



ST MARTIN'S EMMAUS

ARCHCLIFFE FORT, ARCHCLIFFE ROAD, DOVER, KENT, CT17 9EL

COMPANY (LIMITED BY GUARANTEE) NO. 3066614
CHARITY NO. 1047354

ANNUAL REPORT AND ACCOUNTS YEAR ENDED 30 JUNE 1997



A10 *AGP0Q3Y6* 313
COMPANIES HOUSE 23/02/98

COMPANIES HOUSE 10/02/98

COMPANIES HOUSE 17/01/98

H08 *HKS05207* 313
COMPANIES HOUSE 08/01/98

COMPANIES HOUSE 08/01/98

TRUSTEES AND ADVISORS

TRUSTEES

Mrs Patricia Jukes (*appointed 5 August 1997*)

Mrs Veronica J B A Mitchinson

Honorary Secretary; Parochial Secretary; Past Chairman, Victim Support

Mr David C Ryeland

Honorary Treasurer; Chairman, George Hammond PLC

Mr Robert Scruton (*appointed 19 November 1996*)

Vice-Chairman; Chairman, Reeves & Neylan, Chartered Accountants; Member of the Local Government Commission for England

Mr Terence A Sutton

Journalist

Mr A Francis P Watts

Chairman; Chartered Accountant (retired)

Mr Christopher R Barnett (*resigned 16 June 1997*)

Professor J A G Craven (*resigned 31 December 1996*)

CO-ORDINATOR

Miss Kendal Beasley

2 Archcliffe Fort, Archcliffe Road, Dover, Kent, CT17 9EL

The trustees and the co-ordinator form the management committee.

AUDITOR

R P Dixon, Chartered Accountant, 20 Queen Street, Deal, Kent, CT14 6ET

ARCHITECTS

Messrs Leonard Barlow Associates, 59 New Street, Sandwich, Kent, CT13 9BD

(Partner, Mr Fred Mynot, RIBA)

BANKERS

National Westminster Bank plc, 25 Market Square, Dover, Kent, CT16 1NQ

CafCash Limited, Kings Hill, West Malling, Kent, ME19 4TA

FINANCIAL ADVISORS

Messrs Reeves & Neylan, Chartered Accountants, 77 Biggin Street, Dover, Kent, CT16 1BB

REPORT BY THE TRUSTEES ON THE ACTIVITIES OF THE CHARITY FOR THE YEAR ENDED 30 JUNE 1997

The company was formed on 9 June 1995 and registered as a charity on 19 June 1995; it is governed by its Memorandum and Articles of Association. Trustees are appointed by the members of the company in accordance with the Articles of Association; one trustee appointed to fill a vacancy arising since the last Annual General Meeting will stand for re-election at the Annual General Meeting, together with two of the remaining trustees who retire by rotation, but who are eligible for re-election.

St Martin's Emmaus exists to provide the organisation and premises and to supervise the operation of an Emmaus community, of which there are over 350 worldwide; it was the fourth such community in the United Kingdom, where there are now seven.

Emmaus communities provide the otherwise homeless with a place to live and work, with the intention that each community shall, after an initial period, be self-supporting. Admission is open to all provided that a vacancy exists and, once installed, members of the community may stay for as long or as short a time as they wish, provided that they continue to follow the community's simple rules of showing respect for others, maintaining the community premises totally free from alcohol and drugs and working for the benefit of the community for forty hours each week. Failure to observe the rules can mean that an individual is barred from all Emmaus communities for a specified length of time.

In return for his or her work, a member ("companion") is provided with housing, food and clothing and paid a small amount of money each week for personal use. A further smaller amount is set aside and accumulated either towards a holiday break (which is often spent in another community) or as money to be available when the companion leaves.

Only Housing Benefit is claimed by way of State benefits. Emmaus believes that self-respect is best recovered through independence.

The business of Emmaus communities is centred around recycling and recirculating goods for which their original owners have no further use, although simple services such as tailoring alterations, gardening, painting and general labouring are, also, undertaken. Goods are collected, prepared as necessary and sold through shops operated by the companions.

St Martin's Emmaus holds Archcliffe Fort in Dover on a lease from English Heritage which expires in 2095; the rent is nominal. However, when the site was taken over it was known that about £400,000 would be needed to complete the renovation of the buildings, most of which had not been used for many years and which had fallen into decay. Up to 30 June 1997, a total of £228,000 had been spent.

The year to 30 June 1997 has been one of continuing development and consolidation. Our shop at the Fort was opened in July 1996, four new rooms for companions were completed in

September 1996 and an additional temporary shop was operated in Dover's High Street from March to July 1997, when the property had to be given up. We are grateful to the landlord who allowed our occupation free of rent.

