

Annual Report

1 April 2016 to
31 March 2017

The facts and
figures behind
our success



 **net**®
newark
emmaus
trust
help for the young homeless

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1 Reference and Administrative Information

| | |
|---------------------------------------|---|
| <i>Charity Name:</i> | Newark Emmaus Trust |
| <i>Registered Charity No:</i> | 1017344 |
| <i>Registered Company No:</i> | 2783331 |
| <i>Registered Social Landlord No:</i> | 4640 |
| <i>Operational address:</i> | 37 Northgate, Newark, Notts, NG24 1HD |
| <i>Registered office:</i> | 3 Middlegate, Newark, Notts, NG24 1AQ |
| <i>Patrons:</i> | The Rt Rev Paul Williams The Rt Rev Patrick Mckinney Msg Brian Dazeley Rev N Bibbings Miss Jean Moore MBE |
| <i>Management Committee:</i> | |
| J Howlett | (Chairman) |
| J D Blatherwick | (Vice Chairman and Treasurer) |
| M R Haig | |
| A Readman | |
| N Kenward | |
| C Rose | |
| S Gilbert | |
| E Brown | |
| A Down | |
| R Makings <i>Ex-officio</i> | (Project Manager) |
| <i>Senior Management Team:</i> | |
| R Makings | Project Manager |
| J Hudson | Deputy Manager |
| J Duers | Assistant Manager |
| L Rumble | Senior Project Worker |
| S Huddlestone | Senior Project Worker |
| <i>Accountants:</i> | Stephenson Nuttall & Co, Ossington Chambers, 6-8 Castlegate, Newark Notts NG24 1AX |
| <i>Solicitor:</i> | Tallents Solicitors, Middlegate, Newark, Notts, NG24 1AQ |
| <i>Bankers:</i> | HSBC Bank plc, Market Place, Newark, Notts, NG24 1EQ Barclays Bank plc, Market Place, Newark, Notts, NG24 1EJ Investec, PO Box 1008, St Albans, AL1 9LZ Santander, 2 Triton Square, Regent's Place, London, Scottish Widows, PO Box 12757, 67 Morrison St, Edinburgh CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent Mansfield Building Society Regent House Regent St, Mansfield Virgin Money, Jubilee House, Gosforth, Newcastle Bank of Cyprus UK, PO Box 17484, 87 Chase Side, London Shawbrook Bank, Warley Hill Business Park, The Drive, Great Warley, Brentwood, Essex |

2 Chairman's Statement

In last year's annual report, I wrote that the year had been one of realism about financial constraints, the political climate in which Newark Emmaus Trust operates and about planning our future. The need was to ensure that the Trust thrives and continues its tradition of providing for homeless young people, not only by providing accommodation but also by providing education and training in the basic skills of life, finding and retaining work, finding and keeping a home, budgeting, caring for children, supporting others and being supported. All of that remains true, so this year the Trust has continued the process of adapting to the difficult circumstances in which it, like many small local charities, has to operate. As this summary will show, doing that involves a great deal of paid and unpaid work by many people.

The main challenge continues to be funding. The directors are determined that the Trust will remain financially sound. The Finance Committee rigorously monitors the Trust's financial position, reporting to the full Management Committee bi-monthly. Good progress has been made towards the objective of meeting current expenditure out of current income following the loss of Supporting People Funding. For now, the Trust is still drawing on capital, but at a rate which is acceptable in the short term, and which is steadily falling.

The Trust continues to work with its funding consultant on the demanding and detailed work of preparing funding bids. Several major bids are in the pipeline. Successful bids over the last year include:-

- A grant from BBC Children in Need which was part of a 3-year grant to support homeless young people including young mothers and pregnant girls through the provision of training workshops to achieve City and Guilds qualifications including parenting awareness. Each student will achieve a City and Guilds certificate.
- Big Lottery Celebrate grant provided a project aimed to celebrate with others in the community by 'bridging the gap'. Residents invited senior citizens from Newark's Help the Aged to attend 4 community social afternoons at the Trust's training centre. This consisted of playing games of prize bingo hosted by the residents who decorated boxes of groceries as prizes and also served refreshments.
- Jessie Spencer grant enabled staff to support the residents to complete a healthy eating and fitness programme. The programme consisted of mountain biking trips, Go Ape climbing experience, football matches against teams in the community and learning to cook healthy meals on a budget. This provided our residents with some positive outcomes of being introduced to leading healthier lifestyles and having new positive experiences that helped them to improve their social skills.
- One Stop Carriers for Causes Goundwork UK grant funded staff to supervise residents to plan and create a communal garden for all residents at the Trust to be able to use and enjoy. This taught the residents new skills, enabled them to learn about plants and wildlife, taught them how to plan and budget to complete a task and gave them a great sense of achievement.

Historically the Trust has not relied upon volunteers to carry on its day-to-day work. In a departure from that position, we have developed a structure, which invites and encourages volunteers to assist, initially in publicity and fund-raising roles. We will be developing the role of volunteers in the coming months. Volunteers provide numerous benefits: increasing public awareness of the Trust, helping to keep costs low and encouraging community participation. The administrative structure, which has been put in place, enables volunteers to contribute to the Trust's work whilst maintaining the quality of support to residents. Coupled with this, new arrangements for our paid staff encourage them each to concentrate on the parts of their work where their skills are greatest, specialising in what they do best.

These changes in the way our paid staff work, with the introduction of volunteers, will we believe make the Trust ever more attractive to funding bodies, so creating a virtuous circle. Funders rightly expect to see rigorous monitoring and assessment of our performance. For that purpose the Trust has

embarked upon achieving PQASSO accreditation by the end of 2017. This, like so much else involves a great deal of work in the short term, which I have no doubt will lead to long-term benefit. I am very grateful to our Senior Management Team for their work on this project.

Locally, I am very grateful to the Directors and others who have arranged fund raising events which make the Newark community more aware of our work, and to the many individuals and businesses who make donation in cash or in kind.

So, the funding position is encouraging in the medium term. But it would be wrong and naïve to deny that the Trust, as a small local charity, faces great difficulties not of our making, in maintaining its work and indeed its survival. This is not a problem confined to the Trust, or to Newark. It is nationwide. The massive administrative burden imposed by funding and regulatory requirements sap the time of our staff and, if unchecked, takes them away from the one to one work with our residents, which is at the heart of what we do. Coupled with this is the increasing practice of public sector commissioning bodies to offer contracts in large blocks (geographically and in terms of persons served) for which local charities cannot credibly bid. The Lloyds Bank Foundation has in the last year published two impressive reports about this problem. Within the limits permitted by our charitable status, we will continue to lobby for the return of a funding system in which local charities with first-hand knowledge of local needs can provide flexible and sensitive support from a local base.

Another challenge is how the accommodation of supported residents such as ours is to be funded once Universal Credit becomes, as it is called, universal. There will potentially be a serious funding gap between the accommodation element of Universal Credit and the minimum cost at which supported accommodation can be provided. With the support of Robert Jenrick MP, we have made a lengthy submission to the government consultation "Funding for Supported Housing". We await the policy outcome with interest – and some trepidation.

We are conscious that our profile in the community has perhaps not been as great as it should be. Some of the directors, with the very generous support of an external professional, have developed a new visual identity which is already being seen in our publicity and the residents' newsletter and which will extend across all aspects of our "public face", including a new and advanced website funded through a Big Lottery Awards for All grant. Residents have been heavily involved in its planning and will contribute greatly to its content.

All this should not obscure the work, which is done with and by our residents. We continue to see 100% occupancy with very short void periods, if any. Our educational programmes and external activities continue, working with the Canal Trust and Age Concern (to the benefit and enjoyment of young and old) amongst many others. We maintain a rigorously policed health and safety regime. The Trust has always believed that homeless accommodation must not be substandard accommodation. Our new rolling maintenance programme maintains that ethos within the tightly constrained budget, which we now face. Our latest property is now occupied by residents and will shortly provide a little extra office space as well.

Finally, we are conscious that it is much more difficult and onerous to run a local housing charity than it was even five years ago. There is a danger that the burden of doing so will detract from the personal support, which our residents receive. We are all determined that this will not happen. The burdens of the last year have been great but we are, I believe, nearing the end of a period of particularly intense change (although change will of course always be with us). We will maintain what we do with and for our residents, because they are the important ones.

I wrote last year that the support which our residents receive is due almost entirely to the love, hard work and dedication which is shown to them by the staff who deserve, and receive, our thanks. That is still true.

James Howlett

Chairman

3 Our Aims and Objectives

3.1 Overall Aims

- Relieve, mitigate and prevent poverty, suffering and distress by the provision of social housing
- Relieve hardship or distress for local young people who are in need, homeless or likely to become homeless
- Give local homeless young people a better chance to achieve their full potential
- Reverse the spiral of homelessness

3.2 Specific Aims

- To assist young clients to improve skills, confidence and awareness, to become responsible citizens and better neighbours in the community, and to avoid eviction and break the homelessness cycle
- To encourage and equip the homeless young people of Newark to meet daily life challenges and ultimately to be a contributor to the local community
- To increase confidence. To make and act on informed choices. To reduce anti-social behaviour. To gain mutual respect of peers and the community
- To increase career related skills to reduce the chance of returning to poverty
- To work collaboratively with organisations to develop a more accurate picture of the true nature and extent of youth homelessness

3.3 Objectives

- To provide a safe and stable environment in the form of temporary accommodation in Newark for up to 2 years (104 weeks) to progress towards living independently
- To provide one-to-one professional keywork support including the use of Star Charts (a keyworking and outcomes monitoring tool designed to both support and measure change when working with people). To build confidence, self-belief and raise self-esteem
- To provide direct access to academic training in NET's own City and Guilds registered Training Centre including team building and leadership awareness
- To organise a Residents' Activities programme including organising communal activities and community events, and organising access to focus groups to allow young people to have a voice both in the Trust and the community
- To provide statistics on homelessness to the Youth Homelessness Databank and Centrepoint and take part in Government consultations as appropriate

3.4 Ensuring our Work Delivers our Aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the current financial year. We look at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

4 How our activities deliver Public Benefit

The following shows how our activities have delivered public benefit during the year.

4.1 Drop-in and telephone support

The Trust offers drop-in and telephone support dealing with issues such as accommodation, tenancy management, debt management and applying for benefits etc. The level of support given is determined by the amount of funding available to support this service. Members of the public access it and ex-residents who may need a little bit of further support once they move on.

The Trust was able to respond to all enquiries either directly or by signposting the young person to another provider. The Trust was contacted 162 times, which is an increase of 57% from last year when the Trust was contacted 103 times.

This rise demonstrates the ongoing need for the service. The reasons for accessing the service this year are as follows:-

- Needing accommodation and housed by the Trust – 39 enquiries
- Needing accommodation and added to our waiting list – 61 enquiries
- Not housed by us but receiving non-residential support – 62 enquiries

This year we became members of the Centrepoint Partnering Scheme. Each quarter we forward our statistics to Centrepoint and YHDataBank for our drop-in and accommodation statistics. This brings together data from Central Government, local councils and charities to explore the true scale of youth homelessness. Please follow the link <https://www.yhatabank.com/> to view their reports.

4.2 Applications for accommodation

All referrals for accommodation are made by completing an application form. This is then assessed on a scoring system and the young person will either be accommodated or placed on a waiting list, which is ranked by priority score to ensure fair access to services. All young people that are housed by us are in immediate need of accommodation and support and are between the ages of 16-25 years.

