trustees received any remuneration (2017 - £NIL).

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

During the year, two Trustees were reimbursed £213 for expenses incurred (2017 - £656).

9. Auditors' remuneration

The Independent Examiner's remuneration amounts to an Independent Examination fee of £750 (2017 - £700), and preparation of the statutory accounts of £NIL (2017 - £1,100).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

10. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	80,364	58,678
Social security costs	7,866	2,428
Other pension costs	1,588	2,677
	<u>89,818</u>	<u>63,783</u>

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

	2018 No.	2017 No.
Superstore	1	1
Residential	2	1
	<u>3</u>	<u>2</u>

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

11. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Total £
Cost			
At 1 April 2017	26,195	111,536	137,731
Additions	4,885	-	4,885
At 31 March 2018	<u>31,080</u>	<u>111,536</u>	<u>142,616</u>
Depreciation			
At 1 April 2017	14,415	34,695	49,110
Charge for the year	6,549	26,633	33,182
At 31 March 2018	<u>20,964</u>	<u>61,328</u>	<u>82,292</u>
Net book value			
At 31 March 2018	<u>10,116</u>	<u>50,208</u>	<u>60,324</u>
At 31 March 2017	<u>11,780</u>	<u>76,841</u>	<u>88,621</u>

EMMAUS MERSEYSIDE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

12. Debtors

	2018 £	2017 £
Other debtors	18,750	15,177
Prepayments and accrued income	1,233	-
Tax recoverable	1,011	-
	<u>20,994</u>	<u>15,177</u>

13. Creditors: Amounts falling due within one year

	2018 £	2017 £
Other loans	1,000	-
Other creditors	1,628	-
Accruals and deferred income	32,303	14,985
	<u>34,931</u>	<u>14,985</u>

14. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Other loans	48,750	50,000
Creditors include amounts not wholly repayable within 5 years as follows:		
	2018 £	2017 £
Repayable by instalments	43,500	45,000

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
Unrestricted funds					
General Funds - all funds	31,898	145,212	(149,020)	28,297	56,387
Restricted funds					
Anne Duchess of Westminster Race Day	3,595	-	(3,595)	-	-
The Henry Smith Charity	8,400	33,800	(33,600)	-	8,600
Merseyside Waste & Recycling Authority	-	8,000	(8,000)	-	-
Residential Income	-	96,931	(85,875)	-	11,056
Grantscape	-	3,318	(2,217)	-	1,101
Tesco	-	3,750	(1,290)	-	2,460
The Steve Morgan Foundation	-	12,667	(12,667)	-	-
Eleanor Rathbone Charitable Trust	-	3,000	-	-	3,000
Other donations	-	7,882	-	-	7,882
	11,995	169,348	(147,244)	-	34,099
Designated fixed asset fund					
Designated fixed asset fund	88,621	-	-	(28,297)	60,324
Total restricted funds	100,616	169,348	(147,244)	(28,297)	94,423
Total of funds	132,514	314,560	(296,264)	-	150,810

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

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

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

The Grantscape grant was received to contribute towards the costs of creating and maintaining the Community Open Space and Participation Garden.

The Tesco grant was received to contribute towards the costs of maintaining the Community Open Space and Participation Garden.

The Steve Morgan grant is to contribute towards the Community Support Worker's salary.

The Eleanor Rathbone Charitable Trust grant is to contribute towards various training courses for the benefit of the Community's Companions..

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

15. Statement of funds (continued)

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

Statement of funds - prior year

	<i>Balance at 1 April 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2017 £</i>
General Funds - all funds	53,715	107,869	(99,308)	(30,379)	31,897
Restricted funds					
Clothworkers' Foundation	20,000	-	-	(20,000)	-
Merseyside Waste & Recycling Authority	-	8,000	(8,000)	-	-
The Henry Smith Charity	-	33,200	(24,800)	-	8,400
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)	3,595
Residential income	-	33,670	(75,373)	41,703	-
	33,695	129,444	(112,003)	(39,141)	11,995
Designated fixed asset fund					
Designated fixed asset fund	19,101	-	-	69,520	88,621
Total restricted funds	52,796	129,444	(112,003)	30,379	100,616
Total of funds	106,511	237,313	(211,311)	-	132,513

EMMAUS MERSEYSIDE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

Summary of funds - current year

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
General funds	31,898	145,212	(149,020)	28,297	56,387
Restricted funds	11,995	169,348	(147,244)	-	34,099
Designated fixed asset fund	88,621	-	-	(28,297)	60,324
	<u>132,514</u>	<u>314,560</u>	<u>(296,264)</u>	<u>-</u>	<u>150,810</u>

Summary of funds - prior year

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2017 £
General funds	53,715	107,869	(99,308)	(30,379)	31,897
Restricted funds	33,695	129,444	(112,003)	(39,141)	11,995
Designated fixed asset fund	19,101	-	-	69,520	88,621
	<u>106,511</u>	<u>237,313</u>	<u>(211,311)</u>	<u>-</u>	<u>132,513</u>

16. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £1,588 (2017 - £2,666).

17. Related party transactions

There were no disclosable related party transactions during the year (2017 - none).

18. Analysis of net assets between funds

	Unrestricted funds 2018 £	Restricted funds 2018 £	Fixed asset fund 2018 £	Total funds 2018 £	Total funds 2017 £
Tangible fixed assets	-	60,324	-	60,324	88,621
Current assets / liabilities	105,137	-	34,099	139,236	93,892
Creditors due in more than one year	(48,750)	-	-	(48,750)	(50,000)
	<u>56,387</u>	<u>60,324</u>	<u>34,099</u>	<u>150,810</u>	<u>132,514</u>

In 2017, the £88,621 of tangible assets represented the fixed asset fund. Current assets were represented by £81,897 in unrestricted funds and £11,995 in restricted funds. The £50,000 of long term liabilities was allocated to unrestricted funds.