

REGISTERED COMPANY NUMBER: 07640769 (England and Wales)

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2014
FOR
THE EMMANUEL SCHOOL TRUST**

Caton Fry & Co. Limited
Chartered Accountants and
Statutory Auditor
Essex House
7 The Shrubberies
George Lane
South Woodford
London
E18 1BD

THE EMMANUEL SCHOOL TRUST
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

	Page
Reference and Administrative Details	1 to 2
Report of the Trustees	3 to 9
Governance Statement	10 to 12
Statement on Regularity, Propriety and Compliance	13
Statement of Trustees Responsibilities	14
Report of the Independent Auditors	15 to 16
Independent Accountant's Report on Regularity	17 to 18
Statement of Financial Activities	19 to 20
Balance Sheet	21 to 22
Cash Flow Statement	23
Notes to the Cash Flow Statement	24
Notes to the Financial Statements	25 to 38

THE EMMANUEL SCHOOL TRUST
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2014

MEMBERS	Dr A Oluwatudimu E Osafo Rev A Hodgkinson
TRUSTEES	Mrs L Colthart Rev A Hodgkinson Mrs T M Oluwatudimu Rev D C Williams Mrs H Jackson Dr A Oluwatudimu R Irish (appointed 4.6.14) Mr B Greaves (appointed 18.11.14)
REGISTERED OFFICE	Greenleaf 67 - 69 Greenleaf Road Walthamstow London E17 6QP
REGISTERED COMPANY NUMBER	07640769 (England and Wales)
AUDITORS	Caton Fry & Co. Limited Chartered Accountants and Statutory Auditor Essex House 7 The Shrubberies George Lane South Woodford London E18 1BD
BANKERS	Barclays Bank 99 Hatton Garden London EC1N 8DN
SOLICITORS	Stone King Solicitors 13 Queen Square Bath BA1 2HJ
SENIOR MANAGEMENT TEAM	Head Teacher - Mr P Lewis (Accounting Officer and Member of FPH Committee) Reception Teacher and Leader of Early Years Foundation Stage - Ms S Dyer Director of Education - Mrs T Oluwatudimu

THE EMMANUEL SCHOOL TRUST
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2014

Parent Representatives

Mr G Youngson - appointed 2/7/2014; resigned 11/10/2014
Ms D Richards

PTA Representative

Mr B Greaves – appointed as Trustee 18.11.14

Website

www.emmanuelcommunityschool.co.uk

THE EMMANUEL SCHOOL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2014

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 and the Academies Accounts Direction issued by the Education Funding Agency.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Emmanuel School Trust, which was incorporated on 19th May 2011 and is a company limited by guarantee and an exempt charity. The Company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The trustees for the charitable activities of The Emmanuel School Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Emmanuel School Trust Limited and the working name for the Trust is Emmanuel Community School.

Parent Representatives, who are neither trustees nor directors of the charitable company, may also be appointed to attend Governing Body meetings and are therefore shown in the reference and administrative details to the financial statements. Parent Representatives may not vote at meetings.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £5,000,000 on any one claim.

Principal activities

As a single academy trust, the Trust's principal activity is to establish the school as a first-choice in the area and provide the best possible education to children in the local area.

Recruitment and appointment of new trustees

The term of office for trustees is four years. Trustees who are appointed or co-opted onto the Governing Body can be re-appointed, if eligible, by the full Governing Body.

The Trust recruits its trustees in a number of ways:

- Approach people already known and who have the time, energy and skills to carry out their responsibilities
- Hold elections - particularly for the appointment of staff and parent governors
- Advertise the posts and then hold interviews

All other appointments of trustees and directors are done in strict compliance with the Memorandum and Articles of Association.

Induction and training of new trustees

Induction and training of trustees is carried out in line with the Trust's Induction and Continued Personal Development Policy. The training and induction is tailored according to each trustee's experience and needs but includes an invitation to visit the school and meet staff and pupils. All trustees have access to copies of our policies together with minutes, financial accounts, budgets and other relevant documents in order to keep them informed. Inductions are carried out by other trustees as nominated by the Trust and training is either undertaken in-house or via specific courses offered by the Local Authority and other bodies, tailored to the specific needs of the individual.

Organisational structure

The Senior Leadership Team reports to the trustees. The Senior Leadership Team is responsible for the day-to-day operation of the school, for the authorisation of spending within agreed budgets and for the appointment of staff following the vetting and safeguarding recruitment process. The Headteacher is the Accounting Officer.

THE EMMANUEL SCHOOL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2014

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

In pursuit of its charitable activities the Trust works closely with the following organisations:

- Emmanuel Christian Centre (ECC) the school's link-church. Members of ECC also contribute to the school's operations in staff, trustees and volunteer capacities.