Figure 1 shows the stats for young people applying for accommodation:-

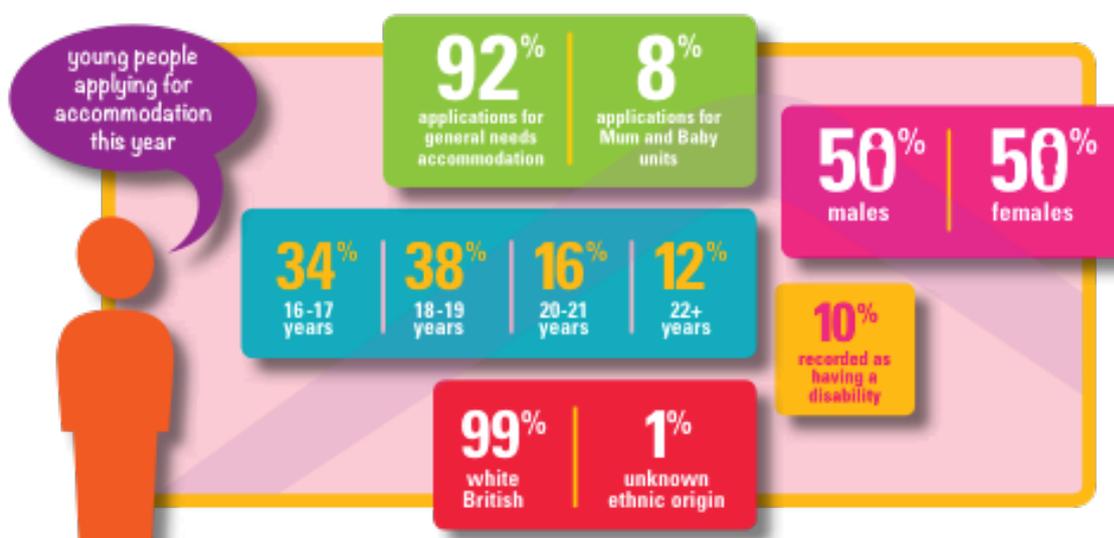


Fig.1

4.3 The Trust provides various types of accommodation:-

- High-level need with high support, staffed 24-hours a day and with appropriate levels of staffing to support young people presenting with a range of complex needs.
- General needs with less intensive support for young people who have developed sufficient independent living skills and are working towards independence.
- Mum and baby accommodation for supporting young mothers mostly from pregnancy and through the first year or until they are ready to live independently.

Figure 2 shows the stats for young people applying for accommodation and show reasons why people have presented as homeless:-

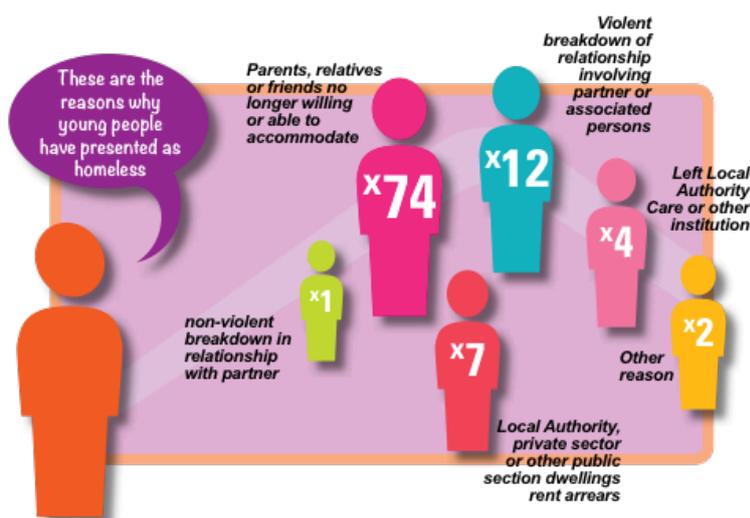


Fig.2

Figure 3 shows the number of people we have accommodated this year. The Trust has once again had very high occupancy levels in all of the accommodation units and we have had no VOIDS. This high occupancy level shows the vital need for 24-hour professional staff support for young homeless people in the local area. Since 1994, the Trust has accommodated 696 young people from Newark and the surrounding area.

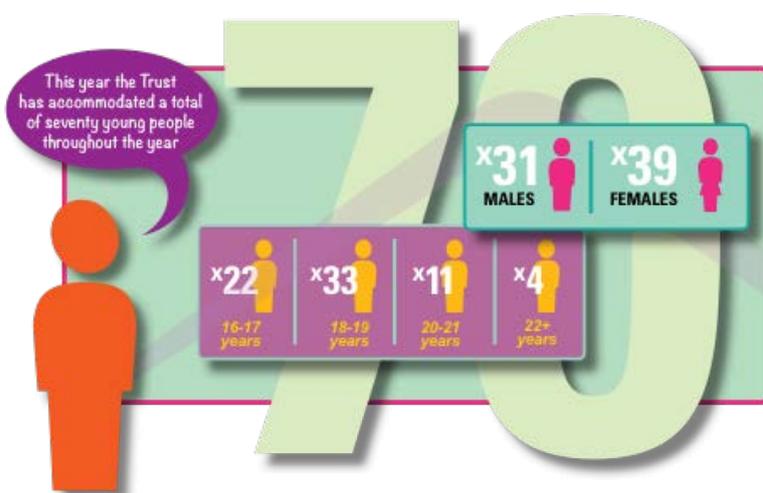


Fig.3



4.4 One-to-one professional keywork support

National research, which is also reflected locally, shows there has been an increase in the complexity of support needs of young people accessing services. Over half of all young people living in homeless accommodation have complex needs. (*Beth Watts Young and Homeless 2016 conference*). The Homelessness monitor England 2016 produced by Crisis with support from Joseph Rowntree Foundation, highlights annual homelessness acceptances were 14,000 higher across England in 2014/15 than in 2009/10. The survey also found that Local Authorities reported that they find it difficult to provide meaningful help to single homeless people aged 18-24 years.

The Trust aims to address the support needs of those accessing our service primarily through keyworking, and will ensure that specific issues are dealt with in detail. Operational staff are trained to NVQ Level 2 in Health and Social Care to enable them to support the complex needs of the young people we accommodate.

Figure 4 shows the needs of the young people we accommodated this year.

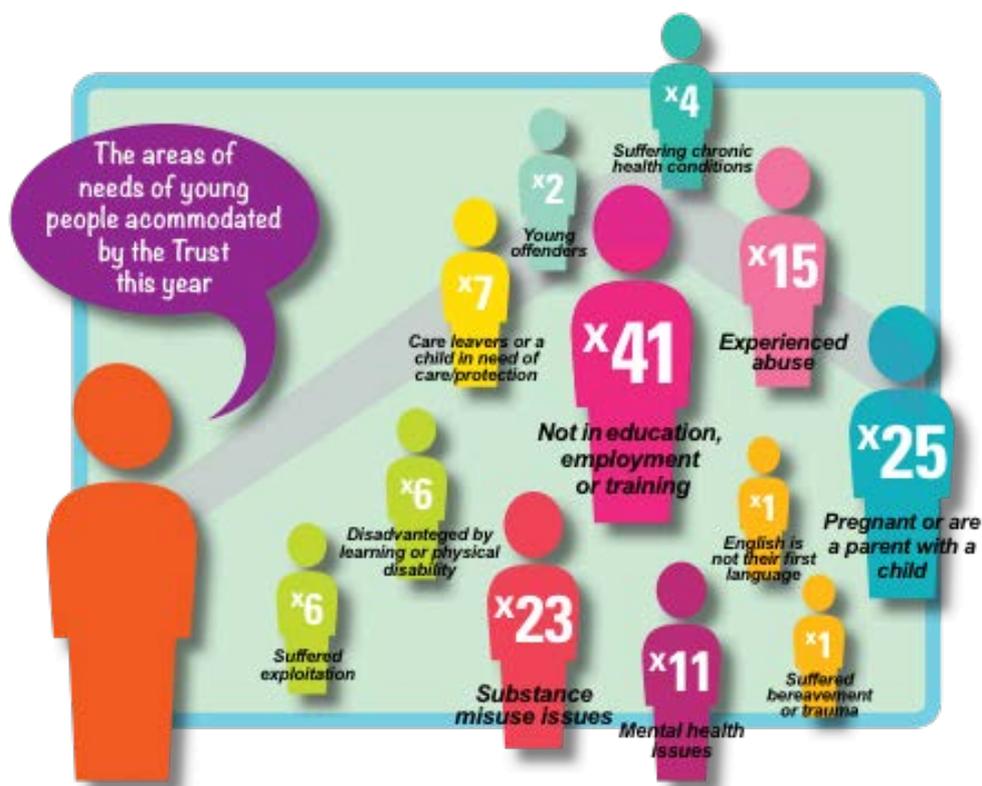


Fig.4

4.5 Triangle Outcomes Star Monitoring Tool

We use the Triangle Outcomes Star keyworking and outcomes monitoring tool as part of the support package offered to the young people. It is designed to both support and measure a journey of change. This gives a detailed picture of the changes taking place by measuring more precisely, where young people are when they arrive at the Trust. Their progression is measured and assessed over a 6-month period.

4.6 Outside Agency Support

Risk assessments are completed which ask the young person questions about their past and current situation to highlight areas they want to discuss and that staff may need to be aware of. If the young person feels they need more time and focus on an aspect of mental health or emotional health, they can be referred to a variety of professional agencies such as; their GP, CAMHS, Adult Mental Health Services, ISAS, SHE, CASY or Mind. We also refer clients to specialist services to help address any other general health concerns such as Family Planning clinics and GUM clinics. We offer young people the opportunity to sign up to the c-card scheme to protect their sexual health. This scheme provides free condoms and sexual health information. All aspects of sexual health and relationships can be discussed with trained workers. We ensure they are registered with a GP, dentist, optician and any other necessary appropriate professional services whilst they live with us, and support is provided to attend check-ups.

Figure 5 shows the number of young people we have registered with other services



Fig.5

Funding towards support has been received this year through the Leaving Care team North

4.7 Moving On

There is a shortage of affordable housing for those on low incomes, and young people on low incomes are adversely impacted by the shortage of support. There is increasingly low confidence amongst landlords in both the social and private sectors towards young people on low incomes due to concerns about their ability to afford accommodation. Local authorities and many Registered Social Landlords are starting to do affordability checks prior to offering tenancies (*Youth Homelessness Prevention Plan 2016-20*). This affects the young people we accommodate at move on stage.

Once a young person has demonstrated sufficient independent living skills to manage their own tenancy, a Ready to Move (R2M) assessment will be completed enabling the young person to be able to be supported to bid for properties. This document is sent to the Local Council to evidence the work the young people completed with us, and their readiness to live independently in the local community. They then have an interview with a council housing officer. This is designed to demonstrate the young person's ability and readiness to manage a tenancy. If completed successfully, the young person is then placed in Band 2 of the housing list and are eligible to bid for vacant properties advertised on the Council's Choice Based Lettings Scheme. Nine young people successfully achieved band 2 priority status this year.

When moving to a new tenancy the young people receive a move-out pack which is funded through donations by a member of the public. This consists of basic equipment and necessities for their new home.

