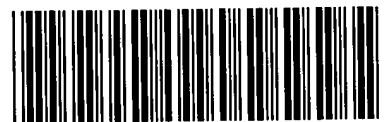


EMMAUS NORTH EAST
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 30 June 2021

Charity Number 1131408
Company Number 6820441

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EMMAUS NORTH EAST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 30 June 2021

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The Trustees, who are also the directors of the Charity for the purposes of the Companies Act, submit their report and financial statements of Emmaus North East (ENE; the Charity) for the year ended 30 June 2021. The financial statements comply with the Charities Act 2011, the companies Act 2006, the Memorandum and Articles of Association and the requirements of Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable to the United Kingdom (FRS102).

Policies and Objectives

In setting the Charity's objectives, plans and activities, the Trustees have given due consideration to guidance published by the Charity Commission relating to public benefit and to its supplementary public benefit guidance.

The **medium - long-term objectives** for the Charity are;

1. to be financially self-sufficient, whereby the income generated from its operational activities cover all operating expenses and negate the need for external funding or grants.
2. to increase the size of its community facilities and Companion numbers, either by expansion of its present Stanhope Road residence, development of a further residence or the acquisition of "move on" flats for companions who are transitioning between residing in the community and independent living in their own accommodation.
3. to improve the opportunities for Companions to "move on" from ENE and gain worthwhile employment in the outside world.
4. to have ENE recognised as a major charity in the North East of England.

The Charity's **short-term objectives** are to,

1. expand its retail operations, particularly On-Line sales.
2. Develop a profitable social enterprise workshop where furniture and other wood-based items are manufactured or upcycled.
3. find and develop other social enterprise income streams.
4. improve the training and development pathways ENE offers to its Companions.
5. develop the brand image and awareness of ENE in North Eastern England, particularly South and North Tyneside and surrounding areas.

Once its objectives are achieved, the Charity will be in a strong position to support and fully contribute to the ethos and values of the Emmaus movement.

About Emmaus

Emmaus is a homelessness charity with a difference. Emmaus does not just give people a bed for the night; it offers a home, meaningful work, and a sense of belonging. For many people who have experienced homelessness, losing their self-esteem can be the most damaging part of their experience. Being on your own, with no support around you can be

soul destroying, leaving you feeling worthless. Emmaus is different because it provides a home for as long as someone needs it, in an Emmaus community. This gives companions, as we call our residents, the opportunity to take stock of their lives, deal with any issues they might have, and often re-establish relationships with loved ones.

The overall Emmaus Movement (including Emmaus International).

The Emmaus movement and its 425 member organisations in Europe, Africa, Asia, and the Americas continue to engage at a local level with people who have experienced social exclusion to access their fundamental rights and, through their collective action, demonstrate there are credible alternatives to injustice.

Emmaus in the UK.

The first UK Emmaus Community was established in 1992. Today 29 Emmaus communities are operational, with others in the course of development.

An Emmaus UK Community offers homeless people a chance to regain their self-respect through living and working in a supportive environment which combines residential accommodation with self-supporting social enterprises. These enterprises, mainly retail, are based largely on the collection and sale of donated goods as well as refurbishment and recycling of various goods and scrap materials in line with the principles of a circular, low waste economy.

Every UK Emmaus Community aspires to become self-sufficient through its social enterprise activities. Additionally, Emmaus Communities work with a "solidarity concept" whereby they help sister Communities by donating goods for sale in their retail outlets and financial support if needed.

Each Emmaus Community in the UK whilst being an independent legal entity commits to follow the values and ethos of the Emmaus movement as a whole.

Emmaus UK (EUK).

Emmaus UK is the federal body for Emmaus in the UK. Each member of Emmaus UK - either a community or group - is an independent charity, governed by a local board of trustees. Ultimately each Emmaus community aims to become self-funding through social enterprise.

Emmaus UK supports its member organisations as they work towards this goal, sharing best practice, coordinating federation-wide meetings, and providing direct capacity building and support in areas such as governance, business development and companion support. The charity also offers fundraising and publicity support and provides grants and loans to enable further development of existing Emmaus communities and groups, and the expansion of Emmaus in the UK.

Emmaus North East (ENE).

Established thirteen years ago, ENE is a legally independent charity based in South Tyneside in North East England. It focuses upon providing support to homeless people and

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works within the Emmaus movement's ethos and values. ENE is a member of the EUK Federation and Emmaus International movement.

ENE aims to combat homelessness. It provides people with a home, work and encourages solidarity with others in a similar position. It gives Companions (those who live in the community) a choice and a chance. It welcomes people from all backgrounds and all causes of homelessness. ENE is supported by a wide range of funders and partners who provide both financial and in-kind support. This funding both supports the community and helps the ENE social enterprises grow and thrive.

ENE's vision is *"to help create a North East England where homelessness and hopelessness have been abolished"*.

ENE's mission is *"to enable homeless people in the North East rebuild their lives through social enterprises which also involve and enrich the local community"*.

ENE's operations are centred around its community residence in South Shields. This residence has rooms for 15 Companions.

The Charity provides safe accommodation, meaningful work and peer and pastoral support to its Companions. This way of working means Companions are able to recover their confidence and self-respect and make a fresh start to rebuild their lives. ENE tries to ensure all Companions are able to move onto independent living and employment when they are ready, but there is no time limit for this and Companions are welcome to stay in the community for as long as they like and need.

ENE focuses upon its companions and seeks to ensure they have a consistent core offer outlining the mutual expectations of both ENE and themselves. All Companions are enabled and encouraged to participate fully in ENE and its activities.

There are three critical features of ENE that make it different to some of the other support offered to homeless people:

ENE provides a home – Companions have a room to call their own and a place to call home alongside other people who understand their situation. The house has clear rules, meaning it provides a safe and secure environment for everyone.

