

Charity registration number 1126497

Company registration number 06347783 (England and Wales)

EMMAUS HULL & EAST RIDING
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

EMMAUS HULL & EAST RIDING

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees And Directors

Sir C J O'Donnell - Board Chair
Ms E Daley - Deputy Board Chair
Mr M Brooks - Finance Committee
Chair
Ms K Tock
Mr J D G Clarke
Mr T Watkins
Mr R Wood
Mr C Straker
Ms J Mizon (Appointed 19 March 2024)

Directors only

Mrs S Dixon (Appointed 24/07/2023)
Mrs K Finnis (Resigned 07/04/2023)

Charity number

1126497

Company number

06347783

Registered office

32 Lockwood Street
Hull
East Yorkshire
England
HU2 0HJ

Independent examiner

Finnies Accountants Limited
4-6 Swaby's Yard
Walkergate
Beverley
East Yorkshire
United Kingdom
HU17 9BZ

Bankers

HSBC Bank plc
3-4 Jameson Street
Hull
HU1 3JX

EMMAUS HULL & EAST RIDING

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EMMAUS HULL & EAST RIDING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees who are also Directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31st December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

About Emmaus Hull & East Riding

Emmaus Hull & East Riding (Emmaus) is a homelessness charity with a difference. We support people who have experienced, or have been at risk of, homelessness. We do this by providing a stable home alongside care, support and supervision that is individually tailored to enable them to recover and to achieve their goals and aspirations. For many people who have experienced homelessness, losing their self-esteem can be the most damaging part of their experience.

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, regain their self-esteem and develop their ambitions for the future.

Objectives and activities

Aims and Activities

Emmaus is an independent charity, governed by a local Board of Trustees. It is a member of the Federal Body of Emmaus UK.

Emmaus established a residence on Lockwood Street in Hull, which opened to accept companions in February 2016. The residence offers a safe home for up to 30 formerly homeless people at any one time. Since its opening the Companions have worked to make the community self-funding principally through the collection and sale of donated goods (furniture, clothes and household goods). The charity also provides rough sleeper street outreach services for East Riding of Yorkshire Council.

Emmaus operates from a purpose built warehouse incorporating a sales outlet on the site at Lockwood Street, Hull. This also collects donated goods and distributes them to its customers or to our Emmaus Emporium in Whitefriargate and our smaller shop in Newland Avenue.

Emmaus has a small, dedicated staff to provide support to the Companions and provide structure for the retail and outreach activities.

Our Vision is for:

A world in which everyone has a home and a sense of belonging.

Our Mission is:

To work together to overcome homelessness and social exclusion while using our voice to achieve social change.

Our Values:

- Value and respect every person, opposing injustice
- Be transparent and honest in all our dealings
- Demonstrate solidarity and support to those in need
- Create an environment of empowerment
- Share and exchange resources, skills and learning
- Support and foster inter-dependence and cherish independence
- Work to live and give

EMMAUS HULL & EAST RIDING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Strategic aims

- To provide high quality facilities and nurture a positive, supportive environment to help Companions to successfully return to independent living.
- To be the most effective organisation in supporting homeless people to improve their situation in Hull and the East Riding, through both partnership initiatives and directly provided services.
- To maintain financial self-sufficiency by building our social enterprise income (particularly retail) together with non-compromising public funding.

Donations and legacies

The wider community in Hull and the East Riding have been very generous in contributing time and money and goods for resale to Emmaus and we are very grateful to all our volunteers and our individual and corporate donors for their generosity. Financial donations of all kinds totalled £79,034 in 2023 (2022 £98,947).

The Orchard

The number of Companions resident in total in 2023 in the Orchard amounted to 71 (2022 61) for different periods of time to suit their needs. Our income from donations and legacies and from Trading Activities fund the specialised support staff and activities to help our Companions recover from their experience of homelessness and move on into employment and/or independent accommodation. We also provide training in skills and capabilities beneficial for employment to Companions.

Our staff have been key to helping Companions successfully move on positively into employment and/or independent accommodation. The year of 2023 saw substantial changes in our staff and organisation – as a result we saw a lower percentage of successful move-ons. 47 Companions left the community but only 30% had positive move-ons falling from 61% in 2022. This was a disappointment after the previous year's excellent result, but still represents a significant achievement by our team. The Trustees offer their grateful thanks to our staff and the Companions for their hard work to achieve these results.