Figure 6 shows the number of young people who have moved on from the Trust this year

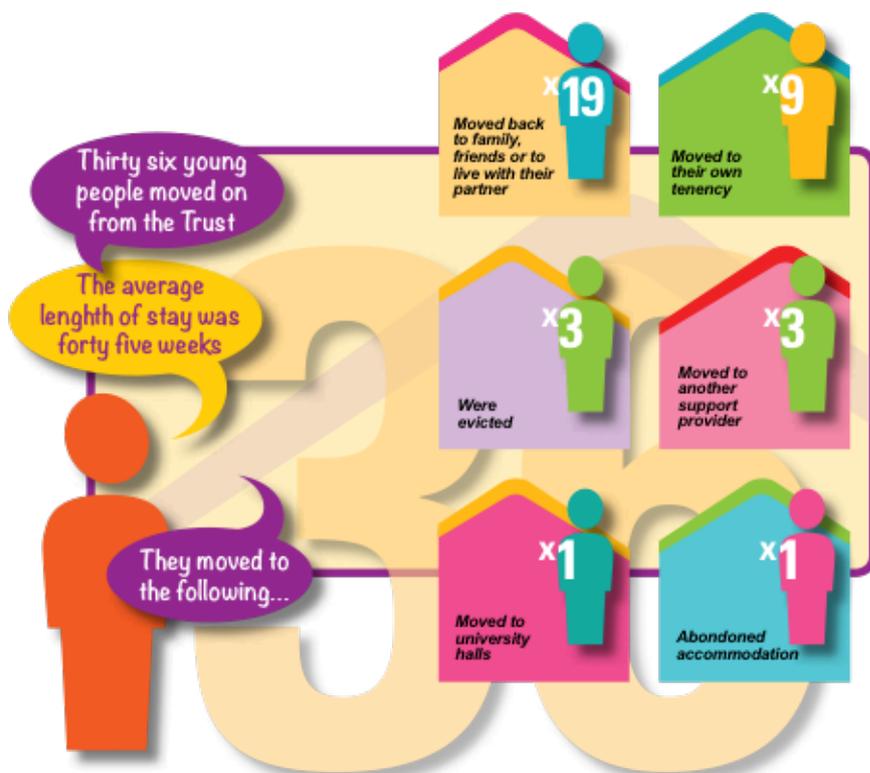


Fig.6

4.8 Running totals for move on stats

From April 1994 to March 2017, the Trust has supported 608 young people to move on into the community:

- Moved to their own tenancy 296
- Moved to live with family, friend's partner or University Halls 207
- Other 105

4.9 Training Centre including City and Guilds Parenting Awareness Training

Residents living at the Trust are invited to attend the Training Course. Staff are trained and qualified. The aim is to create a controlled learning environment where students are challenged to achieve their best and reach their full potential. Students are encouraged to be well motivated, hardworking, smart and polite whilst on the course. This year the training centre has accessed professional support from:-

- Newark and Sherwood District Council's housing department
- Canal and River Trust
- Newark FE College
- Southwell Workhouse
- Newark Patriotic Fund
- Sexions

The Training Centre delivers training through the City and Guilds Employability course 5546. This can be taken at either level 1 or level 2 depending on the student's prior achievements. For qualifications, students are required to complete a portfolio of evidence. Students can achieve an award, an extended award, full certificate or an extended certificate depending on how many units they do. This year we had our best results by far for achieving extended certificates. They had doubled from the previous year. Two young people then went on to study at level 2. One achieved an extended award and one achieved a full certificate.



Fig.7

Figure 7 shows the results for Level 1 for the training centre this year.

This is a quote from the Internal Verifier who assesses the work of the students:-

“End of programme evaluation revealed that the young people had enjoyed the experience provided by the Trust with the practical activities and the residential week remaining uppermost in their minds. The programme overall has, in their words, helped them with self-confidence and getting themselves organised and all of them now have a goal to work towards, employment, a new flat and looking for a job, applying for an Apprenticeship, a nursing degree after a year maternity leave or work experience”.

Funding has been received through the Children in Need grant.

4.10 Community Learning Skills funded through Enable – R2M and R2E (Ready to Move and Ready to Earn)

The programme is aimed at residents aged 19 plus, unemployed and NEET but actively seeking employment. This training involves 20 guided learning hours of training to support and assist each individual to develop the skills they need to prepare him or her for independent living. Each student works towards achieving a score of 75% and completion of a Ready to Move assessment and interview with the Housing Officer for NSDC.

Figure 8 shows the young people we have accommodated this year and their achievements:-



Fig.8

4.11 Work with young parents parenting skills training

Funding has enabled us to develop a parenting programme to provide weekly sessions that include both theory and practice and cover a wide range of topics about the care of a baby. Amongst many others, these include feeding, weaning, safe sleeping, health and safety in the home.

Funding has been received through the Children in Need grant towards some of the costs for providing this.

4.12 House meetings

House meetings take place each month and are advertised to the young people through posters. The young people decide on the agenda and what they would like to discuss as a topic of choice. These meetings provide opportunities for the residents to:-

- Raise issues that the young people have about their accommodation/support
- Putting their own ideas forward for activities and visits
- Discussing a topic of the month which is decided by the young people at the previous house meeting
- Feedback from staff
- Planning projects and volunteer activities

4.13 Residents' Activity Programme

Young people may enter the Trust with many associated problems as well as being homeless. Some may be as a result of family relationship breakdown, mental health, debt, poor education and a lack of self-confidence. Getting them involved in a variety of activities helps them to overcome barriers to some of their problems; it also helps them to interact positively on a social level with their peers, something they may not have done in a positive way before moving into the Trust's accommodation. *Figure 9* shows the activities that have taken place this year



Fig.9

4.14 The Bursary Fund

This fund exists to assist in individual residents educational and training needs both during their time with the Trust and for educational needs after they have left. This year the fund has helped to buy musical equipment for a university course and for a diploma in music, costs towards resources for university to study biology and the cost of school uniform.

Figure 10 shows how from November 2008 when the fund first started to date, the bursary has helped as follows:-



Fig.10

5 NET Developments

5.1 Volunteering with NET

During the year, the Trust has developed a strategy to encourage and develop volunteering opportunities within the organisation by members of the wider community. Although in its early stages, volunteers are already providing valuable support in raising the profile of the organisation through re-branding and fundraising.

5.2 Rebranding and new visual identity



Funding received and the work of a volunteer graphic designer has helped the Trust to develop a new visual identity, allowing us to communicate clearly with existing and changing audiences. This is being applied to a range of materials such as publications, website, newsletters and leaflets prepared by the young people accommodated at the Trust.

This will allow us to develop awareness and provide better access to our services for the community, to inform them of the help and services that are available.

5.3 PQASSO Quality Mark

This year we will be implementing a submission for a PQASSO (Practical Quality Assurance System for Small Organisations) Charter Mark. Throughout the year we have taken a systematic look at what we do, identifying our strengths and weaknesses, enabling us to decide where improvements are needed to continuously improve our quality of service.



6 Environmental Developments

July 2016 saw the opening of our new-shared house in which we incorporated low energy appliances and sensor lights in the hallways and landing to save electricity. As is now our usual practice, we fitted thermostatic valves on every radiator to try to save energy. We also have had sensor lights fitted in one of our existing properties to help reduce our carbon footprint.

The newly opened property also has a useful outbuilding, which we plan to restore with residents and use as a small recycling workshop where we can restore and renovate furniture with the residents. This will both teach the residents new skills and save them money in the future whilst being good for the environment.

7 Equal Opportunities Statement

The Management Committee of the Trust continues in its determination to ensure equality of access and opportunity to all those who use our services and our staff.

We have again this year provided statistics and illustrations throughout this annual report to show the needs of the young people who use our services. The staff team have continued to develop activities and support mechanisms that are inclusive and appropriate for the specific needs of our young people. Whilst equal access to services is important, we are also committed to continuing to develop our education and social programmes to equip our young people with the confidence and skills they need to fulfil their potential and positively challenge any negative behaviour they experience.

8 Risk Management Statement

The Management Committee has conducted a review of the major risks to which the Trust is exposed. A risk register has been established and is updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the Trust faces. Significant external risks to funding have led to the development of a strategic plan, which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, young people and visitors to the Trust.

9 A thank you to our supporters

We would like to take this opportunity to say a big thank you to each one of our supporters and for all the generous donations received.

Your generosity and kindness allows us to continue to provide this much-needed support to local homeless young people.

We acknowledge the importance to us of the continued moral support of our many friends, and in particular our patrons:-

The Rt Rev Paul Williams

The Rt Rev Patrick Mckinney

Msg Brian Dazeley

Rev Nigel Bibbings

Miss Jean Moore MBE

10 Structure, Governance and Management

Newark Emmaus Trust is a charitable company limited by guarantee and does not have any share capital. It was incorporated on 25th January 1993 and registered as a charity on 16th February 1993. 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. The company is exempt under Section 60 of the Companies Act 2006 from using the word Limited in its name. Every member of the company has limited liability in the form of a guarantee of up to £1.

10.1 Organisational Structure

The day-to-day responsibility for the provision of the services and operational management of the Trust rests with the Project Manager who in turn is supported by a Deputy Manager and an Assistant Manager.



Potential new Directors are identified by an existing Director's proposal or by the prospective Director contacting the Trust. The Directors seek a diverse range of candidates with the skills and experience the Trust needs to develop as a sustainable organisation. Previous employees and young people are allowed to apply for the position of Director three years after leaving the employment or ceasing to use the services of the Trust. All members of the Management Committee give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in the notes to the accounts.

Most Trustees are already familiar with the practical work of the Trust having met with a member of the Management Committee and the Manager or Deputy Manager to find out about the services the Trust provides, and the client group it works with. Prospective Directors are given a range of information about the Trust and follow an induction programme to enable them to understand the organisation and their role prior to becoming a Trustee by mutual agreement.

At the AGM Jeremy Blatherwick, Richard Haig and James Howlett will retire by rotation and, being eligible, offer themselves for re-election.

10.2 Related Parties

The Trust works in partnership with:-

- Nottinghamshire County Council's Family Service
- District and Borough homelessness departments
- Joint Homeless Inter Agency Forum in partnership with Newark and Sherwood and Mansfield and Ashfield District Councils
- Newark and Sherwood District Council working group Homelessness Prevention Plan 2016-20
- Housing Associations and other accommodation providers
- Nottinghamshire's Safeguarding Children Board – MASH
- Centrepont

11 Health and Safety Report

The two Directors who are responsible for Health and Safety, the Deputy Manager and a Senior Project Worker carried out the Annual Health and Safety Inspection.

Throughout our inspection we were welcomed by the young residents who were eager to show us around their homes, all of which we considered provided safe and healthy accommodation for all our young tenants. The properties are in a good state of repair in spite of the necessary reductions in expenditure in recent years.

Nevertheless, we recommended to the Directors that some of the properties are in need of refurbishment with items of furniture and carpets needing to be replaced. In response, a programme of replacement and refurbishment has already been started and this will ensure that we maintain our aim of providing quality homes for our young people. Our thanks go to our Senior Management team and their Staff who constantly monitor the Health and Safety in our properties and promptly organise any necessary repairs. This not only maintains the high standard of provision but also is cost effective in terms of repairing rather than replacing.

The property that we purchased at the end of last year was fully occupied very quickly. It is a beautiful house decorated and furnished to a very high standard on a modest budget. Our congratulations to the staff and residents who worked together to achieve this. They are currently redesigning the garden, which will provide a lovely outdoor sitting area.