ENE gives people focus, meaning and structure – Companions work a 40-hour week at ENE. This provides them with structure and a focus for each day and productive activity to engage with.

ENE judges people on today's actions not yesterday's – Companions have the opportunity to change and are given the chance to change. Emmaus North East will not work for everyone, but everyone is given a chance.

Emmaus North East has three strands of delivery:

- *Home* – providing up to 15 Companions with community living at its South Shields residence.
- *Work* – all Companions work in the Charity's businesses and social enterprises. The Social Enterprises provide Companions with a structure and routine.
- *Solidarity* – ensuring all work provides opportunities for Companions to feel part of groups and to feel like they are part of something bigger.

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In terms of its social enterprises, ENE operates three (3) retail outlets in various towns of the North East (Low Fell, South Shields and Hebburn), a fully equipped workshop in South Shields where furniture is upcycled and restored and various items made from wood are designed and produced, a membership-based food pantry (South Shields) for locally disadvantaged people, a house clearing service and an On-Line retail business.

Emmaus North East (ENE) - Review of achievements and performance in 2020 / 2021.

Brief Overview

- *COVID was the main challenge faced by the Charity in 2020 / 2021 and seriously impacted its operations in the financial year.*
- *ENE management handled the COVID situation well. There was an outbreak of COVID in the year which was contained in the residence and no Companion or member of staff became seriously ill.*
- *The financial support provided by the UK government (job retention and business support schemes) combined with the generosity of many companies and individuals evidenced by the number of financial grants and donations given to the Charity, were highly appreciated and made a positive financial impact on the Charity during the year.*
- *The second year of COVID led to a "standstill" in the development of the charity. Further progress is hoped to be made in 21/22*
- *The main highlight of the year was the purchase of two properties next door to ENE's main residence in South Shields. This will allow ENE to house 20 companions – an increase in 5 from our present level.*
- *ENE's financial position remained satisfactory despite the challenges presented by the COVID situation.*
- *The community residence in South Shields continued to operate at near full capacity (15 companions).*
- *The Reaching Communities project continued to have a measurable and positive impact on improving the "life skills" of the Charity's companions and volunteers.*

Annual Report

During the period under review the Charity succeeded in further consolidating and developing its Community in the Northeast and building its social enterprises. This was done in addition to coping with the challenges of the COVID pandemic.

Throughout 2020 and 2021, Covid-19 continued to have a significant impact, resulting in the closure of our shops during the first three months of 2021 due to the national lockdown. Although ENE received financial support from many sources, there was a serious impact on our ability to grow and develop our social enterprises.

During "lockdown" periods, ENE's staff working in its social enterprises were furloughed. The Community at South Shields remained operational and Community staff remained in post although no new Companions were accepted.

Just before the OMICRON outbreak a small number of companions contracted COVID. This outbreak was dealt with by Community Management and no serious illness resulted. Over

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the year most companions and members of staff received two doses of COVID vaccine along with a booster jab.

During "lockdown" periods the Charity received strong support from the UK government through its job retention and business support schemes. This support was extremely welcome. Many companies and private individuals were also extremely generous, with many grants and donations being received.

All Companions had different experiences of Covid-19 but through the worst of the lockdowns the community came together and supported each other.

257 Stanhope Road, South Shields, the former Children's home acquired in December 2015 for conversion into an Emmaus residence and which became fully operational in February 2017, remains the centre and focus of ENE activities. In 2020/2021 full occupancy (15 companions) or close to full occupancy was achieved for significant parts of the year.

A highlight of the year was the purchase of two properties next door to the Stanhope Road residence. After refurbishment, these properties will allow the housing of a further 5-6 Companions bringing our total room availability to 20/21. This increase in Companion numbers is a key part of the recently developed 5-year plan where our overall ambition is to increase Companion numbers too between 25-30. It is pleasing to have made this major step forward so early in the timescale of the plan. The new properties should be fully operational in February 2022. This after extensive refurbishment work. We thank EUK for their help in providing part-funding for the purchase of these properties. Overall EUK provided (via a grant) just slightly less than 50% of the purchase and refurbishment costs of the two properties – showing the benefit of ENE being part of the EUK federation. The remainder was funded from ENE's own resources – showing the significant improvement in ENE finances which allowed us to do this.

The primary beneficiaries of the work of ENE are its Companions who live in the community and work in the enterprises ENE operates. ENE, however, also supports a much broader range of people. These include volunteers, who help the running of the shops and workshop, and the wider community, who are supported through activities like the Food Pantry, where low-cost food is provided to the wider community.

Demand for the services and opportunities provided by the ENE offer remains strong. The Charity also recognises that growing its community means commensurately growing the range of businesses on offer to provide a sustainable income stream and to offer a range of opportunities for Companions.

As reported in recent years, ENE was successful in June 2018 in securing a grant from The National Lottery Community Fund - Reaching Communities (RC). The focus of the Charity's work with the RC grant has been the Charity's growth and development.

The RC project continues to progress. Following on from the progress described in last year's report, and despite the drawbacks of dealing with the COVID situation, the Charity in 2020/2021 continued to develop its workshop to allow for higher quality, more consistent products to be produced. The highlight was the "Heart of Tyne" product range launched in the winter of 2020 which proved extraordinarily successful.

A further key progress point has been the Charity's ability to offer Companions progression into paid roles in its organisation. Presently ENE employs three (3) ex-companions in full time roles.

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Overall progress in the RC project can best be shown in the following two tables.

Table 1 shows the progress made towards reaching our overall Reaching Communities targets that are relevant to both Companions and Volunteers. In the two years we have been running, we have worked with 120 people. We have reached the number of people we intended to reach.

