

Registered number: 03422357
Charity number: 1064472

EMMAUS GREENWICH
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

EMMAUS GREENWICH
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2017**

Trustees

T Bradbury (resigned 19 April 2017)
E Britton (appointed 20 July 2017)
J Clark
B Fussey
N Georgis
D Hayes
B O'Sullivan
G Stevenson, Chair

Company registered number

03422357

Charity registered number

1064472

Registered office and principal operating office

226 Elmley Street
Plumstead
London
SE18 7NN

Company secretary

B Fussey

Chief executive

A Oyinlola (resigned with effect from 30 April 2017)
T Bradbury (appointed with effect from 19 April 2017)

Independent auditors

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

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2017**

Advisers (continued)

Bankers

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

HSBC Bank plc
15 Wellington Street
Woolwich
London
SE18 6PH

EMMAUS GREENWICH
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TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2017

The Trustees present their annual report together with the audited financial statements of the charity for the year 1 July 2016 to 30 June 2017. 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 charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

Policies and objectives

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

The principal object of the charity is to provide homeless and unemployed people with a home, meaningful work, companionship and a chance to regain self-respect. Each Emmaus Community combines residential accommodation with a business based on the collection and sale of donated goods, as well as refurbishment and recycling. Companions (as residents, and the beneficiaries of the charity, are known) have the opportunity, regardless of ability or skills, to help themselves through work, and thereby rediscover their self-worth and take steps towards their own personal development and re-integration into society at large.

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

Strategies for achieving objectives

Mainly, this will be through the continuing development of Emmaus Greenwich as an effective social enterprise, where our trading activities move us closer to becoming financially self-supporting. The charity expects that this will facilitate our ability to consistently:

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

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

Activities for achieving objectives

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

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

The Emmaus movement was founded in France just after the Second World War by Abbe Pierre, a remarkable priest and former member of the French parliament. Emmaus provides a solution to the cycle of homelessness by addressing the complex needs of homeless people in a holistic way. Through working and engaging in solidarity, ex-homeless people are able to regain self-esteem and dignity - the necessary ingredients required for their recovery and development.

Emmaus Greenwich, as with other Emmaus Communities, is open to anyone who is homeless and without means of support. There are a few conditions: every companion signs off income support or job seekers allowance and agrees to volunteer to the best of their ability. Companions are not permitted to use illegal drugs whilst living in the community and drinking alcohol is prohibited in the Community. Each companion receives food, basic clothing, shelter and spending money, at present £37 per week plus a further £8, which is saved for when they leave.

The charity offers a wide variety of voluntary work opportunities and work experience, which enables the companions to learn skills required for various professions (e.g. catering, woodworking, electrical, retail, transport and warehousing, data entry etc.)

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

- Non-judgmental and welcoming to all, provided that the risk to Community is manageable
- Establishment of identity through assistance with application and payment for birth certificates and passports
- Community life and companionship
- Companions stay for as long as they need to (the average length of stay in 2016/17 was twenty months)
- On the job training
- Access to a qualified Counsellor
- Access to health care
- Citizenship through concern for others and working with the local community
- Integrating into local homeless provision
- A road back from welfare to self-respect by being self-supporting
- A pathway back into the world of work and job skills

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

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

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

Review of activities

Community

In the year to June 2017, Emmaus Greenwich continued to provide quality support and assistance to companions, creating a safe and happy home for all to live and work. The stability and cohesion of the Community at present is excellent and companions are generally happy and secure. This positive environment is reflected in the success enjoyed in the shops and in the way in which the companions are able to engage in meaningful and rewarding work in the Community as a whole. Staff, companions and volunteers are working productively and happily with one another, making Emmaus Greenwich a good place to live and work in for all.

With a capacity for 33 bedrooms, the Community supported 62 homeless people during the year ended 30 June 2017 (60 in the previous year). Many of the companions, after spending some time in the Community, felt able to move on into independent accommodation, with jobs in some cases, or reconnecting with and going to live with family and friends, or moving on for other reasons.