We also have a former Companion resident in a bungalow in Bridlington which was gifted by a kind donor in 2022.

Community support

Our staff, supported by Companions, provide a Rough Sleeper Outreach Service on behalf of East Riding of Yorkshire Council. We are very proud of being able to find and help rough sleepers offering 264 interventions in 2023 (2022 - 140) in a geographical area stretching from Bridlington through to Goole.

We have also been supportive of refugees from the Ukraine working closely with Hull4Ukraine and providing a variety of goods directly. Additionally, our Companions ran a Solidarity project that financially supported a charity in Ukraine that helped orphans.

Strategic Report

Trading activities

Our main trading activities include three shops, E-Commerce sales, recycling of non-saleable material, and supply of goods to meet the needs of relocated families through local authority voucher schemes, together with the associated logistics. Under the direction of our staff members, these activities are largely run by our companions. In addition to the income generated, this provides valuable on the job training and opportunities for Companions. We aim to manage our shops more effectively and we look forward to developing our trading activities further in the coming years.

EMMAUS HULL & EAST RIDING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Finance and Reserves

Whilst our retail sales increased in the year, we received lower local authority and other-grants, which substantially reduced income. Our costs were carefully managed but there was no surplus of income over expenditure in the year, and we suffered a loss of £68,480.

Our previous year results were flattered by the very generous gift of a residential bungalow, and the 2023 results are indicative of the challenge the charity faces in the post pandemic era.

Reserves Policy

The total funds of the charity at 31st December 2023 amounted to £1,078,802 compared with £1,147,282 at 31st December 2022 of which £126,015 (2022 £73,433) are unrestricted and £952,787 (2022 £1,073,849) are designated funds in relation to The Orchard, Emmaus Trading Activities and Outreach services. The Trustees consider these funds to be adequate to continue to maintain its assets and continue its activities for the foreseeable future.

Plans for future periods

2023 was a difficult year for the retail sector, but we managed to increase our overall retail income. This is a step forward in the development of our retail sales towards our strategic goal of 50% of income and will hopefully strengthen the financial position of the Charity into the future.

Our key social ambitions include increasing the number of Companions who are successful in moving on into independent accommodation and/or employment; and to progressively reduce the number of Rough Sleepers in the East Riding through our Outreach services.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 12th August 2007. It was registered with the Charity Commissioners with charity number 1126497 on 29th October 2008. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The company is one of thirty Emmaus Communities currently operating in England and one of some four hundred worldwide using the same principles and methods of working.

The management of the charity is the responsibility of the Trustees who are elected under the terms of the company's Memorandum and Articles of Association.

Emmaus Hull and East Riding Trustees are responsible for providing direction, strategy and governance to the charity. There were no changes in trustees in the year. Responsibility for the operational activities of the charity is delegated to the Director (non-board member), which up to April 2023 was Mrs Kelly Finnis when she left Emmaus to take up another post in the charitable sector. In July 2023, Stephanie Cooper (now Mrs Stephanie Dixon) joined us as Director and has recruited a number of replacement staff during the balance of the year.

EMMAUS HULL & EAST RIDING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees and directors, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Sir C J O'Donnell - Board Chair

Ms E Daley - Deputy Board Chair

Mr M Brooks - Finance Committee Chair

Ms K Tock

Mr J D G Clarke

Mr T Watkins

Mr R Wood

Mr C Straker

Ms J Mizon

(Appointed 19 March 2024)

Recruitment and appointment of new Trustees

The Directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as Trustees. Under the requirements of the Memorandum and Articles of Association, Trustees are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

Due to the nature of homelessness much of the charity's work inevitably focuses upon vulnerable people. The Trustees seek to ensure that the needs of this group are appropriately reflected through the diversity of the trustee body.

Induction and Training of New Trustees

Emmaus Hull & East Riding follows Emmaus UK's Trustee Requirement and Selection Process which is based on the National Council for Voluntary Organisations (NCVO) good practice guide and also participates in Emmaus UK's Trustee Induction and Training Programme.