Thank you to the residents of Newark Emmaus Trust for making us feel welcome and taking such good care of your homes and gardens. Keep on designing and decorating in your homes and gardens! You have achieved so much again this year. Thank you to the Staff for your support and all the extras that you do to keep our properties safe and comfortable.

Anne Readman and Chris Rose

Directors Responsible for Health and Safety.

March 2017

12 Financial Review

12.1 Principal Funding Sources

The Trustees have continued to serve the young people of Newark. The Trust is still in business and will be for the foreseeable future. As stated in previous years due to the prudent financial planning in the past, we have reserves, which will fund the project in the future whilst other funding streams are sought. In addition, we are looking at ways in which we can save money and streamline the services we offer without compromising our ethos. We have engaged the services of a professional fundraising consultant through a grant from the Lloyds Foundation to advise us of the funds available and the best way of sourcing those available funds. The Finance Committee, who have this past year been meeting bi-monthly (and as and when necessary), are committed to achieving a balanced budget within the next two years and are exploring ways to achieve this.

We continue to have success in obtaining grants from many organisations including BCBN Better Community Business Network, The Beatrice Laing Trust, The Mansfield Building Society Community Support Scheme, Leaving Care Team North, Children in Need, One Stop Carriers for Causes – Groundwork UK, Big Lottery Celebrate, Jessie Spencer Fund and Big Lottery Awards for All and various donations from local businesses and the general public. Housing Benefit is now vitally important to our future whilst we continue to provide top quality supported accommodation.

12.2 Investment Policy

The Trust's investment policy addresses the need for enough resources to be available to carry out its present and future activities effectively. An amount is retained in reserves each year, if available, and any remaining funds are looked at for longer-term investment. The Trustees are committed to cautious and reasonably diversified investments. From a financial risk perspective the Trust has adopted the policy of spreading investments across different Financial Services Authority authorised financial institutions. The Finance Committee undertakes a review of investment funds at least annually.

12.3 Reserves Policy

The Management Committee has examined the Trust's requirements for reserves in light of the main risks to the organisation. Reserves are needed to meet the working capital requirements of the Trust, for any major repairs or renovation work on properties, provide financial security and to enable normal operating activities to continue in the event of a significant loss of income and to meet its estimated pension liabilities with Nottinghamshire County Council pension scheme regarding pension strain and pension deficit. Details are provided in our reserves policy.

12.4 Plans for Future Periods

The Trust plans to continue the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

13 Financial Statements

REGISTERED NUMBER: 2783331 (England and Wales)

THE NEWARK EMMAUS TRUST
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017**

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THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

**COMPANY INFORMATION
FOR THE YEAR ENDED 31ST MARCH 2017**

| | |
|---|---|
| CHARITY NAME: | The Newark Emmaus Trust |
| REGISTERED COMPANY NUMBER: | 2783331 (England and Wales) |
| REGISTERED CHARITY NUMBER: | 1017344 |
| TENANT SERVICES AUTHORITY REGISTERED NUMBER: | 4640 |
| OPERATIONAL ADDRESS: | 37 Northgate Newark Nottinghamshire NG24 1HD |
| REGISTERED OFFICE: | 3 Middlegate Newark Nottinghamshire NG24 1AQ |
| MANAGEMENT COMMITTEE: | J D Blatherwick - Vice Chairman and Treasurer E E Brown A J Down S M Gilbert M R Haig J A Howlett - Chairman N J Kenward R Makings - (no voting rights) A E M Readman C Rose |
| SECRETARY: | J D Blatherwick |
| REPORTING ACCOUNTANT: | T F Hudson, FCA Stephenson Nuttall & Co Chartered Accountants Ossington Chambers 6/8 Castle Gate Newark Nottinghamshire NG24 1AX |
| SOLICITORS: | Tallents Solicitors, 3 Middlegate, Newark, Nottinghamshire, NG24 1AQ. |
| BANKERS: | HSBC, The Market Place, Newark, Nottinghamshire, NG24 1EQ. Barclays Bank, The Market Place, Newark, Nottinghamshire NG24 1EJ Santander, The Market Place, Newark, Nottinghamshire CAF (Scottish Widows), P O Box 12757, 67 Morrison Street, Edinburgh EH38YJ CAF Cash Account, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JP Investec, P O Box 1008, St Albans, AL1 9LZ Mansfield Building Society, Regent House, Regent Street, Mansfield, Notts NG18 1SS Virgin Money, Jubilee House, Gosforth, Newcastle upon Tyne NE3 4 PL Bank of Cyprus, P O Box 17484, 87 Chase Side, London, N14 5WH Shawbrook Bank, Warley Hill Business Park, The Drive, Great Warley, Brentwood, Essex |

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST MARCH 2017**

The Trustees, who are also Directors of the charity for the purposes of the Companies Act, present their report with the financial statements of the charitable company for the year ended 31st March 2017.

DIRECTORS AND TRUSTEES

The Directors, who are also the Trustees of the charity, during the whole of the period from 1st April 2016 to the date of this report were:

| | |
|-----------------|--|
| J D Blatherwick | Treasurer |
| E E Brown | |
| A J Down | |
| S M Gilbert | |
| M R Haig | |
| J A Howlett | Chairman |
| N J Kenward | |
| A E M Readman | |
| C Rose | |
| W C Young | Resigned - 27 th October 2016 |

REVIEW OF THE BUSINESS INCLUDING OBJECTIVES AND STRATEGIES FOR ACHIEVING THOSE OBJECTIVES

Our charity's purposes as set out in the objects contained in the company's Memorandum of Association are:

- 1) To relieve, mitigate and prevent poverty, suffering and distress.
- 2) To relieve in cases of need, hardship or distress young persons who are homeless or likely to become homeless and in particular the company may:-
 - a) Provide or assist directly or indirectly in the provision of temporary or emergency accommodation for homeless young persons in the town of Newark-on-Trent, in the County of Nottinghamshire.
 - b) Provide or assist directly or indirectly in the provision of a home, hostel or other premises as short term accommodation with limited emergency access for the assistance, support or moral guidance of homeless young persons in Newark-on-Trent in order to enable them to move on to more permanent accommodation.

Again we have striven to ensure that the quality of the accommodation and the care and support that we provide is first class. We continued with a programme of redecoration and maintenance for the properties to ensure that we maintain the quality of accommodation that our policies dictate.

We have continued to provide education in our purpose built training centre. We have continued to maintain wherever possible the not inexpensive policy of 24-hour staff cover at Currie Road, and the two properties on Northgate. We continue to believe that this is key to our success in running a project of this nature. This provides security for our properties and more importantly the young people living there. This is a fundamental part of our ethos and success.

Our staff have continued to ensure that we have had as few voids or bad debts as possible, again maintaining our income flow from housing benefit and rents. We have worked closely and continue to have a good working relationship with Newark and Sherwood's housing benefit department.

We continue to offer varied residential excursions providing valuable experiences along with the practical courses at the training centre. We believe these courses to be highly successful. These continue to fulfil our intention to provide a balanced and imaginative service for our residents, not just providing a roof over their heads. The Bursary scheme has wherever possible continued to assist a number of our residents, in that the Trustees (with children) have tried to offer something that they might have ordinarily given to their children without a second thought.

The Trustees confirm that they have had regard to the Charity Commission's general guidance on public benefit when planning the activities of the charity.

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST MARCH 2017**

FINANCIAL REVIEW

The deficit for the year ended 31st March 2017 was £124,427, together with a remeasurement loss on defined benefit pension scheme of £329,000. The charity had net assets of £702,615 at 31st March 2017. The Trustees are satisfied that the level of income for the year was adequate to maintain the high standard of care that we expect to give the young people.

We have continued to receive generous local support. Gifts and donations for the year amounted to £13,183. We have continued to apply for and receive grants throughout the year. Grants are usually restricted which is recorded in both management accounts and annual accounts. The Children in Need grant has been invaluable to enable us to maintain our work with the young people in the training centre.

Finance Sub-Committee

The Finance Sub-Committee meets every other month (and as and when necessary) to review procedures and monitor the Trust's finances in detail. The Treasurer and the Assistant Project Manager report to the full Committee.

Reserves Policy

To ensure that our aims can be achieved, the Trustees recognise that they need to set aside reserves. Although we have a duty to apply income that we receive in carrying out the objects set out in our Memorandum of Association, we believe we also have a duty to continue to maintain a reserves provision to enable us to do our best to secure the future of the Trust.

The Trustees consider that within General funds there are certain designated amounts as follows:-

Cash Float - The Trust keeps a float to cover any short-term setbacks in funding or cash flow difficulties. Total £40,000.

Property Maintenance - Due to the number of properties that we own, an ongoing maintenance programme is monitored and supervised by the Trust's Health and Safety Officers. The Management Committee is aware that each property could, at some time, require major repairs or renovation work which would not be covered in the annual budget, and so a maximum of £10,000 for each property owned should be built up. Total £110,000.

Funding Risks and Contingency - In the present economic climate sources of revenue funding are likely to continue to be cut. We also need to provide for any future contingencies for example, staffing. Due to staffing levels and the temporary nature of some grants and income sources, it is important that wherever possible (whilst we provide the level of service that we do) we maintain continuity of employment for valued members of staff. We acknowledge that in the present funding climate there is always the risk of redundancy costs. A contingency fund needs to be maintained to enable the Trust to keep current staffing levels for as long as possible whilst alternative income sources can be sought. This is important to the individual members of staff and to the staff team morale. It is also important for the continuity of services that we provide to the young people in our care. Therefore we need to provide a contingency of 6 months of expenditure in order to provide financial security and to enable normal operating activities to continue in the event of a significant loss of income. Total £289,000.

Pension Scheme Liability

The charity has a defined benefit pension scheme liability of £1,045,000 as at 31st March 2017 in respect of the Nottinghamshire County Council Pension Fund. The Trustees are fully aware of the impact of this liability on the unrestricted funds and are actively considering future options to manage the consequences of this situation.

Investment Policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the Trustees see fit.

The charity has a policy of keeping appropriate levels of liquid funds in accounts that can be accessed readily.

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST MARCH 2017**

Principal risks and uncertainties

As a consequence of losing Supporting People funding in 2015, the Trust received funding through the Lloyds Foundation to appoint an external consultant to assist us in producing a long-term development strategy. We have now appointed a professional fundraising consultant to advise and assist us in seeking alternative sources of substantial funding for the core work of the Trust. The Trust is continuing to go through a period of restructuring and, where possible, cost saving exercises so as to continue its good work. As a consequence of past and present planning the Trustees continue to feel confident about the future of the Trust.

Main trends and factors underlying the development and performance and position of the Trust

Uncertainty for the future remains as a consequence of the continuing economic position within the sector in which the Trust operates.

Our Management Committee remains strong and we have a dedicated and loyal professional work force. We have proved in the past that we can be flexible and we can therefore look forward in confidence in that we have proved that we can adapt to whatever challenges we have to face.

PLANS FOR FUTURE PERIODS

The present level of funding and reserves is adequate to support the continuation of the Trust, and the Trustees consider the position of the Trust to be satisfactory at the present time. Following advice from the external consultant appointed (as referred to above), the Trustees have agreed to look at ways and means of appointing volunteers to assist in the work of the Trust.

ASSESSMENT OF HOW THE NEWARK EMMAUS TRUST IS ACHIEVING VALUE FOR MONEY

The Trust aims to achieve value for money by delivering services as cost effectively as possible whilst maintaining high levels of tenant satisfaction. In order to achieve this, the Management Committee aim to keep management and other administration costs to a minimum.