Table 1 - Progress towards Reaching Communities targets (targets relevant to volunteers and Companions)

Outcome	Change Indicators	Number reached	Percentage achieving target*
Beneficiaries (Companions, Volunteers, Others) participate in structured volunteering and work opportunities and gain transferable skills,	Beneficiaries show improved motivation and taking of responsibility	120	86%
	Beneficiaries show improved ability to make meaningful use of their time	120	77%
	Beneficiaries report having gained transferable skills, increased confidence, or raised aspirations	150	84%

*Note - * this is the number of people for who we have documented data they have achieved an outcome*

Homelessness can happen to anyone, and the variety of reasons for which people find themselves homeless is wide and varied. This inevitably means the outcomes people experience will also vary.

'The worst was the Friday and Saturday nights, and theses drunk people would walk past you and shout insults - the main one that I don't understand why people would say this is you're "too fat to be homeless". How can someone be too fat to be homeless? Companion.

'I don't like being on my own, so I am not ready to face being on my own at this time because I need to get my mental health and everything back on track and to stay clean before my children come back to live with us'. Companion.

'I was homeless and had just been released from prison and was living in a tent' Companion

'For me it was a relationship breakdown, and I was too proud to go and ask me mam if I could move back home'. Companion.

'That's what drug addiction does, it strips you of all of your layers of goodness. I have come out of my shell. But it's good, I was fading away, becoming a recluse. I could see myself becoming more and more of a recluse and I was happy with that, so Emmaus has brought that out of me.' Companion.

The final year of Reaching Communities funding will allow us to reach a greater number of Companions and Volunteers and support them to make positive changes.

Table 2 shows the progress made towards achieving the Companions targets.

Figure 2 - Progress towards Reaching Communities targets (targets relevant to Companions)

Outcome	Change Indicators	3-Year Target	Progress Number*
Companions engage in a healthy lifestyle, are equipped to make positive life choices, and progress towards independent living	Companions show reduced problems with drugs and alcohol	15	14
	Companions have less tendency to reoffend	15	17
	Companions report improved management of physical, emotional or mental health	30	27
Companions participate in communal living, develop social networks, integrate locally, and enjoy enhanced wellbeing and self-esteem.	Companions demonstrate better ability to manage self-care and living	30	27
	Companions report improved social networks and relationships	30	26
Companions that stay more than one month achieve independent living during the project period, (re)gaining independence and dignity.	Companions demonstrate improved ability to live independently	25	23
	Companions report improved confidence in managing tenancies and accommodation	25	21
	Companions report better ability to manage money	25	18

*Note - * this is the number of people for who we have documented data they have achieved an outcome*

The data helps show how the project supports people to make a difference in their lives. At ENE the focus is on providing a framework of support that allows a person to change. This, because it creates an opportunity for people.

ENE creates a place where people can feel safe and where they are trusted and supported.

'It was a bit overwhelming when I first arrived, it sounded too good to be true. I've loved it ever since. It's mad because like when you are on the streets you are not trusted at all...but here you are given responsibilities and trust straightaway' Companion

It allows you to take a deep breath and think for the first time it's going to be okay' Companion

The feedback from companions illustrates how being part of Emmaus North East gave them stability, a routine and confidence.

'It gets you into a routine, when I was homeless, there is no routine...here you get your breakfast, you go to work and then you chill' Companion.

'At first, I had no confidence, I had all the confidence knocked out of me being homeless'

'I need stability, I need to get work focused again, get into a routine...some days I couldn't even get out of bed'. I have confidence, people skills and I look after myself more now' Companion.

During Covid-19 a wider variety of homelessness services were developed by various agencies. This includes Housing First. We see this as hugely beneficial as it increases the

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variety of opportunities for homeless people and increases the likelihood of people finding an offer that will work for them.

Emmaus North East often provides opportunities to people that other organisations are reluctant to work with. This includes people who have a wide variety of issues and needs. But the complexity of people looking for places is increasing and there is a need to be realistic about the support that Emmaus North East can offer.

The data helps show how the project supports people to make a difference in their lives. At Emmaus the focus is on providing a framework of support that allows a person to change. This comes not only from the support staff but also from Companions supporting each other.

Everyone who lands at an Emmaus is on a journey. The reality for people struggling with addiction, mental illness or childhood trauma is this is rarely a straightforward journey. At ENE we support people who are determined to change but will often experience setbacks along the way. Not every person we support has a happy ending and not everyone succeeds on their first, second or third encounter with an Emmaus. But our ethos is to only judge in the present time and to give people periods of their life where they can experience meaning, purpose and hope.

Progressions are a key part of ENE and for many the progression involves securing their own tenancy.

ENE does not have a time limit on how long someone can stay, and the turnover of Companions depends on many factors.

The Charity works with a wide range of partners to promote its activities and to reach the people who will benefit most from its work.

Volunteers and Companions also come to us from a wide variety of sources including their own recognition that it is time for a change.

ENE is pleased to report that its partnerships further developed over the year and these partnerships became a key part of the work the Charity's operation.

The Charity has a wide range of partners who contribute to different elements of ENE.

Referral Partners

Our referral partners work with us regarding referring people to become Companions or volunteers in the Charity. Our partners in this area include:

- DWP for referrals on work placements through the local job centres as the Charity is able to offer volunteer placements in its workshop and other enterprises. This allows both the recruitment of a large pool of volunteers to support our enterprises and helps people back into work.
- The Probation service. ENE works closely with the Probation Service providers in the local area. They are an increasingly valuable source of referrals for volunteers for our shops and other enterprises. The Charity has had considerable success retaining volunteers who have been referred through the probation service.