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

Companion Support

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

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

Companions are given time off to find work and attend job interviews. In cases when they find work, companions, at the discretion of the Community Manager, may be allowed to live in the Community for up to 6 weeks to allow them to build up 6 weeks' wages as a deposit for moving into independent accommodation. The charity's strategy is to encourage companions to move out of the Community once they have re-gained their confidence and found an external job, but without pressurising the more vulnerable companions who may want to stay in the Community for extended periods. This year the charity is pleased to report that 3 companions have moved on from Emmaus Greenwich having found employment.

Furthermore, the charity continues to support ex-companions where appropriate, as is seen in the number of ex-companions who keep in touch, drop in for a meal and continue to volunteer.

Accreditation

The charity is delighted to report that Emmaus Greenwich has once again been awarded the certification for FRNE (Furniture Re-use Network Enterprise) standards following an inspection on 31 October and 1 November 2016. Achieving this award continues to enhance the charity's reputation with major furniture and electrical retailers, encouraging them to entrust us with handling surplus goods and electrical items donated when the opportunity arises.

In addition to FRNE accreditation, the charity continues to have both ISO9001 & OHSAS18001 (following an inspection on 23 and 24 November 2016) which reflects very well on the charity and is an independent endorsement of the high standards achieved in both health and safety and retail operations management. Continued receipt of these awards following demanding audits, is the result of a great deal of hard work and commitment by the staff, companions and volunteers.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

Emmaus UK and Emmaus International

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

The charity continues to play a role in the development and growth of Emmaus in the UK by welcoming visitors and potential funders from other Emmaus Communities and Groups, including Emmaus International. The charity also actively participates in the Emmaus UK debates on the future direction of the Emmaus Federation.

Solidarity

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

In the year ending 30 June 2017, the charity continued to support various solidarity causes, spending approximately £17,800.

Discounts and goods given away to people on low income in our local community amounted to £3,530.

Total Solidarity payments to Emmaus UK, Emmaus Europe and Emmaus International reached £13,651. This includes proceeds from Annual Solidarity Sale held on 10/06/2017 during which a total of £1,723 was raised.

During 2016/17 2.8% of the Community's total occupancy was taken by subsidised solidarity spaces. Total value of solidarity spaces, including travel and accommodation for prospective and ex-companions exceeded £6,700.

Financial review

Going concern

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

Grants donations and other income

The charity received a total of £37,125, which included grants of £29,602, donations of £5,417 and interest income of £2,106 in the year ended 30 June 2017.

Amongst the grants and donations were:-

- The Oak Foundation Grant (year 5 of 5 year grant term) towards most of the cost of setting up and running of the Welling shop - £28,070
- Emmaus UK Companions Training Fund - £1,032 for training, materials and tools for 2 companions
- £500 received from Asda Bexleyheath via Community Fund.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

Individual Donations

The charity received total of £5,416 in cash donations outside of Retail Gift Aid scheme. We are very grateful to all our loyal supporters and want to extend our thanks to Pro DBA Ltd, whose employees ran 10k raising £900 for us, St John St James and St Paul's Church, Elisabeth and Rog Gregory, Jane Walker & Nazar Georgis, Mrs L J Spinney and D Chidwick.

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

Reserves policy

The majority of the charity's funds are invested in the Community's fixed assets, including the premises, vehicles, furniture and fittings, with a cost, after depreciation, of about £421,000 as of 30/06/2017. Net current assets totalled approximately £682,000, which is more than enough to meet the trustees' goal of holding sufficient contingency reserves to cover four months operating expenditure (being approximately £280,000, based on average monthly expenses of £70,000).

In addition to operating contingency reserves, the charity holds a total of £250,000 in designated funds, which include two contingency funds to cover: a) repairs to the community premises; and b) business development and expansion plans.

The remainder of the net current assets consists of restricted funds, including £15,000 of grants to be spent in 2017/18.

Trading performance

Despite continuing economic difficulties hitting a number of charitable organisations, the Community's financial performance has remained strong. In terms of trading figures, aggregate net sales revenues from all five shops (Plumstead, Lee, Welling, Poplar and Islington) increased by 10.4% (£59k) in the year to 30 June 2017 compared to the previous year. Trading revenue included income of £44.8k (2016: £11.2k) representing donations from our supporters on which Gift Aid of £11.6k (2016: £2.4k) has been claimed from sale of goods through the Retail Gift Aid Scheme.