Remuneration

The charity has an agreed remuneration policy, governance of which is through the charity's remuneration committee. We are committed to ensuring an appropriate balance between paying staff fairly to support recruitment and retention and careful management of our financial resources. Benchmarking information is used where this is available. This includes comparisons with roles in similar organisations and from information collated from Emmaus UK. Local government NJC scales, are used as a basis for determining salaries for all posts and a review of pay and cost of living adjustments is made by the remuneration committee annually.

Related Parties

At a National level, Emmaus Hull & East Riding is guided by Emmaus UK which advises members of the Emmaus Federation in the UK.

Risk Management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

A Risk Register is maintained and reviewed regularly – twice a year at the Board.

Procedures are in place to ensure compliance with Health and Safety of staff, volunteers, customers and visitors to our premises.

EMMAUS HULL & EAST RIDING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2023*

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

Ms Erica Daley
Deputy Board Chair

5 August 2024

EMMAUS HULL & EAST RIDING

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES AND DIRECTORS OF EMMAUS HULL & EAST RIDING

I report to the Trustees and directors on my examination of the financial statements of Emmaus Hull & East Riding (the charity) for the year ended 31 December 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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

Nicholas Michael Auton FCCA
For and on behalf of
Finnies Accountants Limited

4-6 Swaby's Yard
Walkergate
Beverley
East Yorkshire
HU17 9BZ
United Kingdom

Dated: 5 August 2024

EMMAUS HULL & EAST RIDING

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	79,034	-	79,034	77,712	21,235	98,947
Charitable activities	4	23,802	341,800	365,602	96,248	501,072	597,320
Other trading activities	5	-	363,314	363,314	-	315,061	315,061
Investments	6	-	903	903	-	2,655	2,655
Revaluation of tangible fixed assets		-	(15,000)	(15,000)	-	50,000	50,000
Other income	7	1,061	-	1,061	1,500	-	1,500
Total income		<u>103,897</u>	<u>691,017</u>	<u>794,914</u>	<u>175,460</u>	<u>890,023</u>	<u>1,065,483</u>
<u>Expenditure on:</u>							
<u>Charitable activities</u>							
The Orchard	8	-	417,833	417,833	-	353,245	353,245
Community Support	8	47,153	128,595	175,748	177,372	194,347	371,719
Other Trading Activities	8	-	276,879	276,879	-	189,393	189,393
Total charitable expenditure		<u>47,153</u>	<u>823,307</u>	<u>870,460</u>	<u>177,372</u>	<u>736,985</u>	<u>914,357</u>
Other	14	4,162	-	4,162	-	-	-
Total expenditure		<u>51,315</u>	<u>823,307</u>	<u>874,622</u>	<u>177,372</u>	<u>736,985</u>	<u>914,357</u>
Non cash legacy		-	11,228	11,228	-	170,000	170,000
Net movement in funds		52,582	(121,062)	(68,480)	(1,912)	323,038	321,126
Fund balances at 1 January 2023		<u>73,433</u>	<u>1,073,849</u>	<u>1,147,282</u>	<u>75,345</u>	<u>750,811</u>	<u>826,156</u>
Fund balances at 31 December 2023		<u><u>126,015</u></u>	<u><u>952,787</u></u>	<u><u>1,078,802</u></u>	<u><u>73,433</u></u>	<u><u>1,073,849</u></u>	<u><u>1,147,282</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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

EMMAUS HULL & EAST RIDING

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	16		596,729		632,626
Investment property	17		170,000		170,000
Investments	18		-		1
			<u>766,729</u>		<u>802,627</u>
Current assets					
Debtors	19	271,676		348,738	
Cash at bank and in hand		289,362		331,569	
		<u>561,038</u>		<u>680,307</u>	
Creditors: amounts falling due within one year	20	(248,965)		(335,652)	
Net current assets			312,073		344,655
Total assets less current liabilities			<u>1,078,802</u>		<u>1,147,282</u>
Income funds					
Restricted funds	21		952,787		1,073,849
Unrestricted funds			126,015		73,433
			<u>1,078,802</u>		<u>1,147,282</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees And Directors on 5 August 2024