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- Prisons – ENE works closely with HMP Northumberland to advertise the opportunity for both Companions and volunteers as people are approaching the end of their sentences.
- South Tyneside Home
- Humankind
- Shelter
- Blissability
- Police

Operational partners

ENE's operational partners support its day-day operations. These partners include:

- Virgin Money – connection means people without ID can set up a basic bank account – means their allowance is paid into that and it helps them manage their money
- FareShare, Asda, Lidl – provide food for both our residential accommodation and our pantry
- MH Southernns – provide scrap wood for use in the ENE workshop.

Strategic Partners

The Charity plays an active role in local forums and with local partnerships and take part in the following forums:

- South Tyneside Church Action for Refugees
- South Tyneside Homelessness Reduction forum
- South Tyneside Regional Equalities Forum

Fund Providers

The Charity was also supported by many companies who gave grants to ENE during the year and, also many private individuals. Major fund providers during the year were;

- Reaching Communities (National Lottery)
- Lloyds Foundation

In terms of marketing and communication ENE has an active Twitter account where the Charity posts about its work and thank the many generous donations we receive from the wider community. ENE's Facebook page allows the showcasing some of the products we create in the workshop. The ENE website provides a focus for all of the Charity's work and key announcements. This year the Charity saw a significant increase in usage of these social media tools along with significant interest in the Charity from local and regional papers.

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In 2020/2021 the Charity's retail activities remained stable. COVID negatively affected the business and sales were well down on levels associated with normal operating conditions. Retail sales at £157K, were £14K ahead of last year – mainly due to fewer periods of lockdown and thus shop closures.

Fundraising from external donors is and will remain an integral part of the Charity's activities going forward. The Trustees were satisfied with the amount raised in the year, namely £242,420 which was an increase compared to the 2019/2020 level of £221,363. This increase was driven by the £100K donation from EUK. This donation was used to help fund the two properties acquired during the year.

Public benefit statement

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission for England and Wales in exercising their powers or duties.

The objectives of the Charity are the alleviation of homelessness and relief of poverty, hardship and the distress these cause to those in need. Our aims for achieving this are:

- working with companions to realise their aspirations and potential
- developing and sustaining our social enterprise to provide work for companions and an income stream for the Charity.
- demonstrating organisational sustainability
- demonstrating operational sustainability.

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees:

Peter Churchill

John Machin (Chair)

Donald Pinchbeck

Julian Wenman

David Knox (resigned May 2021)

Gemma Trainor

Siamak Kaikavoosi (appointed September 2020, resigned November 2021).

Jessica Cook (appointed June 2021)

Debbie Hamilton (appointed June 2021)

Shelley Armstrong (appointed June 2021)

Jake Hanmore (appointed August 2021).

Jonathan Rook (Trustee Treasurer) (appointed October 2021)

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Key Personnel:

Community Manager

John Harrison (resigned 22nd October 2021)

Acting General Manager

Andrew Wisbach (appointed 1st November 2021)

Finance Manager

Sandy Lambrou

Company Secretary

David Knox

Company Registered Number

6820441

Charity Registered Number:

1131408

Registered Office:

Lee Siding
Long Framlington
Morpeth NE65 8JG

Independent Examiners:

Jim Dodds
Connected Voice Business Services
Higham House
Newcastle upon Tyne
NE1 8AF

Bankers:

HSBC Bank plc
110, Grey Street
Newcastle upon Tyne,
NE1 6JG

Emmaus North East (ENE) is a member of the Emmaus Fédération in the UK (EUK) and a full member of Emmaus Europe and Emmaus International. ENE is also a full member of the EUK North West partnership; a group of Communities based in North West England who share best practice with each other.

Structure, governance, and management

The Charity is a limited liability company being limited by guarantee and not having a share capital. It was registered in England and Wales under the Companies Act 2006 on 6 February 2009 and its governing documents are its Memorandum and Articles of Association. The Charity was registered as a Charity with the Charity Commission for England and Wales on 27 August 2009.

The Charity is a member of the Emmaus Federation in the UK and a full member of Emmaus International and Emmaus Europe.

The Charity is also a member of the North West Partnership of Emmaus Communities. This organisation, centred on Emmaus communities in the North of England, meets regularly to discuss common issues and share best practice.

Emmaus UK organises and operates two important groups in which the Charity participates. The first group is the "*Chairs Peer Group*". Here, all Chairs of Emmaus communities in the UK can get together in the presence of senior Emmaus UK personnel to discuss issues relating to Emmaus in the UK in general and their own community. The second group is the "*Executive Leads Peer Group*". Here, all chief executives of Emmaus communities in the UK can get together in the presence of senior Emmaus UK personnel to discuss issues relating to Emmaus in the UK in general and their own community.

The direction and governance of the Charity is the responsibility of its Board of Trustees who are elected and co-opted under the terms of the Articles of Association. Trustees who served during the period under review are shown on page 1.

2020/2021 did not see too many changes to the board or trustees compared to recent years. I am pleased to report that the Charity has at last been able to appoint a trustee / treasurer! Jonathan Rook was appointed in October 2021. Jonathan brings many years of high-level financial experience to the board.

Jessica Cook, Shelley Armstrong and Debbie Hamilton were appointed trustees in June 2021. Jake Hanmore was appointed a trustee in August 2021. Siamak Kaikavoosi resigned as a trustee in November 2021. The board presently has ten (10) trustees. A minimum of 8 are called for in the Charity's Articles of Association.

The Charity is committed to ensuring a proper balance between paying our staff fairly, so that we attract and retain the best people for the job, and careful management of our Charity funds. Since 2019/2020 the Charity pays its relevant staff the Real Living Wage

The Board presently operates two sub-committees, a decrease of one (1) from last year. The board operates a Fundraising committee and a Finance committee. The Property sub-committee was dissolved upon the purchase of the two new properties in late 2020.

Recruitment of Trustees

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

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Trustee nominations either come from other Trustees within the Charity and its supporters or via open advertisement and must be approved by existing Trustees, in accordance with the Articles of Association. When specific skills are required, approaches are made to people with relevant expertise who are sympathetic to the ethos of the Charity. If necessary, a Trustee would be co-opted specifically to cover the requirement function.