Risk management

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

The trustees have assessed the major risks to which the Trust is exposed, in particular those related to its operations and finances, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. A risk register has been completed and all issues identified as medium and high risk have been reviewed in detail and, where necessary, appropriate responsibilities, monitoring and procedures have been agreed.

THE EMMANUEL SCHOOL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2014

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal object of the charitable company is the advancement for the public benefit of education in the United Kingdom by operation of a school offering a broad and balanced curriculum. The Trust currently operates one primary school, known as Emmanuel Community School.

The trustees agreed the following objectives for the school for 2013/14:

Priority

Objective & attainment

Priority 1 Ethos

Develop the distinctiveness of the school as a Christian school

All stakeholders identify how well Christian values have an impact on spiritual, moral, social and cultural development of all pupils.

Well planned and resourced acts of worship have a place of major importance and appropriately reflect the Christian foundation of the school. Provision for pupils' spiritual, moral, social and cultural development is excellent. It is embedded in the subjects taught and in the ethos of the school. The school's distinctive Christian character is clear.

In response to our latest parent questionnaire, one parent referred to the school as a: Very warm and welcoming school ... and my child is very happy here at this school. Another response referred to: The love and sense of community at the school towards children and their families and another mentioned the school's: Strong Christian emphasis exercised in an enjoyable way.

Priority 2 Achievement

Do whatever it takes to ensure that all groups of pupils make expected or higher than expected progress

Attainment to be broadly in line with national averages (at least 55% Good Level of Development (GLD))
In 2014, 59% of pupils achieved the GLD

Priority 3 Teaching

Ensure that all teaching by all teachers, support staff and volunteers is at least good

2013 to 2014: 100% of teaching is good with 40% outstanding
Analysis of teaching observations, pupil progress data and book trawls shows that teaching is 90% good or better, with 25% outstanding.

Priority 4 Behaviour and Safety

Improve attendance

Attendance has moved from 90% for the academic year 2012 to 2013, up to 94.76% for the academic year 2013 to 2014.

Priority 5 Leadership and Management

Develop leadership across the school

School leaders and trustees know what the school does well and what needs to improve. Leadership across the school has led to significant improvements in a short time, reflecting the school's excellent capacity to keep improving.

THE EMMANUEL SCHOOL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2014

STRATEGIC REPORT

Achievement and performance

Charitable activities

When assessed at the end of the Early Years Foundation Stage, June 2014, 59% of our pupils achieved the expected Good Level of Development standard, which is broadly in line with the national figure of 52% in 2013 (2014 results not yet available).

In the Year 1 Phonics Screening Test, June 2014, 71% of pupils achieved the threshold mark, or higher, which is broadly in line with the national average of 69%, in 2013 (2014 results not available yet). The proportion of children in receipt of pupil premium achieving the threshold was 75% at our school in 2014; the national average was 56% in 2013.

Given that the majority of children start the reception class with skills which are below the levels typical for their age, the results above reflect the very good progress that our pupils make.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

Principal funding sources

The EFA is the principal funding source for the charitable company, providing the General Annual Grant to which the Trust is entitled on an ongoing basis. The EFA continued to provide a Start Up Grant during the year, and in addition provided a capital grant towards the acquisition of the land and buildings which comprise the school site, together with fixtures, fittings & equipment, IT equipment, and construction work relating to the school premises during the year ended 31 August 2014.

The use of income from the EFA is restricted to the particular purposes of the grant. The grants received from the EFA in the year ended 31 August 2014 and the associated expenditure are shown as restricted funds in the financial statements. The above assets acquired and the related depreciation are shown within the restricted fixed asset fund in the financial statements. The funding agreement with the EFA provides assurance to limit the potential risk of funding difficulties for the charitable company.

The vast majority of the Trust's incoming resources arose in the form of grants received from the EFA, being £2,117,697 of the total incoming resources of £2,137,147. This included capital grant recognised of £1,639,106 during the year in accordance with the qualifying expenditure incurred in the period.

Total outgoing resources for the year amounted to £542,875 (2013: £389,213) which consisted of costs relating to the charitable activities of the Trust's educational operations of £527,313 (2013: £359,723), governance costs of £15,495 (2013: £11,490), fundraising costs of £67 (2013: £nil). Net income for the year amounted to £1,620,236 of which £1,600,829 relates to the restricted fixed asset fund.

The deficit on the restricted pension fund in relation to the London Borough of Waltham Forest Pension Scheme increased during the year from £16,000 to £19,000. The deficit is funded by a higher level of employer pension contributions into the scheme.

The balance sheet shows an analysis by fund of the shows total net assets of £1,673,752 as at 31 August 2014. There is no restriction on the amount of General Annual Grant carried forward, which amounted to £2,502 at 31 August 2014. The only fund in deficit is the restricted pension fund detailed above.