This enhanced trading performance was due to a full year's trading at both the Poplar and Islington shops (compared to 2.5 months the previous year). This was partially offset by a small decline in sales in our Plumstead, Lee and Welling shops. Our Islington shop was closed after the financial year end, on 17 September 2017, because the financial performance did not warrant us renewing the lease.

In the year, business (including net Retail Gift Aid proceeds) and other non-voluntary income covered 97% of the charity's total expenses.

Structure, governance and management

Constitution

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

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

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

Method of appointment or election of Trustees

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

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

Policies adopted for the induction and training of Trustees

New trustees are given an information pack about the charity and an existing trustee meets with them individually to acquaint them with matters concerning the charity. Where appropriate, the charity will find suitable training courses for trustees to attend.

One key issue for new trustees is gaining an understanding of how Emmaus Communities work. They are therefore encouraged to visit the charity's premises and other Communities and meet with other members of the Emmaus movement.

Management structure and decision making

The governance of the charity is the responsibility of the board of trustees. The board delegates certain day-to-day management responsibilities to the Chief Executive.

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

The Chief Executive is responsible for putting the Emmaus Greenwich Community's vision into effect, including day-to-day responsibility for finance, staff management, risk management, marketing and external relations. The Chief Executive is supported by a Finance Manager.

The Community Manager, supported by a deputy, a support worker and a Business Operations Manager, manages the day-to-day operations of the Community, the shops and the welfare of the companions. This includes running Community meetings to discuss and agree the management of the Community with companions.

The charity encourages companions to develop their personal responsibility and skills by working in a wide variety of roles within the Community. This enables companions to regain their self-respect and some have then gone on to gain employment in other organisations. Moreover, two companions are now employed by Emmaus Greenwich and have been so employed for over three years.

Most decisions are taken by the Chief Executive and Community Manager, who work closely together and report to the trustees at regular intervals particularly on matters relating to policy and strategy.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

Risk management

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

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

Future developments

1. Housing Benefit

As part of the government's phasing out of Housing Benefit and replacement by Universal Credit, we expect to stop receiving Housing Benefit in April 2020. If our companions were to claim Universal Credit in place of Housing Benefit, then the rules of Universal Credit would prohibit companions from working full-time in our social enterprise. This would be contrary to the Emmaus approach, so we will not be able to take companions who are signed on for Universal Credit and therefore we will lose approximately £220,000 pa in housing benefit income.

On 31 October 2017, the government issued a policy statement and consultation document setting out how supported housing will be funded after the demise of Housing Benefit. We have worked with Emmaus UK to provide feedback on these consultation documents to the DWP. The exact details have not been finalised but it is possible that short term supported housing (the category closest to the type of accommodation provided by Emmaus) will be commissioned at a local level and funded locally through a ring-fenced grant. This means all the funding for housing costs (including rent and eligible service charges) that were previously met from Housing Benefit, would instead, with effect from 2020, be allocated to local authorities to fund services that meet the needs of their local areas. This removes short-term accommodation costs from the welfare system and provides local areas with more oversight and control over the provision in their areas. If the final published provisions reflect the policy statement then we will approach Greenwich Council and initiate discussions with them about how we can secure funding for Emmaus through a commissioned contract for supported housing.

2. Maximising Potential of our Shops

Given the potential threat to housing-related income noted above, it is imperative that we maximise the profitability of our social enterprise. Our current business is profitable, but we will place renewed focus on improving profitability, particularly by increasing our marketing efforts and by improving our operational efficiency.

3. Enhancing the Community's accommodation

The Community's premises at 226 Elmley Street, London are a bit tired and need regular maintenance and repairs. The trustees have agreed to carry out some refurbishment of the space to improve the facilities available to the companion.