Ms Erica Daley
Deputy Board Chair

Company registration number 06347783

EMMAUS HULL & EAST RIDING

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	26		(58,358)		48,242
Investing activities					
Purchase of tangible fixed assets		(13,325)		(42,556)	
Proceeds from disposal of tangible fixed assets		17,344		1,500	
Proceeds from disposal of subsidiaries		1		-	
Proceeds from disposal of other investments		11,228		-	
Investment income received		903		2,655	
		<u> </u>		<u> </u>	
Net cash generated from/(used in) investing activities			16,151		(38,401)
Financing activities					
Repayment of borrowings		-		(40,000)	
		<u> </u>		<u> </u>	
Net cash used in financing activities			-		(40,000)
Net decrease in cash and cash equivalents			(42,207)		(30,159)
Cash and cash equivalents at beginning of year			331,569		361,725
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			289,362		331,566
			<u> </u>		<u> </u>

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Emmaus Hull & East Riding is a private company limited by guarantee incorporated in England and Wales. The registered office is 32 Lockwood Street, Hull, East Yorkshire, HU2 0HJ, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees and directors in furtherance of their charitable objectives.

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

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

1.4 Income

All income is recognised once the charitable company has entitlement to the funds after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether capital or revenue, 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.

Where grant income covers more than one financial year, the income is deferred and released to the income and expenditure account over the period to which it relate.

Income from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of income can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the charity and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually at the point of sale.

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Support costs relate to those functions that assist the work of the charity but do-not directly undertake charitable activities. These include back office costs, finance, personnel, payroll and governance costs.

1.6 Tangible fixed assets

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

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

Freehold land and buildings	Not depreciated
Plant and equipment	25% on cost
Fixtures and fittings	33% on net book value
Computers	25% on net book value
Motor vehicles	20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Borrowing costs related to fixed assets

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in net income/(expenditure) in the period in which they are incurred.

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.10 Impairment of fixed assets

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

1.11 Stocks

Where it is impractical to maintain stock records of donated goods, the value of goods is recognised at the point of sale

1.12 Cash and cash equivalents

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

1.13 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.14 Employee benefits

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

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

1.15 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	79,034	-	79,034	77,712	21,235	98,947

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

4 Income from Charitable Activities

	The Orchard	Community Support	Total	The Orchard	Community Support	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Training	1,200	-	1,200	3,979	-	3,979
Grants	-	132,874	132,874	-	324,834	324,834
Housing benefit	231,520	-	231,520	268,507	-	268,507
Other income	-	8	8	-	-	-
	<u>232,720</u>	<u>132,882</u>	<u>365,602</u>	<u>272,486</u>	<u>324,834</u>	<u>597,320</u>
Analysis by fund						
Unrestricted funds	-	23,802	23,802	-	96,248	96,248
Restricted funds	<u>232,720</u>	<u>109,080</u>	<u>341,800</u>	<u>272,486</u>	<u>228,586</u>	<u>501,072</u>
	<u>232,720</u>	<u>132,882</u>	<u>365,602</u>	<u>272,486</u>	<u>324,834</u>	<u>597,320</u>

Grants received, included in the above, are as follows:

James Reckitt Charity	-	3,000	3,000	-	6,000	6,000
Lloyds Foundation	-	-	-	-	27,250	27,250
Local Authorities	-	109,080	109,080	-	224,227	224,227
William Jackson Food Group Limited	-	-	-	-	30,400	30,400
Government Grants	-	-	-	-	4,359	4,359
Leonard Chamberlain Trust	-	20,000	20,000	-	30,000	30,000
Other	-	794	794	-	2,598	2,598
	<u>-</u>	<u>132,874</u>	<u>132,874</u>	<u>-</u>	<u>324,834</u>	<u>324,834</u>

5 Income from other trading activities

	Restricted funds	Restricted funds
	2023	2022
	£	£
Sales and recycling	<u>363,314</u>	<u>315,061</u>

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

6 Income from investments

	Restricted funds 2023 £	Restricted funds 2022 £
Rental income	903	2,655

7 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Net gain on disposal of tangible fixed assets	1,061	1,500

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Expenditure on charitable activities