Investment policy and objectives

The Trust has no formal investment policy except that no speculative or investment which may put the Trust's funds at risk should be made. Surplus funds are placed on deposit at recognised UK clearing banks approved by the trustees.

THE EMMANUEL SCHOOL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2014

STRATEGIC REPORT

Financial review

Reserves policy

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The trustees will keep the level of reserves under review; where possible they seek to maintain approximately the levels as permitted by the EFA guidelines in order that there is sufficient working capital to cover delays between spending and receipt of grants and deal with unexpected emergencies, such as urgent maintenance.

Principal risks and uncertainties

The Trust has established a system of internal control, including financial, operational and risk management, which is designed to protect the Trust's assets and reputation. These include:

- budgeting/monitoring systems with an annual budget and regular financial reports which are reviewed and agreed by the Governing Body.
- regular reviews by the Finance, Premises and Human Resources Committee (FPH) of procedures and financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes; and
- setting targets to measure financial and other performance

The trustees review the risks to which the Trust is exposed, which for the reporting period included:-

- potentially reduced pupil numbers, due to pupil movement
- financial impact of the Local Government Pension scheme and
- move to our permanent premises, which has now been completed

They identified systems and procedures including specific actions to manage and/or mitigate the impact of these risks and the likelihood of them occurring.

Financial and risk management objectives and policies

The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Trust's exposure to financial instruments is limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The Trust's system of internal controls ensures risk is minimal in these areas.

THE EMMANUEL SCHOOL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2014

STRATEGIC REPORT

Future developments

The key priorities and objectives for the coming year are set out in the table below.

Priority

Objective

Priority 1 Ethos

Develop the distinctiveness of the school as a Christian school

All stakeholders identify how well Christian values have an impact on spiritual, moral, social and cultural development of all pupils.

Priority 2 Achievement

Do whatever it takes to ensure that all groups of pupils make expected or higher than expected progress

Foundation Key Stage attainment to be broadly in line with the national average, with at least 55% of pupils achieving the Good Level of Development. The proportion of children meeting or exceeding the threshold mark in the Year 1 Phonics Screening Test to be slightly above the national average, with at least 75% meeting or exceeding the mark.

The proportion of children reaching level 2b or above at the end of Key Stage 1 in Reading, Writing and Maths to exceed the national average, with at least 83% attaining level 2b or above in Reading, 71% in Writing and 82% in Maths.

The proportion of children reaching level 3 or above at the end of Key Stage 1 in Reading, Writing and Maths to exceed the national average, with at least 33% attaining level 3 in Reading, 19% in Writing and 27% in Maths.

The proportion of children meeting or exceeding the threshold mark in the Year 1 Phonics Screening Test at the end of Key Stage 1 to be slightly above the national average, with at least 89% meeting or exceeding the mark (including those who achieved the level whilst in Year 1).

Priority 3 Teaching

Ensure that all teaching by all teachers, support staff and volunteers is at least good

Make sure that pupils respond to specific feedback on how to improve their work. Ensure that pupils use their learning targets more effectively in improving their work.

Priority 4 Behaviour and Safety

Improve attendance

The attendance of pupils to be 96.5% overall, with no persistent absentees. Ensure that pupils' attitudes to learning are of an equally high standard across subjects, years, classes and with different staff.

Priority 5 Leadership and Management

Develop leadership across the school

All staff lead on at least one area and can point to the impact of their leadership.

PUBLIC BENEFIT STATEMENT

The objectives & activities, and achievements & performance sections of this report clearly set out that the activities which the charity undertakes are for the public benefit.

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

Emmanuel Community School (ECS) is a non-selective Christian school that reflects the ethnic diversity of the local community and welcomes children of all abilities. We have a fair admissions policy which is available to view under the policies section of our website. We welcome children of all faiths and no faith whose parents want to send their child to a school with Christian values, high standards of care, close monitoring of behaviour and a strong sense of aspiration for every child.

THE EMMANUEL SCHOOL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2014

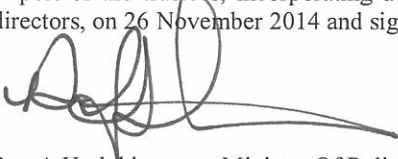
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Caton Fry & Co. Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 26 November 2014 and signed on the board's behalf by:



Rev A Hodgkinson - Minister Of Religion

THE EMMANUEL SCHOOL TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Emmanuel School Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement of loss.