We are also looking to use some of our reserves to purchase a house close to the community and use it to accommodate an additional 4 companions.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

4. Counselling and Training

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

Trustees' responsibilities statement

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees, on 28 March 18

and signed on their behalf by:



G Stevenson
Chair of Trustees

EMMAUS GREENWICH
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMMAUS GREENWICH

Opinion

We have audited the financial statements of Emmaus Greenwich (the 'charity') for the year ended 30 June 2017 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

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

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMMAUS GREENWICH

Other Information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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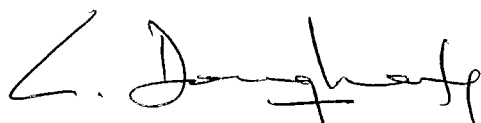
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMMAUS GREENWICH

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

Auditors' responsibilities for the audit of the financial statements

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

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



Christopher Dougherty (Senior statutory auditor)

for and on behalf of

Lakin Rose Limited

Chartered Accountants
Statutory Auditors

Pioneer House
Vision Park
Histon
Cambridge
CB24 9NL

Date: 29th March 2018

EMMAUS GREENWICH
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:					
Donations and grants	2	5,417	29,602	35,019	50,969
Trading income		625,332	-	625,332	566,541
Accommodation receipts		221,544	-	221,544	207,308
Investments	3	2,106	-	2,106	2,877
TOTAL INCOME		854,399	29,602	884,001	827,695
EXPENDITURE ON:					
Charitable activities:					
Shops, community and companion support costs		831,458	28,941	860,399	741,792
Governance		8,578	-	8,578	20,403
TOTAL EXPENDITURE	4	840,036	28,941	868,977	762,195
NET MOVEMENT IN FUNDS		14,363	661	15,024	65,500
RECONCILIATION OF FUNDS:					
Total funds brought forward		1,074,338	14,211	1,088,549	1,023,049
TOTAL FUNDS CARRIED FORWARD		1,088,701	14,872	1,103,573	1,088,549

The notes on pages 17 to 28 form part of these financial statements.

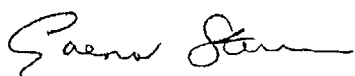
EMMAUS GREENWICH
(A company limited by guarantee)
REGISTERED NUMBER: 03422357

BALANCE SHEET
AS AT 30 JUNE 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	10		421,663		453,481
CURRENT ASSETS					
Stocks	11	991		2,336	
Debtors	12	93,877		122,125	
Cash at bank and in hand		624,459		588,237	
		<u>719,327</u>		<u>712,698</u>	
CREDITORS: amounts falling due within one year	13	(37,417)		(77,630)	
NET CURRENT ASSETS			681,910		635,068
NET ASSETS			<u>£ 1,103,573</u>		<u>£ 1,088,549</u>
CHARITY FUNDS					
Restricted funds	14		14,872		14,211
Unrestricted funds	14		1,088,701		1,074,338
TOTAL FUNDS			<u>£ 1,103,573</u>		<u>£ 1,088,549</u>

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

The financial statements were approved and authorised for issue by the Trustees on 28 March 18 and signed on their behalf, by:



G Stevenson

The notes on pages 17 to 28 form part of these financial statements.

EMMAUS GREENWICH
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	16	<u>41,201</u>	<u>90,038</u>
Cash flows from Investing activities:			
Purchase of tangible fixed assets		<u>(4,979)</u>	<u>-</u>
Net cash used in Investing activities		<u>(4,979)</u>	<u>-</u>
Change in cash and cash equivalents in the year		36,222	90,038
Cash and cash equivalents brought forward		<u>588,237</u>	<u>498,199</u>
Cash and cash equivalents carried forward	17	<u><u>£ 624,459</u></u>	<u><u>£ 588,237</u></u>

The notes on pages 17 to 28 form part of these financial statements.

EMMAUS GREENWICH
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

1.2 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.

1.3 Company status

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

1.4 Fund accounting

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

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

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

1. ACCOUNTING POLICIES (continued)

1.5 Income

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

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

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

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

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

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

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

1.6 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.

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

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

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

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

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

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

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

1.8 Operating leases

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

1.9 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.