ASSESSMENT OF COMPLIANCE WITH GOVERNANCE AND FINANCIAL VIABILITY STANDARD

The Trust is regulated by the Homes and Communities Agency (HCA) and is therefore required to comply with the HCA's standards for governance and financial viability. As far as the Management Committee are aware the Trust complies with all of the relevant standards.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Newark Emmaus Trust is a charitable company limited by guarantee and does not have any share capital. It was incorporated on 25th January 1993 and registered as a charity on 16th February 1993. Every member of the company has limited liability in the form of a guarantee of up to £1. The company was set up under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The company is exempt under Section 60 of the Companies Act 2006 from using the word Limited in its name. On the 14th January 2011 The Newark Emmaus Trust became a Registered Social Housing Provider, Registered number 4640.

Recruitment and Appointment of Directors/Trustees

The Management Committee (who with the exception of the Project Manager, are all Directors of the charity) seek a diverse range of candidates with the skills needed by the Trust. Prospective Trustees are interviewed by a member of the Management Committee and the application is considered by the Management Committee in terms of the skills, experience and knowledge of the applicant. Prior to appointment, the Trust checks the prospective Trustee has not been disqualified from acting as a Trustee and that there are no legal or other barriers to the appointment. Prospective Trustees are asked to consider and declare any existing or potential conflicts of interest. After serving a probationary period, the prospective Trustee may be invited to become a Trustee. Relevant information packs and guidance notes are provided to the prospective Trustee, together with latest accounts, minutes and the Trust's governing document.

Organisational Structure

We are managed by a voluntary Management Committee. The Committee meets once a month to decide policy and to delegate responsibility to either staff or members of the Management Committee. The Management Committees responsibilities are further delegated to sub-committees of Trustees who meet regularly with relevant staff members. The present sub-committees are:- Finance, Staffing and Health and Safety. The staff are led and line managed by a Project Manager, who in turn is supported by a Deputy Manager. The professional staff have the day to day responsibilities of running the Trust, its properties and the management of the residents.

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST MARCH 2017**

Risk Management

The Trustees actively review the major risks which the charity face on a regular basis and believe that maintaining reserves at current levels, combined with continual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational economic and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

INTERNAL FINANCIAL CONTROL

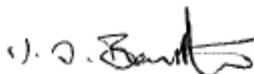
The Trustees recognise and accept their responsibility for the charity's system of internal control and reviewing its effectiveness. The Trustees demand a strong control environment that is designed to manage rather than eliminate the risk of failure to achieve the charity's objectives and that provides reasonable assurance against material misstatement or loss. The Trustees accept that a system of internal control cannot provide absolute assurance against material misstatement or loss.

The Trustees have reviewed the effectiveness of the charity's internal controls and risk management for the year ended 31st March 2017. There is a range of established strategic and operational policies that ensure that the charity is viable, well governed and well managed. These policies are supported by strong management structures and clear accountability.

The Trustees are satisfied that the system of internal control has been operating effectively for the year and that there are no incidents of weaknesses leading to material loss, contingency or uncertainty that require separate disclosure in the Financial Statements.

This report has been prepared in accordance with the Statement of Recommended Practice Social Housing Providers 2014 and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE TRUSTEES:



J D Blatherwick - Secretary

Dated: 28.9.17.....

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)
ACCOUNTANTS' REPORT TO THE BOARD ON THE UNAUDITED ACCOUNTS OF
THE NEWARK EMMAUS TRUST

We report on the accounts for the year ended 31st March 2017 set out on pages 7 to 21.

Respective responsibilities of the Trustees and Reporting Accountants

The Trustees of the Registered Social Housing Provider are responsible for the preparation of the accounts, and they consider that the Registered Social Housing Provider is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our procedures consisted of comparing the accounts with the accounting records kept by the Registered Social Housing Provider and making such enquiries of the officers for the Registered Social Housing Provider as we considered necessary for the purpose of this report. These procedures provide the only assurance expressed in our opinion.

Opinion

In our opinion:

- the accounts for year ended 31st March 2017 are in accordance with the accounting records kept by the Registered Social Housing Provider under paragraph 153(2)(a) of the Housing and Regeneration Act 2008;
- having regard only to, and on the basis of the information contained in the accounting records:
 - the accounts comply with the requirements of the Charities Act 2011;
 - the Registered Social Housing Provider has satisfied the conditions for exemption from an audit of the accounts for the year ended 31st March 2017 specified in section 136(3) of the Housing and Regeneration Act 2008;
- the accounts comply with the requirements of the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing in England 2015.



T F Hudson, FCA
Stephenson Nuttall & Co.
Chartered Accountants
Ossington Chambers
6/8 Castle Gate
Newark
Nottinghamshire
NG24 1AX

Date: 29th September 2017.

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

STATEMENT OF COMPREHENSIVE INCOME (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31ST MARCH 2017

| | Notes | 31/3/17 £ | 31/3/16 as restated £ |
|--|-------|------------------|-----------------------------|
| Turnover | 2 | 501,144 | 563,760 |
| Less: Operating costs | 2 | <u>605,961</u> | <u>617,142</u> |
| Operating surplus/(deficit) | | (104,817) | (53,382) |
| Interest receivable and other income | 6 | 4,390 | 2,740 |
| Interest and financing costs | 7 | (24,000) | (23,000) |
| Realised surplus on investments | | — | <u>1,599</u> |
| Surplus/(deficit) on ordinary activities before taxation | | (124,427) | (72,043) |
| Tax on surplus on ordinary activities | | — | — |
| Surplus/(deficit) for the year after tax | | (124,427) | (72,043) |
| Remeasurement gain/(loss) on defined benefit pension scheme 16 | | <u>(329,000)</u> | <u>57,000</u> |
| Total Comprehensive Income for the year | | <u>(453,427)</u> | <u>(15,043)</u> |

None of the Registered Social Housing Providers activities were acquired or discontinued during the current and previous year.

These financial statements were approved by the Board of Directors on 28.9.17 and were signed on its behalf by:


.....
J D Blatherwick - Director and Trustee


.....
N J Kenward - Director and Trustee

The notes on pages 11 to 21 form part of these financial statements

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

STATEMENT OF FINANCIAL POSITION
31ST MARCH 2017

| | Notes | 31/3/17 | | 31/3/16 as restated | |
|--|-------|----------------|--------------------|------------------------|------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Housing properties | 12 | | 805,200 | | 819,689 |
| Other freehold properties | 12 | | 255,290 | | 258,166 |
| Other fixed assets | 12 | | 7,958 | | 9,955 |
| Investments | 13 | | <u>148,500</u> | | <u>73,500</u> |
| | | | 1,216,948 | | 1,161,310 |
| CURRENT ASSETS | | | | | |
| Debtors | 14 | 14,130 | | 22,441 | |
| Cash at bank and in hand | | <u>540,840</u> | | <u>658,698</u> | |
| | | 554,970 | | 681,139 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 15 | <u>24,303</u> | | <u>22,407</u> | |
| NET CURRENT ASSETS | | | <u>530,667</u> | | <u>658,732</u> |
| NET ASSETS EXCLUDING PENSION LIABILITY | | | 1,747,615 | | 1,820,042 |
| Defined benefit pension scheme liability | 16 | | <u>1,045,000</u> | | <u>664,000</u> |
| NET ASSETS | | | <u>702,615</u> | | <u>1,156,042</u> |
| FUNDS | 17 | | | | |
| Unrestricted funds | | | | | |
| General funds | | | 927,561 | | 979,515 |
| Unrestricted funds excluding pension liability | | | 927,561 | | 979,515 |
| Pension reserve | | | <u>(1,045,000)</u> | | <u>(664,000)</u> |
| Total unrestricted (deficit)/funds | | | (117,439) | | 315,515 |
| Restricted funds | | | 14,854 | | 20,838 |
| Endowment reserve | | | <u>805,200</u> | | <u>819,689</u> |
| TOTAL FUNDS | | | <u>702,615</u> | | <u>1,156,042</u> |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 and section 129 of the Housing and Regeneration Act 2008 for the year ended 31st March 2017.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and the Accounting Direction for Private Registered Providers of Social Housing 2015.

The financial statements were approved and authorised for issue by the Board of Directors on 28.9.17 and were signed on its behalf by:


J D Blatherwick - Director and Trustee


N J Kenward - Director and Trustee

The notes on pages 11 to 21 form part of these financial statements

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

STATEMENTS OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31ST MARCH 2017

| | General unrestricted funds £ | Pension reserve £ | Total unrestricted funds £ | Restricted funds £ | Endowment reserve £ | Total £ |
|--|---------------------------------------|-------------------------|-------------------------------------|--------------------------|---------------------------|------------|
| AT 1ST APRIL 2015 AS PREVIOUSLY STATED | 872,854 | - | 872,854 | 16,516 | 704,275 | 1,593,645 |
| Change in accounting policy of defined benefit pension scheme | 242,440 | (665,000) | (422,560) | - | - | (422,560) |
| AT 1ST APRIL 2015 AS RESTATED | 1,115,294 | (665,000) | 450,294 | 16,516 | 704,275 | 1,171,085 |
| Surplus/(deficit) for the year | 20,635 | (97,000) | (76,365) | 4,322 | - | (72,043) |
| Remeasurement gain/(loss) on defined benefit pension scheme | - | 57,000 | 57,000 | - | - | 57,000 |
| Transfers (Pension contributions) | (41,000) | 41,000 | - | - | - | - |
| Transfer (Housing properties additions) | (132,748) | - | (132,748) | - | 132,748 | - |
| Transfer (Housing properties depreciation) | 17,334 | - | 17,334 | - | (17,334) | - |
| AT 31ST MARCH 2016 | 979,515 | (664,000) | 315,515 | 20,838 | 819,689 | 1,156,042 |
| Surplus/(deficit) for the year | (25,272) | (93,000) | (118,272) | (6,155) | - | (124,427) |
| Remeasurement gain/(loss) on defined benefit pension scheme | - | (329,000) | (329,000) | - | - | (329,000) |
| Transfers (Pension contributions) | (41,000) | 41,000 | - | - | - | - |
| Transfers (Other) | (171) | - | (171) | 171 | - | - |
| Transfer (Housing properties additions) | (5,612) | - | (5,612) | - | 5,612 | - |
| Transfer (Housing properties depreciation) | 20,101 | - | 20,101 | - | (20,101) | - |
| AT 31ST MARCH 2017 | 927,561 | (1,045,000) | (117,439) | 14,854 | 805,200 | 702,615 |

The notes on pages 11 to 21 form part of the financial statements

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2017**

| | 31/3/17 | | 31/3/16 as restated | |
|--|--------------|------------------------|------------------------|------------------------|
| | £ | £ | £ | £ |
| NET CASH FLOW FROM OPERATING ACTIVITIES (Note 19) | | (13,299) | | 18,773 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Payments to acquire tangible fixed assets | (8,980) | | (212,735) | |
| Receipts from sale of investments | - | | 99,685 | |
| Purchase of investments | (75,000) | | (73,500) | |
| Interest received | <u>3,421</u> | | <u>2,519</u> | |
| NET CASH FLOW FROM INVESTING ACTIVITIES | | (80,559) | | (184,031) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Interest and financing costs paid | (24,000) | | (23,000) | |
| NET CASH FLOW FROM FINANCING ACTIVITIES | | (24,000) | | (23,000) |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | | (117,858) | | (188,258) |
| Cash and cash equivalents at 1st April 2016 | | <u>658,698</u> | | <u>846,956</u> |
| CASH AND CASH EQUIVALENTS AT 31ST MARCH 2017 | | <u>£540,840</u> | | <u>£658,698</u> |
| CASH AND CASH EQUIVALENTS CONSISTS OF: | | | | |
| Cash at bank and in hand | | <u>540,840</u> | | <u>658,698</u> |
| CASH AND CASH EQUIVALENTS AT 31ST MARCH 2017 | | <u>£540,840</u> | | <u>£658,698</u> |

The notes on pages 11 to 21 form part of the financial statements

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017****1. ACCOUNTING POLICIES****General Information and Basis of Preparation**

The Newark Emmaus Trust is a charitable company limited by guarantee, and a Private Registered Provider of Social Housing in the United Kingdom. The address of the registered office is in the Registered Social Housing Provider information on page 1 of these financial statements. The nature of The Newark Emmaus Trust operations and principal activities is to provide supported accommodation for young persons in cases of need, hardship or distress in the town of Newark-on-Trent in the county of Nottinghamshire.