The board of the trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Emmanuel School Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees Responsibilities. The board of trustees has formally met six times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Rev A Hodgkinson	6	6
Rev D C Williams	6	6
Mrs T M Oluwatudimu	6	6
Dr A Oluwatudimu	6	6
Mrs H Jackson	6	6
Mrs L Colthart	5	6
R Irish	5	6

The Finance, Premises and Human Resources (FPH) Committee is a sub-committee of the main board of trustees. Its purpose is to oversee the financial arrangements of the school; the staffing of the school (including the appropriate staffing policies) and service level agreements with outside agencies (e.g. relating to the premises).

This committee takes responsibility for ensuring that the vision and aims of the school are fully enabled by the premises and facilities; overseeing the changes and modifications needed by liaising with the Department for Education and the range of professional advisers and contractors involved.

The committee also:

- Reviews the risks to internal control at the School and agrees the programme of work for internal audit that will address these risks, to inform the governance statement and, so far as possible, provide assurance to the external auditors.
- Receives reports from internal audit and elsewhere about the operation of the School's financial procedures and controls and oversees progress with any action plans that may result from these.
- Appoints auditors for the Trust's accounts.
- Receives and reviews the draft (pre-external audit) and final (post-external audit) accounts and any reports from the external auditors.

The Curriculum, Standards & Information and Communications Technology Committee (CSI) takes responsibility for ensuring that the appropriate curriculum is in place, including the required policies and the Information and Communications Technology (ICT) equipment to support the school's vision and ethos. The committee also takes responsibility for ensuring that all stakeholders are kept fully informed of developments (e.g. through newsletters, website updates) and that positive messages are received by all concerned.

Attendance at Finance, Premises and Human Resources (FPH) meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
L Colthart	3	4
R Irish	3	4
A Hodgkinson (Chair)	4	4
P Lewis	4	4
A Oluwatudimu	4	4

THE EMMANUEL SCHOOL TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

Attendance at Curriculum, Standards & Information and Communications Technology Committee (CSI) committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
T Oluwatudimu (Chair)	3	3
D Williams	1	3
H Jackson	3	3
P Lewis	3	3

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of charitable company policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Emmanuel School Trust for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the charitable company is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The school's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- Comprehensive budgeting and monitoring systems within an annual budget and termly financial reports which are reviewed and agreed by the Governing Body
- Regular reviews by the FPH Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- Setting targets to measure financial and other performance
- Clearly defined purchasing guidelines for all staff (asset purchase or capital investment)
- Delegation of authority and segregation of duties
- Identification and management of risks

The board of trustees has considered the need for a specific internal audit function and during the year implemented changes advised by the peer review undertaken by Julie Tyler, the Head of Finance at Hornbeam Academy Trust. Due to the limited time available for Julie Tyler to undertake a further review, the trustees appointed the external auditors to perform a supplementary programme of work to assist with the programme of risk review and checking of financial controls. The improvement recommendations arising from this programme are being implemented during the year ending 31 August 2015.

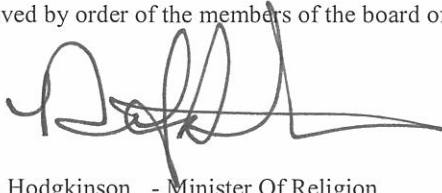
Review of Effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

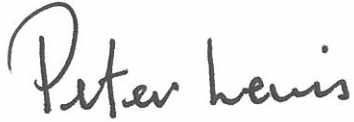
- The work of the peer reviewer
- The work of the external auditor
- The financial management process and controls; and
- The work of the Senior Leadership Team within the Trust who have responsibility for the development and maintenance of the internal control framework.

THE EMMANUEL SCHOOL TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

Approved by order of the members of the board of trustees on 26 November 2014 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'A Hodgkinson', written in a cursive style.

Rev A Hodgkinson - Minister Of Religion

A handwritten signature in black ink, appearing to be 'Peter Lewis', written in a cursive style.

Mr Peter Lewis - Accounting Officer

THE EMMANUEL SCHOOL TRUST

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2014**

As accounting officer of The Emmanuel School Trust I have considered my responsibility to notify the charitable company board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the charitable company and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company's funding agreement and the Academies Financial Handbook.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and EFA.



Mr Peter Lewis - Accounting Officer

26 November 2014

THE EMMANUEL SCHOOL TRUST

STATEMENT OF TRUSTEES RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2014

The trustees (who act as governors of The Emmanuel School Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

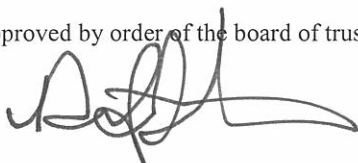
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended.

Approved by order of the board of trustees on 26 November 2014 and signed on it's behalf by:



Rev A Hodgkinson - Minister Of Religion

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE EMMANUEL SCHOOL TRUST

We have audited the financial statements of The Emmanuel School Trust for the year ended 31 August 2014 on pages nineteen to thirty eight. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2013 to 2014 issued by the Education Funding Agency (EFA).