1.10 Liabilities and provisions

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

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

2. INCOME FROM DONATIONS AND GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	5,417	-	5,417	4,521
Grants	-	29,602	29,602	46,448
	<u>£ 5,417</u>	<u>£ 29,602</u>	<u>£ 35,019</u>	<u>£ 50,969</u>
Total donations and grants				
	<u>£ 5,417</u>	<u>£ 29,602</u>	<u>£ 35,019</u>	<u>£ 50,969</u>
Total 2016	<u>£ 4,521</u>	<u>£ 46,448</u>	<u>£ 50,969</u>	

3. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Interest received	£ 2,106	£ -	£ 2,106	£ 2,877
	<u>£ 2,106</u>	<u>£ -</u>	<u>£ 2,106</u>	<u>£ 2,877</u>
Total 2016	<u>£ 2,106</u>	<u>£ -</u>	<u>£ 2,106</u>	

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

4. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2017 £	Depreciation 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Shops, community and companion support costs	320,634	36,797	502,968	860,399	741,792
Governance	-	-	8,578	8,578	20,403
	<u>£ 320,634</u>	<u>£ 36,797</u>	<u>£ 511,546</u>	<u>£ 868,977</u>	<u>£ 762,195</u>
<i>Total 2016</i>	<u>275,612</u>	<u>39,836</u>	<u>446,747</u>	<u>762,195</u>	

Analysis of shops, community and companion support costs

	2017 £	2016 £
Direct costs	329,071	266,084
Support costs	531,328	475,708
	<u>£ 860,399</u>	<u>£ 741,792</u>

5. DIRECT COSTS

	Total 2017 £	Total 2016 £
Weekly allowances	88,340	84,370
Food and sundries	20,758	24,096
Direct companion expenses	20,984	20,325
Counselling	4,525	(2,475)
Rent, rates and water	130,766	71,573
Direct shop costs	63,698	68,195
	<u>£ 329,071</u>	<u>£ 266,084</u>
<i>Total 2016</i>	<u>£ 266,084</u>	

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

6. SUPPORT COSTS

	Total 2017 £	<i>Total 2016 £</i>
Management and administration	46,978	41,955
Premises expenses	109,186	100,173
Solidarity	17,733	18,132
Wages and salaries	286,414	245,775
National insurance	23,294	20,213
Pension cost	10,926	9,624
Depreciation	36,797	39,836
	<u>£ 531,328</u>	<u>£ 475,708</u>
<i>Total 2016</i>	<u>£ 475,708</u>	

7. GOVERNANCE COSTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	<i>Total funds 2016 £</i>
Accountancy fees	4,055	-	4,055	6,108
Audit fees	3,000	-	3,000	2,500
Legal and professional fees	1,523	-	1,523	11,795
	<u>£ 8,578</u>	<u>£ -</u>	<u>£ 8,578</u>	<u>£ 20,403</u>

In 2016, of the total governance costs, £20,403 was to unrestricted funds and £nil was to restricted funds.

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	<i>2016 £</i>
Depreciation of tangible fixed assets:		
- owned by the charity	36,797	39,835
Auditors' remuneration	<u>3,000</u>	<u>2,500</u>

During the year, no Trustees received any remuneration or benefits in kind (2016 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2016 - £NIL).

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

9. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	286,414	245,775
Social security costs	23,294	20,213
Pension costs	10,926	9,624
	<u>£ 320,634</u>	<u>£ 275,612</u>

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

	2017 No.	2016 No.
Charitable activities and administration	12	10

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

10. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 July 2016	708,771	67,462	86,604	862,837
Additions	1,800	-	3,179	4,979
At 30 June 2017	<u>710,571</u>	<u>67,462</u>	<u>89,783</u>	<u>867,816</u>
Depreciation				
At 1 July 2016	275,788	57,512	76,056	409,356
Charge for the year	29,135	3,700	3,962	36,797
At 30 June 2017	<u>304,923</u>	<u>61,212</u>	<u>80,018</u>	<u>446,153</u>
Net book value				
At 30 June 2017	<u>£ 405,648</u>	<u>£ 6,250</u>	<u>£ 9,765</u>	<u>£ 421,663</u>
At 30 June 2016	<u>£ 432,983</u>	<u>£ 9,950</u>	<u>£ 10,548</u>	<u>£ 453,481</u>