	The Orchard	Community Support	Other trading activities	Total	The Orchard	Community Support	Other trading activities	Total
	2023	2023	2023	2023	2022	2022	2022	2022
	£	£	£	£	£	£	£	£
Direct costs								
Depreciation and impairment	1,443	11,262	1,072	13,777	1,926	9,143	1,054	12,123
Direct Costs	367,302	139,981	206,016	713,299	349,986	361,243	187,005	898,234
	<u>368,745</u>	<u>151,243</u>	<u>207,088</u>	<u>727,076</u>	<u>351,912</u>	<u>370,386</u>	<u>188,059</u>	<u>910,357</u>
Share of support and governance costs (see note 9)								
Support	48,088	23,505	68,791	140,384	(2,000)	(2,000)	(2,000)	(6,000)
Governance	1,000	1,000	1,000	3,000	3,333	3,333	3,334	10,000
	<u>417,833</u>	<u>175,748</u>	<u>276,879</u>	<u>870,460</u>	<u>353,245</u>	<u>371,719</u>	<u>189,393</u>	<u>914,357</u>
Analysis by fund								
Unrestricted funds	-	47,153	-	47,153	-	177,372	-	177,372
Restricted funds	417,833	128,595	276,879	823,307	353,245	194,347	189,393	736,985
	<u>417,833</u>	<u>175,748</u>	<u>276,879</u>	<u>870,460</u>	<u>353,245</u>	<u>371,719</u>	<u>189,393</u>	<u>914,357</u>

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

9 Support costs allocated to activities

	2023 £	2022 £
Finance costs	-	(6,000)
Share of costs transferred from unrestricted	140,384	-
Governance costs	3,000	10,000
	<u>143,384</u>	<u>4,000</u>
Analysed between:		
The Orchard	49,088	1,333
Community Support	24,505	1,333
Other trading activities	69,791	1,334
	<u>143,384</u>	<u>4,000</u>

10 Net movement in funds

	2023 £	2022 £
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	13,777	12,123
Loss/(profit) on disposal of tangible fixed assets	3,101	(1,500)
	<u>16,878</u>	<u>10,623</u>

11 Auditor's remuneration

	2023 £	2022 £
Fees payable to the charity's auditor and associates:		
For audit services		
Audit of the financial statements of the charity	<u>3,000</u>	<u>10,000</u>

12 Trustees And Directors

None of the Trustees and directors (or any persons connected with them) received any remuneration or benefits from the charity during the year.

13 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Management	2	2
Admin and Support	12	15
Total	<u>14</u>	<u>17</u>

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

13 Employees

(Continued)

The total amount of employee benefits received by key management personnel for the year ended 31st December 2023, for their services to the charity was £88,286 (2022 £89,410)

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

14 Other expenditure

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Net loss on disposal of tangible fixed assets	4,162	-
	<u>4,162</u>	<u>-</u>

15 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2023	580,000	3,765	48,073	30,350	35,830	698,018
Additions	-	-	-	1,725	11,600	13,325
Disposals	-	-	(1,225)	(16,625)	(22,005)	(39,855)
Revaluation	(15,000)	-	-	-	-	(15,000)
At 31 December 2023	565,000	3,765	46,848	15,450	25,425	656,488
Depreciation and impairment						
At 1 January 2023	-	3,240	35,193	19,730	7,229	65,392
Depreciation charged in the year	-	523	4,325	2,944	5,985	13,777
Eliminated in respect of disposals	-	-	(1,149)	(12,539)	(5,722)	(19,410)
At 31 December 2023	-	3,763	38,369	10,135	7,492	59,759
Carrying amount						
At 31 December 2023	565,000	2	8,479	5,315	17,933	596,729
At 31 December 2022	580,000	526	12,878	10,619	28,600	632,623

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

16 Tangible fixed assets

(Continued)

During the year ended 31st December 2023, the freehold property was valued at £565,000 by Scotts Property LLP from an inspection undertaken on 22nd November 2023. The composition of this figure is; £525,000 in relation to property and £40,000 in relation to development land.

The property was valued on the basis of market value on the assumption of vacant possession.

If the assets had not been revalued, the aggregate cost would be £450,000.

17 Investment property

2023
£

Fair value

At 1 January 2023 and 31 December 2023

170,000

Investment property comprises £170,000. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties by the Trustees.