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

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page fourteen, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2013 to 2014 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE EMMANUEL SCHOOL TRUST**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Jonathan Caton ACA FCCA (Senior Statutory Auditor)
for and on behalf of Caton Fry & Co. Limited
Chartered Accountants and
Statutory Auditor
Essex House
7 The Shrubberies
George Lane
South Woodford
London
E18 1BD

26 November 2014

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE EMMANUEL SCHOOL TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Emmanuel School Trust during the period 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Emmanuel School Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Emmanuel School Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Emmanuel School Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Emmanuel School Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Emmanuel School Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matter that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the charitable company's income and expenditure.

We conducted our work in accordance with Technical Release TECH08/12AAF issued by the Institute of Chartered Accountants in England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to be able to report on whether anything has come to our attention which suggests that in all material respects expenditure disbursed and income received have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them. Other than those procedures undertaken for the purposes of our audit of the financial statements of The Emmanuel School Trust for the year ended 31 August 2014 which provide evidence on Regularity our work was limited to only those additional procedures necessary to provide limited assurance.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
THE EMMANUEL SCHOOL TRUST AND THE EDUCATION FUNDING AGENCY

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Caton Fry & Co. Ltd.

Caton Fry & Co. Limited
Chartered Accountants
Essex House
7 The Shrubberies
George Lane
South Woodford
London
E18 1BD

26 November 2014

THE EMMANUEL SCHOOL TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2014

					2014	2013
	Not es	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Fund £	Total funds £	Total funds £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	2	149	-	1	150	-
Activities for generating funds	3	24,104	-	-	24,104	7,014
Investment income	4	-	-	-	-	25
Incoming resources from charitable activities						
Academy's educational operations	5	713	498,040	1,639,107	2,137,860	441,543
Other incoming resources		<u>-</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>
Total incoming resources		<u>24,966</u>	<u>499,040</u>	<u>1,639,108</u>	<u>2,163,114</u>	<u>448,582</u>
RESOURCES EXPENDED						
Costs of generating funds						
Fundraising trading: cost of goods sold and other costs	7	-	70	-	70	-
Charitable activities						
Academy's educational operations		1,626	487,408	38,279	527,313	359,723
Governance costs	9	-	15,495	-	15,495	11,490
Other resources expended		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,000</u>
Total resources expended	6	<u>1,626</u>	<u>502,973</u>	<u>38,279</u>	<u>542,878</u>	<u>389,213</u>
NET INCOME/(EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS						
		23,340	(3,933)	1,600,829	1,620,236	59,369
Gross transfers between funds	17	<u>(2,502)</u>	<u>(1,711)</u>	<u>4,213</u>	<u>-</u>	<u>-</u>
Net income/(expenditure) for the year before other recognised gains and losses		20,838	(5,644)	1,605,042	1,620,236	59,369
Actuarial gains/losses on defined benefit schemes		<u>-</u>	<u>(8,000)</u>	<u>-</u>	<u>(8,000)</u>	<u>1,000</u>
Net movement in funds		<u>20,838</u>	<u>(13,644)</u>	<u>1,605,042</u>	<u>1,612,236</u>	<u>60,369</u>

The notes form part of these financial statements

THE EMMANUEL SCHOOL TRUST

STATEMENT OF FINANCIAL ACTIVITIES - CONTINUED
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2014

				2014	2013
	Unrestricted fund	Restricted funds	Restricted Fixed Asset Fund	Total funds	Total funds
Notes	£	£	£	£	£
RECONCILIATION OF FUNDS					
Total funds brought forward	6,766	10,418	44,332	61,516	1,147
TOTAL FUNDS CARRIED FORWARD	<u>27,604</u>	<u>(3,226)</u>	<u>1,649,374</u>	<u>1,673,752</u>	<u>61,516</u>

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The notes form part of these financial statements

THE EMMANUEL SCHOOL TRUST (REGISTERED NUMBER: 07640769)