Each new Trustee is required to undertake an induction programme which includes briefings on their legal and ethical responsibilities as Trustees, the ethos and values of the Emmaus movement together with the governance, history and operation of ENE. It is intended to introduce annual appraisals of Trustees to measure their collective and individual performance and suitable training is offered in line with the NCVO Code of Governance.

The main Board meets each calendar month.

Financial review

Brief Overview.

- Considering the COVID situation the Charity's financial performance was reasonable in 2020/2021.
- Income of £663K in 2020/2021 – up 13% from the 2019/2020 income of £588K.
- Income was boosted by the receipt of a grant from EUK (£100K) toward the purchase of two properties made during the year.
- Net income for the year of £109K – compared to £121K last year.
- Total Funds carried forward of £985K – up £109K compared to last year.
- Income from grants £336K – significantly up from last year's level of £289K.
- Shop income of £157K up from last year's level of £143K. This was driven primarily by fewer periods of lockdown and consequent shop closures.
- Housing Benefit Income of £146K - up 10% compared to last year.

Details

Income from charitable activities in the period of £336,492 (£288,604, 2019/2020) was due to generous grants from several institutions, the details of which are shown in the financial statement attached. A particular mention goes to EUK who provided £100K via a grant to assist with the purchase of the two properties made by the Charity in the year.

The Charity's social enterprises (shops in Low Fell, Hebburn & South Shields), the workshop in South Shields and other activities such as house clearances and On-Line retail achieved combined sales for the year of £157K – an increase of £14K on the sales achieved in 2019/2020. Whilst it was pleasing to see an increase, this was mainly due to fewer lockdowns and shop closures. The figure achieved was well below the expected level based on normal trading.

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Housing Benefit received in the year was £145,619 compared to £131,475 in 2019/2020. This increase was driven by higher Companion numbers residing in the Stanhope Road residence during the year and a new housing benefit settlement agreed with South Tyneside Council.

Overall, for the year, the Charity incurred a surplus £109,328 which was a slight reduction to 2019/2020 when a surplus of £120,881 was recorded. Of this 2020/2021 surplus, £61K came from restricted funds and £48K from unrestricted funds.

Carried forward reserves of £985,280 (£875,952, 2019/2020) is represented by £95,174 of restricted funds (£157,314, 2019/2020) and a balance of £890,106 (£718,638, 2019/2020) in unrestricted funds, most of which is in relation to the property owned by the Charity.

It is the Trustees' policy to try to hold a minimum of three months' expenditure in reserve.

Capital Expenditure for the year was £205K, of which £133K was funded by grants and £72K was funded from the Charity's own resources. Capex in 2019/2020 was £8K.

Fixed costs again increased in 2020/ 021 due to running Stanhope Road with more companions and investments in extra resources to grow the Charity, particularly its income from its social enterprise activities. Fixed costs for the year were £553,476, an increase of £86,183 (18%) over the previous year. Trustees are fully aware of the increasing cost base of the Charity. Expenditure is tightly controlled and monitored. However, the Trustees view the Charity as being in a growth phase where significant investments are required – with the natural outcome of increased fixed costs. It is anticipated fixed costs should stabilise within the next 12 - 18 months.

Reserves policy

The Reserves Policy has been reviewed by the Trustees. The objective of having an operational reserve equivalent to 3 month's operational costs still stands. This means the aim is to have £140,000 in reserves, although it will take some time to reach this level on a consistent basis. The Trustees monitor to maintain protection under the FSCS compensation scheme. Reserves will be built up using income achieved from the Charity's trading operations.

Investment policy

The Charity has the power under the Memorandum and Articles of Association to make any investment which the Trustees see fit. Given the level of funds generated to date and the early stage of the Charity's project to establish an Emmaus Community, it is considered appropriate to keep funds in a form that is immediately accessible.

Risk management

The Board of Trustees regularly review the risks the Charity may face and is satisfied that systems are in place to mitigate exposure. However, the Trustees recognise that as the

project progresses further factors may arise and will undertake further reviews from time to time.

Principal risks and uncertainties

Short term, the principal risk facing the Charity centres around income. Should our retail outlets fail to develop and grow and should our fund-raising fall below expectation then this will put pressure on the finances of ENE.

Regarding retail, Operational and Finance management closely monitor on a monthly basis monthly and year-to-date sales through our KUDOS EPOS system which can follow sales on a daily basis from each of our outlets.

Fund raising is closely targeted on funds which will support activities required by the Charity.

In the medium-term the Charity faces two main risks. Firstly, being able to pay for the extra resources funded by the Reaching Communities grant when this ends in around 6-months. It is essential the resources we have added create value by driving growth in the Charity's income generation so the Charity can fund these positions from its own resources upon cessation of the Reaching Communities grant.

Going concern

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. In response to the COVID-19 pandemic, the trustees have revised their forecasts to consider measures they can take with the available current resources to mitigate the impact of the present adverse conditions. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

Plans for the Future

The Charity's primary objective is financial self-sufficiency and a financial situation which will allow scope to ceaselessly work on the Charity's mission with regarding homelessness and giving Companions work, training and a sense of belonging; the opportunity to contribute.

Self-sufficiency will come from expanding the Charity's retail activities and creating higher added value products through its social enterprise workshop.

Trustees' responsibilities

Company and Charity law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair

TRUSTEES ANNUAL REPORT
For the year ended 30 June 2021

view of the state of affairs of the Charity and of the incoming reserves and application of reserves, including the income and expenditure of the charitable company for that period. In preparing financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a 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 which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

Independent Examiner

A resolution regarding the reappointment of Connected Voice Business Services Ltd as Independent Examiner will be proposed at the Annual General Meeting.