The Registered Social Housing Provider constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with applicable standards including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" (FRS 102), the Statement of Recommended Practice for Social Housing Providers 2014, and with the Accounting Direction for Private Registered Providers of Social Housing in England 2015. The financial statements are also prepared under the requirements of the Housing and Regeneration Act 2008 and the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Change to Accounting Policy

The financial statements for the year ended 31st March 2017 reflect a change in the charity's accounting policy in respect of the defined benefit pension scheme. The charity was previously unable to identify its share of the Nottinghamshire County Council Pension Fund assets and liabilities. This information is now available. Accordingly, in order to comply with FRS 102 prior year figures have been restated. Total Comprehensive Income for the year ended 31st March 2016 was previously shown as a deficit of £9,583 which has been increased by £5,460 to £15,043. The change arises from service costs, financing costs, actuarial gains and losses and the actual return on scheme assets being included in the Statement of Comprehensive Income. Previously, contributions were included as expenses charged to the Statement of Comprehensive Income whereas they are now shown as transfers between the pension reserve and general funds. The net pension scheme liability is now included within the Statement of Financial Position resulting in a reduction in total funds at 31st March 2016 of £428,020 from £1,584,062 down to £1,156,042. The reduction of £428,020 comprises a reduction of total funds at 1st April 2015 of £422,560 together with the increase in the deficit for the year ended 31st March 2016 of £5,460.

Turnover

Turnover is net of voids and includes:

- Rents and service charges from social housing lettings
- Revenue grants
- Donations
- Corporate parenting services social care and health

Voids represent rent losses arising from vacant accommodation and the amount is shown in Note 3 as required by the Accounting Direction for Private Registered Providers of Social Housing in England 2015.

Apportionment of housing management and non-social housing activities expenses

Expenditure is included in the Statement of Comprehensive Income on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure relating to one activity or cost category has been directly allocated. Wages have been apportioned in accordance with grant agreements where applicable and on the following basis:

| | Social housing lettings | Non-social housing activities |
|-------|----------------------------|----------------------------------|
| Wages | 24.5% | 75.5% |

Pension costs

The charity has adopted status as part of the local government pension scheme for its employees, which is administered by Nottinghamshire County Council. The pension scheme is a multi-employer scheme where it is possible for individual employers as admitted bodies to identify their share of the assets and liabilities of the pension scheme. Therefore, The Newark Emmaus Trust must account for the scheme as a defined benefit scheme in accordance with FRS 102.

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017**

1. ACCOUNTING POLICIES continued

Pension costs - continued

The defined benefit pension scheme provides benefits based on final pensionable salary. The costs of providing pension benefits have been recognised in accordance with FRS 102.

Under FRS 102, the assets and liabilities of the multi-employer scheme are essentially treated as assets and liabilities of the individual employer. The operating costs of providing retirement benefits to employees are recognised in the period in which they are earned by employees and finance costs and other changes in the value of the pension scheme assets and liabilities are recognised in the period in which they arise.

The charity also operates a separate defined contribution pension scheme. Contributions payable to this scheme are charged to the Statement of Comprehensive Income in the period they are incurred.

Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

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 Endowment Reserve is only expendable in respect of Housing Properties. The Endowment Reserve represents those assets which must be held permanently, principally Housing Properties. Revenue and expenditure cannot be directly set against Endowment Reserve but is taken through the Statement of Comprehensive Income and then a transfer to Endowment Reserve is made as appropriate.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|-------------------------|---------------------------|
| Housing Properties | - 2% on cost |
| Other Freehold property | - 2% on cost |
| Equipment and computers | - 20% on reducing balance |

A review for impairment is carried out at the end of each reporting period by directors

Debtors and Creditors Receivable/Payable within one year

Debtors and creditors receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Comprehensive Income.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are included at fair value at each reporting date if this can be reliably measured, with changes in fair value recognised in the Statement of Comprehensive Income.

Investments held as part of short-term treasury management for a planned expenditure purpose are classified as current assets.

Value Added Tax

The Newark Emmaus Trust is not registered for Value Added Tax. In these financial statements, where applicable, expenditure is shown inclusive of Value Added Tax.

Taxation

The Charity and is exempt from UK taxation.

Judgements and Key Sources of Estimation Uncertainty

The Management Committee do not believe that any accounting judgements or estimates have been applied to these financial statements that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017

2. PARTICULARS OF TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

| | | 31/3/17 | | 31/3/16 as restated | | | |
|-------------------------------|-------|----------------|-------------------------|-------------------------------------|----------------|-------------------------|-------------------------------------|
| | Notes | Turnover £ | Operating costs £ | Operating surplus/(deficit) £ | Turnover £ | Operating costs £ | Operating surplus/(deficit) £ |
| Social housing lettings | 3 | 428,145 | 214,173 | 213,972 | 367,918 | 212,058 | 155,860 |
| Non-social housing activities | 5 | 72,999 | 391,788 | (318,789) | 195,842 | 405,084 | (209,242) |
| | | <u>501,144</u> | <u>605,961</u> | <u>(104,817)</u> | <u>563,760</u> | <u>617,142</u> | <u>(53,382)</u> |

Social housing lettings comprises income and expenditure in respect of the provision of accommodation for single homeless young people who are at risk and between the ages of 16 - 25 years.

Non-social housing activities comprise grants, donations and other income for the support and life skills training of single homeless young people who are at risk and costs incurred in support and training of single homeless young people, income generation activities, and in supporting the governance of the charity.

3. PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

| | 31/3/17 | 31/3/16 as restated |
|---|----------------|------------------------|
| | £ | £ |
| Rent, housing benefits and service agreement | 428,145 | 367,918 |
| Turnover from social housing lettings | 428,145 | 367,918 |
| Management Costs | | |
| Insurance | 5,631 | 6,584 |
| Service Costs | | |
| Staff costs (note 9) | 108,867 | 117,664 |
| Telephone | 750 | 750 |
| Routine maintenance and renewals | | |
| Maintenance and services | 68,111 | 61,140 |
| Bad debts | 2,772 | 1,924 |
| Depreciation | | |
| Housing property | 20,101 | 17,334 |
| Freehold property | 6,244 | 4,584 |
| Equipment and computers | <u>1,697</u> | <u>2,078</u> |
| Operating costs on social housing lettings | 214,173 | 212,058 |
| Operating surplus on social housing lettings | 213,972 | 155,860 |
| Void losses | — | — |

4. PARTICULARS OF TURNOVER FROM NON-SOCIAL HOUSING ACTIVITIES

| | 31/3/17 | 31/3/16 |
|------------------------|---------------|----------------|
| | £ | £ |
| Grants | 57,553 | 169,374 |
| Donations and legacies | 13,183 | 15,756 |
| Other income | <u>2,263</u> | <u>10,712</u> |
| | <u>72,999</u> | <u>195,842</u> |

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017

5. PARTICULARS OF INCOME AND EXPENDITURE FROM NON-SOCIAL HOUSING ACTIVITIES

| | 31/3/17 | 31/3/16 as restated |
|---|------------------|------------------------|
| | £ | £ |
| Grants | | |
| Big Lottery Fund Grant - Awards for All | 5,726 | - |
| Big Lottery Fund Grant - Celebrate | 5,617 | - |
| BCBN | 2,902 | - |
| Beatrice Laing Trust | 2,500 | - |
| Children in Need | 30,383 | 30,766 |
| Groundwork UK | 1,000 | - |
| Jessie Spencer Fund | 750 | 1,500 |
| Jones Trust | - | 2,000 |
| J N Derbyshire | - | 2,000 |
| Lloyds Bank Foundation | - | 11,713 |
| Mansfield Building Society | 564 | - |
| Nottinghamshire County Council Grant Aid | - | 92 |
| On Fire Fund | - | 1,248 |
| The Discovery Foundation through Santander Discovery Foundation | - | 4,279 |
| Screwfix | - | 2,900 |
| Supporting People Partnership in Nottinghamshire | 8,111 | 102,086 |
| Think Children | - | 100 |
| West Nottinghamshire College | - | 10,690 |
| | <u>57,553</u> | <u>169,374</u> |
| Donations and legacies | | |
| Covenants | 1,160 | 2,264 |
| Donations | <u>12,023</u> | <u>13,492</u> |
| | 13,183 | 15,756 |
| Other income | | |
| Regulated Corporate Parenting Services Social Care & Health | - | 7,717 |
| Fundraising income | 1,653 | - |
| Sundry income | <u>610</u> | <u>2,995</u> |
| | <u>2,263</u> | <u>10,712</u> |
| Turnover from non-social housing activities | <u>72,999</u> | <u>195,842</u> |
| Expenditure | | |
| Staff costs (note 9) | 335,487 | 362,599 |
| Office costs | 16,703 | 11,104 |
| Training centre general costs | 1,112 | 301 |
| Bursary Scheme | 1,410 | 1,631 |
| Accountancy | 3,390 | 3,000 |
| Bank charges | 1,017 | 2,527 |
| Other professional fees | 3,622 | 5,365 |
| Equipment and computer depreciation | 300 | 367 |
| Residential activities | 28,908 | 18,754 |
| Less: Residents contributions | <u>(161)</u> | <u>(564)</u> |
| | <u>28,747</u> | <u>18,190</u> |
| Operating costs on non-social housing activities | <u>391,788</u> | <u>405,084</u> |
| Operating surplus/(deficit) on non-social housing activities | <u>(318,789)</u> | <u>(209,242)</u> |
| 6. INTEREST RECEIVABLE AND OTHER INCOME | | |
| | 31/3/17 | 31/3/16 |
| | £ | £ |
| Interest receivable | <u>4,390</u> | <u>2,740</u> |
| 7. INTEREST AND FINANCING COSTS | | |
| | 31/3/17 | 31/3/16 as restated |
| | £ | £ |
| Finance costs of defined benefit pension scheme | <u>24,000</u> | <u>23,000</u> |

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017****8. OPERATING SURPLUS/(DEFICIT) FOR THE YEAR**

The operating surplus/(deficit)/ for the year is stated after charging:

| | 31/3/17 | 31/3/16 as restated |
|---|--------------|------------------------|
| | £ | £ |
| Depreciation - owned assets | 28,342 | 24,363 |
| Pension costs - defined benefit scheme | 69,000 | 74,348 |
| Pension costs - defined contribution scheme | <u>6,481</u> | <u>4,579</u> |

9. STAFF COSTS

| | 31/3/17 | 31/3/16 as restated |
|---|----------------|------------------------|
| | £ | £ |
| Wages and salaries | 339,248 | 373,061 |
| Social security costs | 29,625 | 28,275 |
| Pension costs - Defined benefit scheme | 69,000 | 74,348 |
| Pension costs - Defined contribution scheme | <u>6,481</u> | <u>4,579</u> |
| | <u>444,354</u> | <u>480,263</u> |

| | 31/3/17 | 31/3/16 as restated |
|-------------------------------|----------------|------------------------|
| | £ | £ |
| Social housing lettings | 108,867 | 117,664 |
| Non-social housing activities | <u>335,487</u> | <u>362,599</u> |
| | <u>444,354</u> | <u>480,263</u> |

No employee received emoluments of more than £60,000.