	2023 £	2022 £
Freehold	170,000	170,000
Long leasehold	-	-
Short leasehold	-	-
	<u>170,000</u>	<u>170,000</u>

18 Fixed asset investments

Other
investments

Cost or valuation

At 1 January 2023

1

Disposals

(1)

At 31 December 2023

-

Carrying amount

At 31 December 2023

-

At 31 December 2022

1

	2023 £	2022 £
Other investments comprise:		
Investments in subsidiaries	-	1
	<u>-</u>	<u>1</u>

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

19 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Other debtors	16,714	4,432
Prepayments and accrued income	254,962	344,306
	<u>271,676</u>	<u>348,738</u>

20 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	45,639	4,217
Amounts owed to fellow group undertakings	-	11,228
Other creditors	7,267	9,736
Accruals and deferred income	196,059	310,471
	<u>248,965</u>	<u>335,652</u>

21 Restricted funds

The restricted funds of the Charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used. Support for the Orchard is a principal charitable aim of the Charity.

	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2023
	£	£	£	£	£	£
The Orchard Emmaus Trading Activities	(90,572)	232,720	(419,847)	-	-	(277,699)
Community Support	970,259	364,217	(275,879)	-	(3,772)	1,054,825
	194,162	109,080	(127,581)	-	-	175,661
	<u>1,073,849</u>	<u>706,017</u>	<u>(823,307)</u>	<u>-</u>	<u>(3,772)</u>	<u>952,787</u>

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

21 Restricted funds (Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2022
	£	£	£	£	£	£
The Orchard Emmaus Trading Activities	(237,793)	499,133	(351,912)	-	-	(90,572)
Community Support	794,440	323,878	(198,059)	-	50,000	970,259
	194,164	187,012	(187,014)	-	-	194,162
	<u>750,811</u>	<u>1,010,023</u>	<u>(736,985)</u>	<u>-</u>	<u>50,000</u>	<u>1,073,849</u>

Restricted Funds

The Orchard fund relates to capital and revenue investments in the community facility.

The Emmaus Trading Activities fund relates to capital and revenue activities undertaken to generate funds. Contained within this fund balance are £115,000 of non-distributable revaluation reserves.

The Community Support fund relates to the income and expenditure for the provision of rough sleeping and street support services.

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
General funds	73,433	103,897	(51,315)	126,015
	<u>73,433</u>	<u>103,897</u>	<u>(51,315)</u>	<u>126,015</u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
General funds	75,345	175,460	(177,372)	73,433
	<u>75,345</u>	<u>175,460</u>	<u>(177,372)</u>	<u>73,433</u>

Unrestricted Funds

The General fund is not designated for any particular purpose.

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

23 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 December 2023 are represented by:			
Tangible assets	22,074	574,655	596,729
Investment properties	-	170,000	170,000
Current assets/(liabilities)	103,941	208,132	312,073
	<u>126,015</u>	<u>952,787</u>	<u>1,078,802</u>

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2022 are represented by:			
Tangible assets	57,437	575,189	632,626
Investment properties	-	170,000	170,000
Investments	1	-	1
Current assets/(liabilities)	15,995	328,660	344,655
	<u>73,433</u>	<u>1,073,849</u>	<u>1,147,282</u>

24 Financial commitments, guarantees and contingent liabilities

Total financial commitments, guarantees and contingencies which are not included in the balance sheet amount to £100,000 (2022 £100,000), for the repayment of a property grant.

25 Related party transactions

During the year, Emmaus Hull Trading Limited of which Emmaus Hull and East Riding was the sole shareholder, was dissolved. The dissolution date of the Company was 24th October 2023. This subsequently resulted in the write off of a final balance of £11,228.

EMMAUS HULL & EAST RIDING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

26	Cash generated from operations	2023	2022
		£	£
	(Deficit)/surplus for the year	(68,480)	321,126
	Adjustments for:		
	Investment income recognised in statement of financial activities	(903)	(2,655)
	Loss/(gain) on disposal of tangible fixed assets	3,101	(1,500)
	Write off of intercompany balances	(11,228)	-
	Non cash income	-	(170,000)
	Depreciation and impairment of tangible fixed assets	28,777	12,123
	Movements in working capital:		
	Decrease/(increase) in debtors	77,062	(300,037)
	(Decrease)/increase in creditors	(86,687)	189,185
	Cash (absorbed by)/generated from operations	(58,358)	48,242
27	Analysis of changes in net funds		
	The charity had no material debt during the year.		