This report was approved by the Trustees on: 22/02/2022

and signed on their behalf by:



John Machin
Chair of the Board of Trustees

EMMAUS NORTH EAST

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 30 June 2021

I report on the financial statements of Emmaus North East for the year ended 30 June 2021, which are set out on pages 18 to 31.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company 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.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Association of Charity Independent Examiners.

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:

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

Basis of independent examiner's statement

My examination was carried out in accordance with 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 the 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 statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Jim Dodds
Connected Voice Business Services Ltd
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF
Date: 22/02/2022



EMMAUS NORTH EAST

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)

For the year ended 30 June 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from:					
Donations and legacies	6	23,347	-	23,347	20,550
Charitable activities					
Grants and contracts	7	104,944	231,548	336,492	288,604
Other trading activities	8	302,942	-	302,942	278,623
Investments	9	22	-	22	397
Total income		431,255	231,548	662,803	588,174
Expenditure on:					
Raising funds	10	267,093	-	267,093	143,120
Charitable activities					
Operation of the charity	10	116,120	170,263	286,383	324,172
Total expenditure		383,212	170,263	553,476	467,293
Net income/(expenditure)		48,043	61,285	109,328	120,881
Transfers between funds		123,424	(123,424)	-	-
Net movement of funds		171,467	(62,140)	109,328	120,881
Reconciliation of funds					
Total funds brought forward		718,638	157,314	875,952	755,071
Total funds carried forward		890,106	95,174	985,280	875,952

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 21 to 31 form an integral part of these accounts.

BALANCE SHEET

As at 30 June 2021

	Notes	£	Total 2021 £	£	Total 2020 £
Fixed assets					
Tangible assets	18		958,109		793,793
Total fixed assets			958,109		793,793
Current assets					
Debtors	19	26,332		8,358	
Cash at bank and in hand	20	250,086		340,613	
Total current assets		276,418		348,970	
Creditors: amounts falling due within one year	21	(33,361)		(24,151)	
Net current assets			243,057		324,819
Total assets less current liabilities			1,201,166		1,118,612
Creditors: amounts falling due after more than one year	22	(215,887)		(242,660)	
Total net assets or liabilities			985,280		875,952
Funds of the charity					
Unrestricted income funds			890,106		718,638
Restricted income funds			95,174		157,314
Total funds			985,280		875,952

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with the respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 21 to 31 form an integral part of these accounts.

These financial statements were approved by the Board on: 22/02/2022

and are signed on its behalf by: Jonathan Rock 
Treasurer

EMMAUS NORTH EAST

(A company limited by guarantee)

STATEMENT OF CASH FLOWS

For the year ended 30 June 2021

	2021 £	2020 £
<u>Cash flows from operating activities</u>		
Net movement in funds	109,328	120,881
Depreciation	27,383	27,863
Deduct interest income shown in investing activities	(22)	(397)
Decrease (increase) in debtors	(17,974)	9,515
(Decrease) increase in creditors	9,210	(430)
<i>Net cash from operating activities</i>	<u>127,923</u>	<u>157,432</u>
<u>Cash flow from investing activities</u>		
Purchase of tangible fixed assets	(197,399)	(7,764)
Sale of property, plant and equipment	5,700	55,000
Interest received	22	397
<i>Net cash used in investing activities</i>	<u>(191,677)</u>	<u>47,633</u>
<u>Cash flow from financing activities</u>		
Increase in long term loan	-	-
Repayment of borrowing	(26,773)	(9,155)
<i>Net cash used in investing activities</i>	<u>(26,773)</u>	<u>(9,155)</u>
Increase (decrease) in cash and cash equivalents	(90,527)	195,910
Cash and cash equivalents at start of year	340,613	144,702
<i>Cash and cash equivalents at end of year</i>	<u>250,086</u>	<u>340,613</u>

The notes on pages 21 to 31 form an integral part of these accounts.

EMMAUS NORTH EAST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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 Charities Act 2011.

Emmaus North East meets the definition of a public benefit entity under FRS 102.

2.2 Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. In response to the COVID-19 pandemic, the trustees have revised their forecasts to take into account measures that they can take with the current resources available to mitigate the impact of the current adverse conditions. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

EMMAUS NORTH EAST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

3.4 Donated goods and services

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

3.5 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

3.6 Interest receivable

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

3.7 Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.8 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

3.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of work with homeless people and other activities undertaken to further the purposes of the charity and their associated support costs.

EMMAUS NORTH EAST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

4.3. Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

5 Assets

5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing under £1,000 are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis, the charity does not currently have any tangible fixed assets:

Freehold Property	Straight line over 50 years
Leasehold Property	Straight line over six years
Fixtures, fittings and equipment	Straight line over six years
Motor vehicles	Reducing balance at 25% pa

EMMAUS NORTH EAST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
6 Donations and legacies				
Regular and ad-hoc donations	23,347	-	23,347	20,550
	<u>23,347</u>	<u>-</u>	<u>23,347</u>	<u>20,550</u>
7 Charitable activities				
<u>Income from grants</u>				
Sir James Knott Trust	-	-	-	20,000
The 1989 Willan Charitable Trust	-	-	-	10,000
Good Things Foundation	-	-	-	4,250
Nationwide Building Society - Community Grant	-	-	-	41,000
The Rank Foundation	-	35,195	35,195	21,535
Northumbria Police	-	-	-	2,200
Virgin Money Foundation - Community Resilience Fund	-	-	-	10,000
Homeless Link	-	-	-	10,000
The Barbour Foundation	-	-	-	10,000
Emmaus UK	-	100,000	100,000	9,829
Lloyds Bank Foundation for England & Wales	-	33,000	33,000	-
Reaching Communities England	-	53,000	53,000	70,000
National Lottery Awards for All	-	-	-	10,000
B&Q Foundation	-	5,000	5,000	-
Freemasons (Emmaus UK)	10,000	-	10,000	-
Other small grants less than £2,000	872	5,353	6,225	2,550
Government support Covid-19	43,340	-	43,340	45,000
HMRC Job Retention Scheme	45,905	-	45,905	18,236
<u>Other income</u>				
Other income	4,827	-	4,827	4,005
	<u>104,944</u>	<u>231,548</u>	<u>336,492</u>	<u>288,604</u>
8 Other trading activities				
Charity shop	157,124	-	157,124	143,545
Fundraising	199	-	199	3,604
Housing benefit	145,619	-	145,619	131,475
	<u>302,942</u>	<u>-</u>	<u>302,942</u>	<u>278,623</u>