The average monthly number of employees during the year was as follows:

| | 31/3/17 | 31/3/16 |
|--|-----------|-----------|
| | Number | Number |
| | <u>13</u> | <u>15</u> |

10. DIRECTORS' REMUNERATION

The remuneration (including pension contributions) paid to the Senior Management Team during the year was £213,066 (2016 - £211,377).

No Trustee received any remuneration for their services during the year.

11. TAXATION**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31st March 2017 nor for the year ended 31st March 2016.

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017

12. FIXED ASSETS

| | Housing Properties £ | Other Freehold Properties £ | Total Freehold Properties £ | Equipment and computers £ | Totals £ |
|--------------------------------|----------------------------|--------------------------------------|--------------------------------------|------------------------------------|------------------|
| COST | | | | | |
| At 1st April 2016 | 1,032,961 | 308,854 | 1,341,815 | 28,614 | 1,370,429 |
| Additions | <u>5,612</u> | <u>3,368</u> | <u>8,980</u> | - | <u>8,980</u> |
| At 31 st March 2017 | <u>1,038,573</u> | <u>312,222</u> | <u>1,350,795</u> | <u>28,614</u> | <u>1,379,409</u> |
| DEPRECIATION | | | | | |
| At 1 st April 2016 | 213,272 | 50,688 | 263,960 | 18,659 | 282,619 |
| Charge for year | <u>20,101</u> | <u>6,244</u> | <u>26,345</u> | <u>1,997</u> | <u>28,342</u> |
| At 31 st March 2017 | <u>233,373</u> | <u>56,932</u> | <u>290,305</u> | <u>20,656</u> | <u>310,961</u> |
| NET BOOK VALUE | | | | | |
| At 31 st March 2017 | <u>805,200</u> | <u>255,290</u> | <u>1,060,490</u> | <u>7,958</u> | <u>1,068,448</u> |
| At 31 st March 2016 | <u>819,689</u> | <u>258,166</u> | <u>1,077,855</u> | <u>9,955</u> | <u>1,087,810</u> |

Freehold properties comprise housing accommodation, offices and a training centre. The cost of properties which are used for multiple purposes has been apportioned using a best estimate based on the number of rooms.

13. FIXED ASSET INVESTMENTS

| | 31/3/17 £ | 31/3/16 £ |
|-----------------------------|----------------|---------------|
| Investments at market value | <u>148,500</u> | <u>73,500</u> |

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31/3/17 £ | 31/3/16 £ |
|-------------------------------|---------------|---------------|
| Rent arrears | 8,201 | 11,393 |
| Prepayments and other debtors | <u>5,929</u> | <u>11,048</u> |
| | <u>14,130</u> | <u>22,441</u> |

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31/3/17 £ | 31/3/16 £ |
|------------------------------|---------------|---------------|
| Accruals and deferred income | <u>24,303</u> | <u>22,407</u> |

16. PENSION COMMITMENTS

a) Defined contribution pension scheme

The charity operates a defined contribution pension scheme for its employees. The amount recognised as an expense in the period was £6,481 (2016 - £4,579).

b) Defined benefit pension scheme

The charity is one of many participants in a pension scheme operated by Nottinghamshire County Council Pension Fund. The assets of the scheme are held separately from those of the charity. Pension costs are assessed in accordance with the advice of an independent qualified actuary using the projected unit method.

Actuarial valuations are carried out on a triennial basis at which time the calculations and actuarial assumptions are revised. From 1st April 2014 the charity's contribution to the ongoing service cost has been 13.1% of pensionable pay. Future contributions are based on the latest actuarial valuation and the present value of the defined benefit obligation carried out at 31st March 2017. This will result in the charity's contribution to the ongoing service cost from 1st April 2017 increasing to 16.5% of pensionable pay.

In order to reduce the pension scheme deficit the charity pays additional contributions which for the year ended 31st March 2017 totalled £13,110 (2016 - £12,760). The additional contributions for the year ended 31st March 2018 will be £15,640, rising each year by an inflation rate of 2.7% for each of the following twenty years. It is expected that this should be sufficient for the charity's share of the scheme to be fully funded by 2037 and that thereafter the charity's contributions will revert to the ongoing service cost.

In addition to the above, the following information is required to be disclosed in accordance with FRS 102 in respect of the part of the Nottinghamshire County Council Pension Fund attributable to the charity.

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017

16. PENSION COMMITMENTS - continued

The total cost recognised in the period was as follows:-

| | 31/3/17 | 31/3/16 |
|--|---------|----------|
| | £ | £ |
| Current service cost | 69,000 | 74,000 |
| Net interest income/expense | 24,000 | 23,000 |
| Recognised in the surplus/deficit for the year | 93,000 | 97,000 |
| Remeasurement (gain)/loss recognised in other comprehensive income (see below) | 329,000 | (57,000) |
| Total cost recognised | 422,000 | 40,000 |

The remeasurement (gain)/loss recognised in other comprehensive income comprises the following amounts:-

| | 31/3/17 | 31/3/16 |
|--|-----------|----------|
| | £ | £ |
| Actuarial (gain)/loss | 526,000 | (96,000) |
| Actual return on scheme assets (excluding interest income) | (197,000) | 39,000 |
| Remeasurement (gain)/loss recognised in other comprehensive income | 329,000 | (57,000) |

Amounts recognised on the Statement of Financial Position were as follows:-

| | 31/3/17 | 31/3/16 |
|--|-------------|-------------|
| | £ | £ |
| Present value of funded obligations | (2,467,000) | (1,798,000) |
| Fair value of scheme assets | 1,422,000 | 1,134,000 |
| Net defined benefit pension scheme liability | (1,045,000) | (664,000) |

Changes in the present value of the defined benefit obligations were as follows:-

| | 31/3/17 | 31/3/16 |
|--------------------------------------|-----------|-----------|
| | £ | £ |
| Opening defined benefit obligation | 1,798,000 | 1,755,000 |
| Current service cost | 69,000 | 74,000 |
| Interest expense | 67,000 | 58,000 |
| Actuarial (gain)/loss | 526,000 | (96,000) |
| Contributions by scheme participants | 14,000 | 14,000 |
| Benefits paid | (7,000) | (7,000) |
| Closing defined benefit obligation | 2,467,000 | 1,798,000 |

Changes in fair value of the pension scheme were as follows:-

| | 31/3/17 | 31/3/16 |
|--|-----------|-----------|
| | £ | £ |
| Opening scheme assets | 1,134,000 | 1,090,000 |
| Interest income | 43,000 | 35,000 |
| Actual return on scheme assets (excluding interest income) | 197,000 | (39,000) |
| Contributions by employer | 41,000 | 41,000 |
| Contributions by scheme participants | 14,000 | 14,000 |
| Benefits paid | (7,000) | (7,000) |
| Closing scheme assets | 1,422,000 | 1,134,000 |

The amount that each major class of pension scheme assets constitutes of the fair value of the total scheme assets was as follows:-

| | 31/3/17 | | 31/3/16 | |
|------------------------------|-----------|------|-----------|------|
| | £ | | £ | |
| Equities | 941,000 | 66% | 770,000 | 68% |
| Gilts | 45,000 | 3% | 38,000 | 3% |
| Other bonds | 171,000 | 12% | 80,000 | 7% |
| Property | 166,000 | 12% | 154,000 | 14% |
| Cash | 30,000 | 2% | 62,000 | 5% |
| Inflation-linked pooled fund | 35,000 | 2% | 30,000 | 3% |
| Infrastructure | 34,000 | 2% | - | 0% |
| Total assets | 1,422,000 | 100% | 1,134,000 | 100% |

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017

16. PENSION COMMITMENTS - continued

The return on scheme assets was as follows:-

| | 31/3/17 | 31/3/16 |
|--|----------------|-----------------|
| | £ | £ |
| Interest income | 43,000 | 35,000 |
| Actual return on plan assets (excluding interest income) | <u>197,000</u> | <u>(39,000)</u> |
| Total return on plan assets | <u>240,000</u> | <u>(4,000)</u> |

The principal actuarial assumptions used were as follows:-

| | 31/3/17 | 31/3/16 |
|-------------------------------------|---------|---------|
| | £ | £ |
| Discount rate | 2.7% | 3.7% |
| Expected rates of salary increases | 4.2% | 3.9% |
| Expected rates of pension increases | 2.7% | 2.4% |
| Expected rate of inflation | 2.7% | 2.4% |

The mortality assumptions used for longevity (in years) on retirement at age 65 are:

| | | |
|--|------|------|
| Retiring at the Statement of Financial Position date | | |
| - Males | 22.5 | 22.4 |
| - Females | 25.5 | 25.3 |
| Retiring in 20 years | | |
| - Males | 24.7 | 24.6 |
| - Females | 27.8 | 27.7 |

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017

17. FUNDS

| | Unrestricted General funds £ | Pension reserve £ | Total Unrestricted funds £ | Restricted funds £ | Endowment reserve £ | Total funds £ |
|--|---------------------------------------|-------------------------|-------------------------------------|--------------------------|---------------------------|---------------------|
| Balance at 1 st April 2016 as restated | 979,515 | (664,000) | 315,515 | 20,838 | 819,689 | 1,156,042 |
| Income | | | | | | |
| Social housing lettings | 428,145 | - | 428,145 | - | - | 428,145 |
| Donations and legacies | 13,183 | - | 13,183 | - | - | 13,183 |
| Other income | 610 | - | 610 | 1,653 | - | 2,263 |
| Interest receivable | 4,390 | - | 4,390 | - | - | 4,390 |
| Grants | - | - | - | 57,553 | - | 57,553 |
| Total income | 446,328 | - | 446,328 | 59,206 | - | 505,534 |
| Expenditure | | | | | | |
| Insurance | 5,631 | - | 5,631 | - | - | 5,631 |
| Staff costs | 339,036 | 69,000 | 408,036 | 36,318 | - | 444,354 |
| Telephone - accommodation | 750 | - | 750 | - | - | 750 |
| Maintenance and services | 68,111 | - | 68,111 | - | - | 68,111 |
| Residential activities | (161) | - | (161) | 28,908 | - | 28,747 |
| Office costs - telephone | 5,173 | - | 5,173 | - | - | 5,173 |
| Office costs - other | 11,395 | - | 11,395 | 135 | - | 11,530 |
| Training Centre general costs | 1,112 | - | 1,112 | - | - | 1,112 |
| Bursary scheme | 1,410 | - | 1,410 | - | - | 1,410 |
| Accountancy | 3,390 | - | 3,390 | - | - | 3,390 |
| Bad debts | 2,772 | - | 2,772 | - | - | 2,772 |
| Bank charges | 1,017 | - | 1,017 | - | - | 1,017 |
| Finance costs of defined benefit pension scheme | - | 24,000 | 24,000 | - | - | 24,000 |
| Other professional fees | 3,622 | - | 3,622 | - | - | 3,622 |
| Depreciation - Housing property | 20,101 | - | 20,101 | - | - | 20,101 |
| Depreciation - other Freehold property | 6,244 | - | 6,244 | - | - | 6,244 |
| Depreciation - Equipment and computers | 1,997 | - | 1,997 | - | - | 1,997 |
| Total expenditure | 471,600 | 93,000 | 564,600 | 65,361 | - | 629,961 |
| Surplus/(deficit) for the year | (25,272) | (93,000) | (118,272) | (6,155) | - | (124,427) |
| Remeasurement gain/(loss) on defined benefit pension scheme | - | (329,000) | (329,000) | - | - | (329,000) |
| Transfers (Pension contributions) | (41,000) | 41,000 | - | - | - | - |
| Transfers (Others) | (171) | - | (171) | 171 | - | - |
| Transfers (Housing properties additions) | (5,612) | - | (5,612) | - | 5,612 | - |
| Transfers (Housing properties depreciation) | 20,101 | - | 20,101 | - | (20,101) | - |
| Balance at 31 st March 2017 | 927,561 | (1,045,000) | (117,439) | 14,854 | 805,200 | 702,615 |