The major development has been the restoration of the main building at the Fort, assisted by a grant of £71,000 from the National Lottery Charities Board as well as by gifts from many individuals and other bodies. The ground floor was finally completed in October 1997, providing rooms for three more companions and very splendid and necessary community rooms. We plan to complete the upper floor (where much remains to be done) over a period of about twelve to eighteen months, providing up to 14 more places. The timescale is governed not only by the need for funds; building a community has to be a gradual process.

Of the incoming resources of £224,884 received during the year, £59,549 (including depreciation of £5,770) was expended on operating the community and £3,091 on fund-raising and administration. Capital expenditure amounted to £202,674, so that by 30 June 1997 our tangible assets were £227,608 and the net amount available for future expenditure or development was £63,816.

In the year we accommodated 17 companions for various periods, as well as a number of individuals who have stayed briefly or been entertained to meals. The community continues to be supervised by our coordinator, Miss Kendal Beasley, who combines her duties in the Community with those of a volunteer member of the crew of the Dover Lifeboat, on which she is the first lady member. We congratulate "Taff", who came to us as a companion, on his recent appointment as Kendal's assistant.

Including "Taff", who still occupies his old room, the occupancy rate of the accommodation available has been 89%; this does include the use of a very small room which we try to keep for emergencies, but if this were excluded we would be boasting an unconvincing occupancy rate of 106%! New rooms become occupied within a few days of becoming available.

The "loss" on the day-to-day activities averaged about £1,900 a month, compared with nearly £3,000 a month to 30 June 1996. This is worse than we hoped to achieve, but does include nearly £500 per month charged for depreciation of fixed assets, which does not, of course, have to be found in cash. We now have a very well equipped wood workshop, which we hope will become a good source of income; "Taff" has already produced a fine dining table and two fitted cupboards for the house. We remain grateful for gifts of goods for resale; we can collect and deliver.

Financial administration and fund raising expertise are presently provided on a voluntary basis. Other voluntary help is welcomed, but would not need to be replaced by paid employees if it were not available.

Approved by the trustees and signed for and on their behalf

V J B A Mitchinson
Trustee & Secretary
4 November 1997



STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are required by United Kingdom company law to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the net income of the company for the period.

The trustees confirm that suitable accounting policies and standards have been used and applied consistently and that reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 30 June 1997.

The trustees are responsible for the keeping of proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the trustees

V J B A Mitchinson
Trustee and Secretary.
4 November 1997



REPORT OF THE AUDITOR TO THE MEMBERS OF ST MARTIN'S EMMAUS

I have audited the financial statements on the following pages 1 to 5 which have been prepared under the historical cost convention and the accounting policies set out on page 4.

Respective responsibilities of Trustees and Auditor

As described above, the Company's Trustees are responsible for the preparation of the financial statements. It is my responsibility to form an independent opinion, based on my audit, on those financial statements and to report my opinion to you.

Basis of opinion

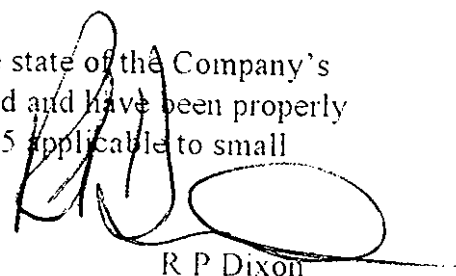
I conducted my audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion, I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion the financial statements give a true and fair view of the state of the Company's affairs as at 30 June 1997 and of its net income for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

25 November 1997
Deal



R P Dixon

Chartered Accountant & Registered Auditor

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 1997**

INCOMING RESOURCES	NOTE		1996
Unrestricted Funds		£	£
Donations and gifts		100,635	106,001
Grants received	2	10,000	38,699
Rents (Housing Benefit)		10,133	2,607
Sales of donated goods		28,731	771
Interest received		4,385	5,084
		<u>153,884</u>	<u>153,162</u>
Restricted Funds			
Grant received	2	<u>71,000</u>	<u>-</u>
TOTAL INCOMING RESOURCES		<u>224,884</u>	<u>153,162</u>
RESOURCES EXPENDED			
DIRECT CHARITABLE EXPENDITURE			
Maintenance, expenses and supervision of otherwise homeless companions		59,549	21,498
OTHER EXPENDITURE			
Fundraising and publicity		838	1,448
Management and administration		2,253	1,035
		<u>3,091</u>	<u>2,483</u>
TOTAL RESOURCES EXPENDED	3	<u>62,640</u>	<u>23,981</u>
NET INCOMING RESOURCES	4	<u>162,244</u>	<u>129,181</u>
INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 1997 (All recognised gains and losses are included)			
Gross income of continuing operations		224,884	153,162
Total expenditure of continuing operations	3	(62,640)	(23,981)
NET INCOME FOR THE YEAR		<u>162,244</u>	<u>129,181</u>