BALANCE SHEET
AT 31 AUGUST 2014

					2014	2013
	Notes	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Fund £	Total funds £	Total funds £
FIXED ASSETS						
Tangible assets	13	-	-	1,646,103	1,646,103	44,333
CURRENT ASSETS						
Stocks	14	416	-	-	416	467
Debtors	15	-	68,499	-	68,499	21,017
Cash at bank and in hand		<u>27,188</u>	<u>26,180</u>	<u>5,024</u>	<u>58,392</u>	<u>29,985</u>
		27,604	94,679	5,024	127,307	51,469
CREDITORS						
Amounts falling due within one year	16	1	(78,905)	(1,754)	(80,658)	(18,286)
NET CURRENT ASSETS		<u>27,605</u>	<u>15,774</u>	<u>3,270</u>	<u>46,649</u>	<u>33,183</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		27,605	15,774	1,649,373	1,692,752	77,516
PENSION LIABILITY	18	-	(19,000)	-	(19,000)	(16,000)
NET ASSETS		<u>27,605</u>	<u>(3,226)</u>	<u>1,649,373</u>	<u>1,673,752</u>	<u>61,516</u>
FUNDS						
Unrestricted funds:	17					
General fund					27,605	6,766
Restricted funds:						
Pension reserve					(19,000)	(16,000)
General Annual Grant (GAG)					2,502	23,238
DfE/EFA capital grants					1,649,373	44,332
Other government grants					13,272	-
Lead In grant					-	180
Other DfE/EFA grants					-	3,000
					<u>1,646,147</u>	<u>54,750</u>
TOTAL FUNDS					<u>1,673,752</u>	<u>61,516</u>

The notes form part of these financial statements

THE EMMANUEL SCHOOL TRUST (REGISTERED NUMBER: 07640769)

BALANCE SHEET - CONTINUED
AT 31 AUGUST 2014

The financial statements were approved by the Board of Trustees on 26 November 2014 and were signed on its behalf by:

A handwritten signature in black ink, appearing to be 'A Hodgkinson', written over a horizontal line.

Rev A Hodgkinson -Minister Of Religion

The notes form part of these financial statements

THE EMMANUEL SCHOOL TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

		2014	2013
	Notes	£	£
Net cash inflow from operating activities	1	1,668,923	85,275
Returns on investments and servicing of finance	2	(467)	(247)
Capital expenditure and financial investment	2	(1,640,049)	(59,343)
		<hr/>	<hr/>
Increase in cash in the period		<u>28,407</u>	<u>25,685</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		<u>28,407</u>	<u>25,685</u>
Change in net debt resulting from cash flows		<u>28,407</u>	<u>25,685</u>
Movement in net debt in the period		28,407	25,685
Net debt at 1 September		<u>29,985</u>	<u>4,300</u>
Net debt at 31 August		<u>58,392</u>	<u>29,985</u>

The notes form part of these financial statements

THE EMMANUEL SCHOOL TRUST

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014	2013
	£	£
Net incoming resources	1,620,236	59,369
Depreciation charges	38,279	15,010
Interest received	-	(25)
Interest paid	467	272
Transfer of FRS 17 pension deficit	-	18,000
Decrease/(increase) in stocks	51	(467)
(Increase)/decrease in debtors	(47,482)	123,207
Increase/(decrease) in creditors	62,372	(129,091)
Difference between pension charge and cash contributions	<u>(5,000)</u>	<u>(1,000)</u>
Net cash inflow from operating activities	<u><u>1,668,923</u></u>	<u><u>85,275</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2014	2013
	£	£
Returns on investments and servicing of finance		
Interest received	-	25
Interest paid	<u>(467)</u>	<u>(272)</u>
Net cash outflow for returns on investments and servicing of finance	<u><u>(467)</u></u>	<u><u>(247)</u></u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u>(1,640,049)</u>	<u>(59,343)</u>
Net cash outflow for capital expenditure and financial investment	<u><u>(1,640,049)</u></u>	<u><u>(59,343)</u></u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/9/13	Cash flow	At 31/8/14
	£	£	£
Net cash:			
Cash at bank and in hand	29,985	28,407	58,392
	<u> </u>	<u> </u>	<u> </u>
Total	<u><u>29,985</u></u>	<u><u>28,407</u></u>	<u><u>58,392</u></u>

THE EMMANUEL SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2013 to 2014 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going concern

The financial statements have been prepared on a going concern basis. The trustees consider this is appropriate as they have assessed whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The trustees have considered this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grants receivable

Grants are included in the Statement of Financial Activities on a receivable basis. The basis of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and qualifying expenditure has been made, and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with depreciation charges allocated on the portion of the asset's use. All resources expended are inclusive of any irrecoverable VAT.

Charitable activities

These are costs incurred on the trust's educational operations.

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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

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

Freehold buildings: 2% on cost
Fixtures and fittings: 15% on cost
Computer equipment: 33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department of Education where the asset acquired or created is held for a specific purpose.

Investment income, gains and losses are allocated to the appropriate fund.

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employee's working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. The TP is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current services costs and gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term.