Restricted fund balances at 31st March 2017 are represented principally by funding for in-house and outdoor activities for residents and vulnerable people from the following organisations:-

BCBN
Beatrice Laing Trust
Big Lottery Fund Grant - Awards for All
Big Lottery Fund Grant - Celebrate
Children in Need
Groundwork UK
Jessie Spencer Fund

The Endowment Reserve is established to provide supported accommodation for young persons in cases of need, hardship or distress in the town of Newark-on-Trent in the county of Nottinghamshire.

Transfers to Pension reserve of £41,000 from unrestricted general funds represent contributions by the employer comprising a standard contribution based on pensionable pay of £27,890 and an additional contribution to eliminate the pension deficit of £13,110.

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

YEAR ENDED 31ST MARCH 2017

| | General funds £ | Pension reserve £ | Total unrestricted funds £ | Restricted funds £ | Endowment reserve £ | Totals £ |
|---|-----------------------|-------------------------|-------------------------------------|--------------------------|---------------------------|----------------|
| FIXED ASSETS | | | | | | |
| Housing properties | - | - | - | - | 805,200 | 805,200 |
| Other freehold properties | 255,290 | - | 255,290 | - | - | 255,290 |
| Other fixed assets | 7,958 | - | 7,958 | - | - | 7,958 |
| Investments | 148,500 | - | 148,500 | - | - | 148,500 |
| CURRENT ASSETS | | | | | | |
| Debtors | 14,130 | - | 14,130 | - | - | 14,130 |
| Cash at bank and in hand | 525,986 | - | 525,986 | 14,854 | - | 540,840 |
| CREDITORS | | | | | | |
| Amounts falling due within one year | (24,303) | - | (24,303) | - | - | (24,303) |
| DEFINED BENEFIT PENSION SCHEME LIABILITY | - | (1,045,000) | (1,045,000) | - | - | (1,045,000) |
| TOTAL NET ASSETS/(LIABILITIES) | 927,561 | (1,045,000) | (117,439) | 14,854 | 805,200 | 702,615 |

YEAR ENDED 31ST MARCH 2016 AS RESTATED

| | General funds £ | Pension reserve £ | Total unrestricted funds £ | Restricted funds £ | Endowment reserve £ | Totals £ |
|---|-----------------------|-------------------------|-------------------------------------|--------------------------|---------------------------|------------------|
| FIXED ASSETS | | | | | | |
| Housing properties | - | - | - | - | 819,689 | 819,689 |
| Other freehold properties | 258,166 | - | 258,166 | - | - | 258,166 |
| Other fixed assets | 9,955 | - | 9,955 | - | - | 9,955 |
| Investments | 73,500 | - | 73,500 | - | - | 73,500 |
| CURRENT ASSETS | | | | | | |
| Debtors | 22,441 | - | 22,441 | - | - | 22,441 |
| Cash at bank and in hand | 637,860 | - | 637,860 | 20,838 | - | 658,698 |
| CREDITORS | | | | | | |
| Amounts falling due within one year | (22,407) | - | (22,407) | - | - | (22,407) |
| DEFINED BENEFIT PENSION SCHEME LIABILITY | - | (664,000) | (664,000) | - | - | (664,000) |
| TOTAL NET ASSETS/(LIABILITIES) | 979,515 | (664,000) | 315,515 | 20,838 | 819,689 | 1,156,042 |

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2017

19. RECONCILIATION OF OPERATING SURPLUS/(DEFICIT) TO CASH FLOW FROM OPERATING ACTIVITIES

| | 31/3/17 | 31/3/16 as restated |
|--|-----------------|------------------------|
| | £ | £ |
| Operating Surplus/(deficit) for the year | (104,817) | (53,382) |
| Adjustments for non-cash items: | | |
| Depreciation of tangible fixed assets | 28,342 | 24,363 |
| Decrease/(increase) in debtors | 9,280 | 11,844 |
| Increase/(decrease) in creditors | 1,896 | (20,052) |
| Defined benefit pension adjustments | <u>52,000</u> | <u>56,000</u> |
| Net cash flow from operating activities | <u>(13,299)</u> | <u>18,773</u> |

20. CONTINGENT LIABILITIES

The charity had no contingent liabilities at 31st March 2017 (2016 - none).

21. CAPITAL COMMITMENTS

The charity had no capital commitments at 31st March 2017 (2016 - none).

22. HOUSING STOCK

The number of units of housing accommodation in management at 31st March 2017 was:-

| | 31/3/17 Number | 31/3/16 Number |
|--|-------------------|-------------------|
| <u>Housing Accommodation for Letting</u> | | |
| Units | <u>9</u> | <u>9</u> |

A unit of housing accommodation for letting includes supported housing for homeless young people and keyworker accommodation for 24-hour staff cover.

23. RELATED PARTY TRANSACTIONS

Trustees are reimbursed for expenses which are necessarily incurred in the performance of their duties.

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2016 - none).

THE NEWARK EMMAUS TRUST (REGISTERED NUMBER: 2783331)

DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2017

| | 31/3/17 | | 31/3/16 as restated | |
|--|--------------|------------------|------------------------|-----------------|
| | £ | £ | £ | £ |
| INCOME | | | | |
| Turnover: | | | | |
| Donations | 13,183 | | 15,756 | |
| Grants | 57,553 | | 169,374 | |
| Rent, housing benefits and service charges | 428,145 | | 367,918 | |
| Corporate parenting services social care and health | - | | 7,717 | |
| Sundry receipts | <u>2,263</u> | | <u>2,995</u> | |
| | | 501,144 | | 563,760 |
| Other income: | | | | |
| Deposit account interest | | <u>4,390</u> | | <u>2,740</u> |
| TOTAL INCOME | | <u>505,534</u> | | <u>566,500</u> |
| EXPENDITURE | | | | |
| Provision of accommodation: | | | | |
| Residential activities | 28,747 | | 18,190 | |
| Insurance | 5,631 | | 6,584 | |
| Maintenance and services | 68,111 | | 61,140 | |
| Telephone | 750 | | 750 | |
| Bad debts | <u>2,772</u> | | <u>1,924</u> | |
| | | 106,011 | | 88,588 |
| Training Centre costs | | 1,112 | | 301 |
| Staff costs: | | | | |
| Wages | 339,248 | | 373,061 | |
| Social security | 29,625 | | 28,275 | |
| Pensions - Defined benefit scheme | 69,000 | | 74,348 | |
| Pensions - Defined contribution scheme | <u>6,481</u> | | <u>4,579</u> | |
| | | 444,354 | | 480,263 |
| Office costs: | | | | |
| Telephone | 5,173 | | 3,835 | |
| Office expenses | 5,145 | | 4,128 | |
| Repairs and renewals | 2,390 | | 2,541 | |
| Sundry expenses | <u>3,995</u> | | <u>600</u> | |
| | | 16,703 | | 11,104 |
| Other costs: | | | | |
| Bursary scheme | 1,410 | | 1,631 | |
| Bank charges | 1,017 | | 2,527 | |
| Legal and professional fees | 3,622 | | 5,365 | |
| Accountancy | <u>3,390</u> | | <u>3,000</u> | |
| | | 9,439 | | 12,523 |
| Depreciation: | | | | |
| Freehold property | 26,345 | | 21,918 | |
| Equipment and computers | <u>1,997</u> | | <u>2,445</u> | |
| | | 28,342 | | 24,363 |
| Interest and finance costs: | | | | |
| Interest and financing costs of defined benefit pension scheme | | <u>24,000</u> | | <u>23,000</u> |
| TOTAL EXPENDITURE | | <u>629,961</u> | | <u>640,142</u> |
| SURPLUS/(DEFICIT) FOR THE YEAR BEFORE SURPLUS ON INVESTMENT | | | | |
| | | (124,427) | | (73,642) |
| Realised surplus on investment | | - | | <u>1,599</u> |
| SURPLUS/(DEFICIT) FOR THE YEAR | | <u>(124,427)</u> | | <u>(72,043)</u> |

This page does not form part of the statutory financial statements

Appendix (i)

Residents' Activities

Activity Posters and Presentation boards

Alcohol Awareness, Leaflets and posters

Drug Awareness, leaflet and posters

Arts and Crafts

Booking – folding art – Book Angels

Christmas Arts, card making, Decorations

Invitations, Christmas Tree Baubles and

Decorations, Christmas Tree Festival

Decorating plant pots, Graffiti Art, Hama

bead making, Keepsake boxes,

Owl magnets and tag making, scrapbook making and Mosaic making.

Bingo

Preparation and events, Bingo crafts,

Filling Bingo boxes, setting up the training centre and Bingo sessions.

Bishop's Visit

Boot Camp

Canal Trust and Canal Project

Cooking and Baking

Meals, Lunch, Fajitas, On a budget,

Making a Casserole, Making Christmas

Dinner, Christmas Eve brunch, New Year's

Day Lunch, making a curry, chicken nuggets sponge puddings.

Cooking Competitions, Ready Steady Cook,

Christmas Bake-off and Halloween Bake-off

Making chutney and jam.

Baking cakes, Lemon drizzle cake.

Decorating cakes and making lemonade.

Decorating Project

Drama

Film and DVD nights with food and reviews

Fire Safety Training

Furniture

Assembly and restoration, Upcycling and decorating

Garden Projects

Halloween Party and party fun

Healthy Living and Healthy Lifestyles

House meetings

Karaoke Night

Open Day – Craft and leaflet making

Paediatric First Aid

Parenting Awareness

Parenting Groups, Coffee Morning,

Baby Think It Over Session, Messy play,

Waterplay, Music and singing, Music and art

Bridge Street Centre Visit, Footprint Cards

Photography

Photo books

Poem Writing

Practical Living skills

Preparing for a new home

Publicity Focus Group, publicity boards

Report Writing

Residentials

Edale and Narrowboat

Sexual Health awareness

relationships and STIs

Sports

Cricket, darts, football, table football,

mountain biking

Story Writing competition

Success Project

Visits

Civil War Centre, Galleries of Justice

Pantomime, Library, 10 Bridges Walk

Visit from Newark College re fundraising

Wii Sports – Wii games and brunch

Word Search

Youth Crime Commission Meeting