EMMAUS NORTH EAST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

Analysis of income continued

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
9 Income from investments				
Bank interest	22	-	22	397
	<u>22</u>	<u>-</u>	<u>22</u>	<u>397</u>

Income was £662,803 (2020: £588,174) of which £431,255 was unrestricted or designated (2020: £364,435) and £231,548 was restricted (2020: £223,739).

10 Expenditure

	Direct Staff Costs £	Direct Other Costs £	Support Costs £	Total 2021 £	Total 2020 £
Raising funds					
Charity shop	148,905	116,134	2,054	267,093	143,120
Charitable activities					
Community establishment	94,108	188,431	904	283,443	321,232
Governance costs	-	2,940	-	2,940	2,940
Total resources expended	<u>243,012</u>	<u>307,505</u>	<u>2,958</u>	<u>553,476</u>	<u>467,293</u>

Expenditure on raising funds was £267,093 (2020: £143,120) of which £267,093 was unrestricted or designated (2020: £143,120) and £0 was restricted (2020: £0).

Expenditure on charitable activities was £286,383 (2020: £324,172) of which £116,120 was unrestricted or designated (2020: £205,549) and £170,263 was restricted (2020: £118,623).

Support costs consist of the following:

	2021 £	2020 £
Premises and office administration	3,865	3,865
	<u>3,865</u>	<u>3,865</u>

EMMAUS NORTH EAST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

11 Fees for examination of the accounts

	2021 £	2020 £
Independent examiner's fees for reporting on the accounts	1,600	1,600
Other accountancy services paid to the examiner	2,499	2,260
	4,099	3,860

12 Analysis of staff costs and the cost of key management personnel

	2021 £	2020 £
Salaries and wages	221,171	175,001
Social security costs	17,592	13,784
Pension costs (defined contribution pension plan)	4,250	3,362
	243,013	192,147

No employee received remuneration above £60,000 (2020: nil)

The key management personnel of the charity, comprise the the trustees and the Community Manager. The total employee benefits of the key management personnel of the charity were £44,153. (2020: £41,145).

13 Staff numbers

The average monthly head count was 9 staff (2020: 9 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2021 Number	2020 Number
The parts of the charity in which the employee's work		
Community Operations	5.0	5.0
Generation of Funds	3.0	3.0
	8.0	8.0

14 Transactions with trustees

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

In the period the charity has paid trustees remuneration and benefits.

Trustees indemnity insurance paid during the year amounted to £84 (2020 : £515).

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

EMMAUS NORTH EAST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

15 Pension Commitments

The Charity makes contributions to its employees' personal pension scheme.

The employees' pension contributions payable by the charity amount to £4,250 (2020: £3,362). There was £0 outstanding as at 30 June 2021 (2020: £0).

16 Corporation taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

17 Volunteer time

The Charity places a great value on the contributions that volunteers made to the organisation. Over the course of the year, we benefitted greatly not only from the considerable time, energy and expertise given by the Board of Trustees and the companions but other volunteers as well. Companions work for at least 40 hours each week within the Charity's commercial and social enterprises, mainly retail. The average number of companions with the Charity during the year was 12.

Other volunteers spend time on specific projects and events. Volunteers time was donated by 15 individuals during 2019/20, offering in the region of 4500 hours.

	Motor vehicles	Leasehold property	Fixtures fittings and equipment	Freehold property	Total
	£	£	£	£	£
18 Tangible fixed assets					
Cost					
Balance brought forward	20,450	20,777	54,635	800,918	896,780
Additions	27,399	-	-	170,000	197,399
Disposals	(5,700)	-	-	-	(5,700)
Balance carried forward	42,149	20,777	54,635	970,918	1,088,479
Depreciation					
Basis	RB	SL	SL	SL	
Rate	25%	16.7%	16.7%	2%	
Balance brought forward	8,978	20,777	25,178	48,054	102,987
Depreciation charge for year	6,292	-	8,357	17,434	32,083
Disposals	(4,700)	-	-	-	(4,700)
Balance carried forward	10,570	20,777	33,535	65,488	130,370
Net book value					
Brought forward	11,472	-	29,457	752,864	793,793
Carried forward	31,579	-	21,100	905,430	958,109

EMMAUS NORTH EAST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

19 Debtors and prepayments (receivable within 1 year)

	2021 £	2020 £
Trade debtors	1,354	555
Prepayments	19,292	4,067
Other debtors	5,686	3,736
	<u>26,332</u>	<u>8,358</u>

20 Cash at bank and in hand

	2021 £	2020 £
Cash at bank and in hand	250,086	340,613
	<u>250,086</u>	<u>340,613</u>

21 Creditors and accruals (payable within 1 year)

	2021 £	2020 £
Sundry creditors	3,440	3,778
Accruals	2,940	2,940
Loan	16,333	16,333
Deferred income		
The Ridley Family Trust	5,000	-
Screwfix Foundation	5,000	-
Other creditors	648	1,101
	<u>33,361</u>	<u>24,151</u>

22 Creditors and accruals (payable after more than 1 year)

	2021 £	2020 £
Long term loan	215,887	242,660
	<u>215,887</u>	<u>242,660</u>

The loan is subject to interest at 4% and is secured on the company's property at Stanhope Road. Included within the loan is an amount of £210,000 repayable by instalments over 25 years commencing 30 June 2018 and an amount of £79,093 repayable by instalments over 5 years commencing January 2019.