2. VOLUNTARY INCOME

	2014 £	2013 £
Donations	<u>150</u>	<u>-</u>
	<u>150</u>	<u>-</u>

3. ACTIVITIES FOR GENERATING FUNDS

	2014 £	2013 £
Sale of school uniforms	976	507
Hire of facilities & premises	13,028	-
Catering income	9,005	3,950
Other income	<u>1,095</u>	<u>2,557</u>
	<u>24,104</u>	<u>7,014</u>

4. INVESTMENT INCOME

	2014 £	2013 £
Deposit account interest	<u>-</u>	<u>25</u>

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
Grants	-	2,137,147	2,137,147	441,543
Income from clubs & trips	713	-	713	-
	<u>713</u>	<u>2,137,147</u>	<u>2,137,860</u>	<u>441,543</u>

An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total funds £
DfE/EFA revenue grant				
General Annual Grant(GAG)	-	328,726	328,726	188,526
Other DfE/EFA grants	-	15,915	15,915	36,000
Start up grants	-	133,950	133,950	81,835
	-	478,591	478,591	306,361
DfE/EFA capital grant				
DfE Capital Grant	-	1,639,106	1,639,106	135,182
Other government grant				
Local Authority grants	-	19,450	19,450	-
	-	2,137,147	2,137,147	441,543

6. RESOURCES EXPENDED

	Staff costs £	Non-pay expenditure Premises £	Other costs £	2014 Total £	2013 Total £
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs	-	-	70	70	-
Charitable activities					
Academies educational operations					
Direct costs	286,954	-	31,991	318,945	179,936
Allocated support costs	<u>60,828</u>	<u>118,285</u>	<u>29,255</u>	<u>208,368</u>	<u>179,787</u>
	347,782	118,285	61,316	527,383	359,723
Governance costs including allocated support costs	-	-	15,495	15,495	11,490
	<u>347,782</u>	<u>118,285</u>	<u>76,811</u>	<u>542,878</u>	<u>371,213</u>

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

6. RESOURCES EXPENDED - continued

Net resources are stated after charging/(crediting):

	2014	2013
	£	£
Auditors' remuneration	5,350	5,635
Auditors' remuneration for non-audit work	8,235	5,855
Depreciation - owned assets	<u>38,279</u>	<u>15,010</u>

7. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	2014	2013
	£	£
Purchases	<u>67</u>	<u>-</u>

8. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES

	2014	2013
	£	£
Direct costs - academy's educational operations		
Teaching and educational support staff	286,954	150,054
Educational supplies	22,674	7,989
Staff development	675	2,311
Educational consultancy	500	16,800
Goods and services	7,142	1,782
Other direct costs	<u>1,000</u>	<u>1,000</u>
	318,945	179,936
Allocated support costs - academy's educational operations		
Support staff costs	60,828	18,986
Depreciation	38,279	15,010
Technology costs	9,698	416
Recruitment and support	3,616	4,492
Pupil support services	31,209	7,084
Maintenance of premises and equipment	8,818	78,860
Office expenses	19,129	8,510
Rent and rates	19,563	33,291
Marketing, advertising & set-up	-	435
Insurance	4,191	2,724
Catering	12,570	9,457
Legal & professional	-	250
Interest payable and similar charges	<u>467</u>	<u>272</u>
	<u>208,368</u>	<u>179,787</u>
	<u>527,313</u>	<u>359,723</u>

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

9. GOVERNANCE COSTS

	2014	2013
	£	£
Legal & professional fees	1,910	-
Auditors' remuneration	5,350	5,635
Auditors' remuneration for non-audit work	<u>8,235</u>	<u>5,855</u>
	<u>15,495</u>	<u>11,490</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2014 nor for the year ended 31 August 2013.

The staff trustee only receives remuneration in respect of services provided undertaking the roles of staff, and not in respect of their service as a trustee. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. The value of trustees' remuneration was as follows:

H Jackson (staff trustee): £11,099 - £40,000 (2013: £38,991)

Other related party transactions involving the trustees are set out in note 19.

Trustees' expenses

During the year trustees' expenses totalling £3,837 (2013: £1,172) were reimbursed to four trustees (2013: three trustees). These were in respect of the following purchases made for the Trust: learning resources of £132, staff meal & refreshments of £578, equipment of £1,673, kitchen, catering and premises costs of £846, school holiday club of £608.

Reimbursement was made to the Headteacher of £1,169 for the following purchases made for the Trust: kitchen, catering and premises costs of £1,105, learning resources of £36, equipment of £28.

Other related party transactions involving trustees are set out in note 19 to the financial statements.