11. STOCKS

	2017 £	2016 £
Finished goods and goods for resale	<u>£ 991</u>	<u>£ 2,336</u>

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

12. DEBTORS

	2017 £	2016 £
Trade debtors	10,763	8,090
Other debtors	24,111	34,869
Prepayments and accrued income	47,366	53,056
Tax recoverable	11,637	3,300
Grants Receivable	-	22,810
	<u>£ 93,877</u>	<u>£ 122,125</u>

13. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	9,834	10,330
Other taxation and social security	5,976	6,599
Other creditors	15,715	20,453
Accruals and deferred income	5,892	40,248
	<u>£ 37,417</u>	<u>£ 77,630</u>

Deferred income of £nil (2016 - £28,070) represents income received during the year, which is specifically allocated to future expenditure.

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

14. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 July 2016 £	Income £	Expenditure £	Balance at 30 June 2017 £
Designated funds				
Designated funds	250,000	-	-	250,000
General funds				
General funds	824,338	854,399	(840,036)	838,701
Total Unrestricted funds	1,074,338	854,399	(840,036)	1,088,701
Restricted funds				
Restricted funds	14,211	29,602	(28,941)	14,872
Total of funds	£ 1,088,549	£ 884,001	£ (868,977)	£ 1,103,573

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 July 2015 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2016 £
Designated funds					
Designated funds	-	-	-	250,000	250,000
	-	-	-	250,000	250,000
General funds					
General funds	1,009,817	781,247	(720,976)	(245,750)	824,338
Total Unrestricted funds	1,009,817	781,247	(720,976)	4,250	1,074,338
Restricted funds					
Restricted funds	13,232	46,448	(41,219)	(4,250)	14,211
Total of funds	£ 1,023,049	£ 827,695	£ (762,195)	£ -	£ 1,088,549

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

14. STATEMENT OF FUNDS (continued)

The Restricted Fund represents the following grants:

Oak Foundation - Grants of £28,070 recognised as income in the year towards new shop costs - all expended in the year.

Barbon "Sofa Carry" Event - £12,931 brought forward and carried forward from Barbon "Sofa Carry" Event towards the cost of a new van.

Emmaus UK Companion Training Fund - £280 brought forward, donations of £1,032 in year towards companion training costs, £371 was expended in year, a balance of £941 was carried forward.

Asda Community Fund - Grant of £500 towards the costs of fleeces with the Emmaus logo - all expended in year.

Companions Social Grant Fund - £1,000 brought forward and carried forward towards the costs of companion outings or trips.

Designated Funds

The Designated Funds represent contingency funds to cover repairs to the community premises and business development and expansion plans.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

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

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
Tangible fixed assets	453,481	-	453,481
Current assets	698,487	14,211	712,698
Creditors due within one year	(77,630)	-	(77,630)
	<u>£ 1,074,338</u>	<u>£ 14,211</u>	<u>£ 1,088,549</u>

EMMAUS GREENWICH
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

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

	2017 £	2016 £
Net income for the year (as per Statement of Financial Activities)	15,024	65,500
Adjustment for:		
Depreciation charges	36,797	39,836
Loss on the sale of fixed assets	-	5,104
Decrease/(increase) in stocks	1,345	(1,396)
Decrease in debtors	28,248	20,124
Decrease in creditors	(40,213)	(39,130)
Net cash provided by operating activities	£ 41,201	£ 90,038

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	624,459	588,237
Total	£ 624,459	£ 588,237

18. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £10,926 (2016 - £9,624). Contributions totalling £1,309 (2016 - £1,205) were payable to the fund at the balance sheet date and are included in creditors

19. OPERATING LEASE COMMITMENTS

At 30 June 2017 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts payable:		
Within 1 year	74,523	86,000
Between 1 and 5 years	19,833	48,917
Total	£ 94,356	£ 134,917

EMMAUS GREENWICH
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

20. FIRST TIME ADOPTION OF FRS 102

The policies applied under the charity's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.