	2021 £	2020 £
Between 2 and 5 years	65,332	65,332
After 5 years	150,555	177,328
	<u>215,887</u>	<u>242,660</u>
Within 1 year	16,333	16,333
	<u>232,220</u>	<u>258,993</u>

EMMAUS NORTH EAST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

23 Operating lease commitments

At 30 June 2019 the charity had annual commitments under non-cancellable operating leases as follows:

Expiry date :	2021 £	2020 £
Within one year	14,250	14,250
Between one and five years	57,000	57,000
Greater than five years	14,250	28,500
	<u>85,500</u>	<u>99,750</u>

24 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

25 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	648,638	431,255	(383,212)	193,424	890,106
Designated fund					
Purchase of property	70,000	-	-	(70,000)	-
Totals	<u>718,638</u>	<u>431,255</u>	<u>(383,212)</u>	<u>123,424</u>	<u>890,106</u>

Purpose of unrestricted funds

General unrestricted fund

The 'free reserves' after allowing for designated funds

Designated funds

 Purchase of property

The trustees have designated £70,000 for the purchase of an additional property.

EMMAUS NORTH EAST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

25 Analysis of charitable funds continued

Analysis of movement in restricted funds

Restricted funds	Fund balances brought forward £	Incoming resources £	Resources expended £	Allowable transfers £	Fund balances carried forward £
Emmaus UK	338	100,167	(505)	(100,000)	-
Emmaus CTF	-	2,234	(787)	-	1,447
The Barbour Foundation	8,407	-	(74)	(8,333)	-
RWHA Charity Fund	1,650	-	(1,650)	-	-
Sir James Knott Trust	7,370	-	(7,370)	-	-
Good Things Foundation	3,442	-	(2,587)	-	856
Nationwide Building Society - Community Grant	22,062	-	(7,803)	-	14,258
The Rank Foundation	14,342	2,670	(15,253)	-	1,759
The Rank Foundation - DCMS	-	20,000	(20,000)	-	-
	-	12,525	(6,264)	-	6,261
The Rank Foundation - A Scullion					
Hadrian Trust	33	-	(33)	-	-
Emmaus Base	1,721	-	(753)	-	968
Northumbria Police	2,200	-	(2,200)	-	-
Virgin Money Foundation - Community Resilience Fund	7,598	-	(7,598)	-	-
Homeless Link	9,154	-	(9,154)	-	-
Neighbourly Community Fund	400	-	-	-	400
Lloyds Bank Foundation	(3)	33,000	(32,997)	-	-
Big Lottery (Awards for All)	5,701	-	(5,701)	-	-
VMF - Ripple Fund - Social Enterprises	47	-	(47)	-	-
Reaching Communities	67,190	53,000	(40,067)	(15,091)	65,031
Clarion	4,285	-	(1,530)	-	2,755
Emmaus UK - KCS	1,377	1,012	(2,389)	-	-
Community Foundation	-	1,440	-	-	1,440
B&Q Foundation	-	5,000	(5,000)	-	-
Ground works	-	500	(500)	-	-
Totals	157,313	231,548	(170,263)	(123,424)	95,174

Purpose of major restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Freemasons (Emmaus UK)	Covid Support
The Barbour Foundation	Contribution to the costs of a delivery van and workshop equipment.
RWHA Charity Fund	Workshop equipment.
Sir James Knott Trust	Contribution to Salary costs for the Deputy Manager.
Good Things Foundation	Companion training courses.

EMMAUS NORTH EAST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

25 Analysis of charitable funds continued

Purpose of major restricted funds continued

Nationwide Building Society - Community Grant	Contribution to salary costs for the Business Enterprise Manager and Community Manager.
The Rank Foundation	Contribution to salary Costs for the Marketing Officer.
The Rank Foundation - DCMS	Covid Support.
The Rank Foundation	Contribution to salary costs for Companion Development Worker.
Emmaus Base	Workshop equipment.
Northumbria Police	Mental health support for companions.
Virgin Money Foundation - Community Resilience Fund	Contribution to salaries and operational costs.
Homeless Link	Contribution to core costs.
Lloyds Bank	Contribution towards the Community Managers salary.
Big Lottery (Awards for All)	Contribution towards cost of a delivery van.
Reaching Communities	Project workers salaries.
Clarion	Contribution to operating and running a foodbank.
Emmaus UK - KCS	IT support.
Community Foundation	Furniture for new residence for companions.
B&Q Foundation	Property repairs for companions' residence.

	Reason for transfer	Amount £
Between unrestricted and designated funds	Unrestricted funds allocated for the purchase of a property.	70,000
Between unrestricted and restricted funds	Value of fixed assets (vehicles and property) purchased by restricted funds transferred to unrestricted funds to be depreciated over future years.	123,424

26 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Tangible fixed assets	958,109	-	958,109	793,793
Cash at bank and in hand	154,912	95,174	250,086	340,613
Other net current assets/(liabilities)	(7,029)	-	(7,029)	(15,794)
Long term assets/(liabilities)	(215,887)	-	(215,887)	(242,660)
	<u>890,106</u>	<u>95,174</u>	<u>985,280</u>	<u>875,952</u>

27 Financial Instruments Note

	2021 £	2020 £
Carrying amount of financial assets		
Measured at amortised cost	7,040	4,291
Carrying amount of financial liabilities		
Measured at amortised cost	219,326	246,437