1996
£

3

5 227,608

30,704

Key words: aging; cognition; memory; personality

7	11,493
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6,435Investments - Short-term deposits94.160

105,651

Cash at bankers and in hand

10.0703,166115,723115,252

8 (44,077)

Amounts falling due within one year

8 (44,077) (16,775)

71.646

98,477

299,254

129,181

8	7,829
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Amounts falling due after more than one year

8 7,829

291,425

129,181

9 71,000

Restricted funds

9	71,000	-
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Unrestricted funds220,425129,181

291,425.

129,181

24 November 1997

A. P. Watts

• **CASH FLOW STATEMENT**

FOR THE YEAR ENDED 30 JUNE 1997	NOTE		1996
		£	£
Net incoming resources before revaluations		162,244	129,181
Depreciation	5	5,770	426
Increase in creditors - current liabilities		27,302	16,775
Increase in debtors		(5,058)	(6,435)
NET CASH INFLOW FROM OPERATING ACTIVITIES		<u>190,258</u>	<u>139,947</u>
PURCHASE OF TANGIBLE FIXED ASSETS	5	(202,674)	(31,130)
LONG TERM LOANS	8	7,829	-
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		<u>(4,587)</u>	<u>108,817</u>
CASH AND CASH EQUIVALENTS AT 30 JUNE 1996		108,817	-
CASH AND CASH EQUIVALENTS AT 30 JUNE 1997		<u><u>104,230</u></u>	<u><u>108,817</u></u>

**NOTES ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1997**

1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been drawn in accordance with Accounting Standards applicable in the United Kingdom.

Comparative figures

The comparative figures for 1996 are for the period 9 June 1995 to 30 June 1996

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost after provision for depreciation at rates calculated to write off the cost or valuation of each asset over its expected useful life, as follows:

Leasehold improvements over 50 years with effect from 1 July 1996. (No depreciation has been written off in the period to 30 June 1996, since the expenditure mainly represented incomplete work.)

Other fixed assets over 5 years at the rate of 20% of cost per annum.

Commitments for capital expenditure in hand but not certified for payment are shown by way of note.

2. Grants received

Unrestricted Funds: These were received from Dover District Council.

Restricted Funds: This was received from the National Lottery Charities Board.

3. Analysis of total resources expended

	Total	Staff costs	Other costs	Depreciation
1997				
Direct charitable expenditure	59,549	15,886	37,893	5,770
Other expenditure				
Fundraising and publicity	838		838	
Management and administration	2,253		2,253	
£	62,640	15,886	40,984	5,770
1996				
Direct charitable expenditure	21,498	10,433	10,639	426
Other expenditure				
Fundraising and publicity	1,448		1,448	
Management and administration	1,035		1,035	
£	23,981	10,433	13,122	426

The charity had one employee throughout the year, with a second employee for 5 months. Salary costs were £15,886 (1996: £9,617); Social Security costs £973 (1996: £816).

4. Changes in resources available for charity use

		1996
Net movement in funds for the period	162,244	129,181
Net increase in tangible assets acquired for direct charitable purposes	(196,904)	(30,704)
	(34,660)	98,477

5. Tangible Fixed Assets used for direct charitable purposes

	Total	Long Leasehold (Land & Buildings)	Furniture and Equipment
Cost to 30 June 1996	31,130	29,000	2,130
Additions during the year	202,674	198,731	3,943
	233,804	227,731	6,073
Depreciation to 30 June 1996	426		426
Charge for year	5,770	4,555	1,215
	6,196	4,555	1,641
Net book value at 30 June 1997	227,608	223,176	4,432
Net book value at 30 June 1996	30,704	29,000	1,704

6. Capital commitments. At 30 June 1997, there were contracts in hand where the total commitment for uncertified work was approximately £40,000 (1996: £67,000).

7. Debtors comprise a VAT refund (£10,653) and prepaid expenses (£840). (1996: Awarded grant (£3,699) and income tax recoverable (£2,736)).

8. Creditors falling due within one year comprise capital expenditure (£40,014) (1996: £15,675), accruals (£3,963) (1996: £950) and loans repayable within one year (£100) (1996: £150). Creditors falling due after one year comprise "solidarity loans" from Emmaus UK, repayable when money is available or the community ceases to exist.

9. The Restricted Funds have been fully expended on additions to Land & Buildings.

10. Trustees. No remuneration nor expenses have been paid to any trustee, save for the reimbursement of £1,116 for purchases made on behalf of the charity.

11. Auditor. £400 was paid to the auditor during the year.