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

11. STAFF COSTS

	2014	2013
	£	£
Wages and salaries	269,843	138,569
Social security costs	18,088	11,824
Other pension costs	<u>24,975</u>	<u>17,157</u>
	312,906	167,550
Supply teacher costs	<u>34,876</u>	<u>1,490</u>
	<u><u>347,782</u></u>	<u><u>169,040</u></u>

The average number of persons (including senior management team) employed by the charitable company during the year expressed as full time equivalents was as follows:

	2014	2013
Management	1	1
Teaching staff	8	3
Administration & support	1	1
Premises & cleaning	2	-
Middy supervision	<u>1</u>	<u>-</u>
	<u><u>13</u></u>	<u><u>5</u></u>

The number of employees whose emoluments fell within the following bands was:

	2014	2013
£60,001 - £70,000	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, employer pension contributions for the employee amounted to £8,739.

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance for the year ended 31 August 2014 amounted to £486.87 including insurance premium tax.

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

13. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2013	-	25,402	33,941	59,343
Additions	<u>1,596,239</u>	<u>27,528</u>	<u>16,282</u>	<u>1,640,049</u>
At 31 August 2014	<u>1,596,239</u>	<u>52,930</u>	<u>50,223</u>	<u>1,699,392</u>
DEPRECIATION				
At 1 September 2013	-	3,810	11,200	15,010
Charge for year	<u>22,805</u>	<u>7,940</u>	<u>7,534</u>	<u>38,279</u>
At 31 August 2014	<u>22,805</u>	<u>11,750</u>	<u>18,734</u>	<u>53,289</u>
NET BOOK VALUE				
At 31 August 2014	<u>1,573,434</u>	<u>41,180</u>	<u>31,489</u>	<u>1,646,103</u>
At 31 August 2013	<u>-</u>	<u>21,592</u>	<u>22,741</u>	<u>44,333</u>

Included in cost or valuation of land and buildings is freehold land of £456,000

The trust's transactions relating to land and buildings included the acquisition of the freehold on the school premises at The Drive, Walthamstow which was purchased by the trust by means of capital grant from the Education Funding Agency (EFA) at a total cost of £1,243,000. EFA retain a legal charge over the freehold property, which is registered at Companies House.

14. STOCKS

	2014 £	2013 £
Stocks	<u>416</u>	<u>467</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade debtors	8,520	310
Other debtors	13,272	14,960
VAT	44,657	5,202
Prepayments and accrued income	<u>2,050</u>	<u>545</u>
	<u>68,499</u>	<u>21,017</u>

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade creditors	46,636	7,133
Social security and other taxes	-	1,918
Other creditors	8,068	-
Deferred income	15,236	-
Accrued expenses	<u>10,718</u>	<u>9,235</u>
	<u>80,658</u>	<u>18,286</u>

Deferred income is represented by Universal Free School Meals funding for the year ending 31 August 2015.

17. MOVEMENT IN FUNDS

	At 1/9/13	Net movement in funds	Transfers between funds	At 31/8/14
	£	£	£	£
Unrestricted funds				
General fund	6,766	23,341	(2,502)	27,605
Restricted funds				
Pension reserve	(16,000)	(3,000)	-	(19,000)
General Annual Grant (GAG)	23,238	(22,025)	1,289	2,502
DfE/EFA capital grants	44,332	1,600,828	4,213	1,649,373
Other government grants	-	13,272	-	13,272
Lead In grant	180	(180)	-	-
Other DfE/EFA grants	<u>3,000</u>	<u>-</u>	<u>(3,000)</u>	<u>-</u>
	54,750	1,588,895	2,502	1,646,147
	<u>61,516</u>	<u>1,612,236</u>	<u>-</u>	<u>1,673,752</u>
TOTAL FUNDS				

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	24,966	(1,625)	-	23,341
Restricted funds				
Pension reserve	1,000	4,000	(8,000)	(3,000)
General Annual Grant (GAG)	328,723	(350,748)	-	(22,025)
DfE/EFA capital grants	1,639,107	(38,279)	-	1,600,828
Other government grants	19,450	(6,178)	-	13,272
Start up Grant	133,950	(133,950)	-	-
Lead In grant	-	(180)	-	(180)
Other DfE/EFA grants	<u>15,915</u>	<u>(15,915)</u>	<u>-</u>	<u>-</u>
	2,138,145	(541,250)	(8,000)	1,588,895
	<u>2,163,111</u>	<u>(542,875)</u>	<u>(8,000)</u>	<u>1,612,236</u>
TOTAL FUNDS				

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

17. MOVEMENT IN FUNDS - continued

Under an amendment to the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

18. PENSION AND SIMILAR OBLIGATIONS

Teachers' pension scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

18. PENSION AND SIMILAR OBLIGATIONS - continued

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of normal pension age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in since April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

18. PENSION AND SIMILAR OBLIGATIONS - continued

Local government pension scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £12,903, of which employer's contributions totalled £10,647. The agreed contribution rates for future years are variable based for employees of between 5.5% to 12.5% for employees, and 28.9% for employers. Estimated employer contributions into the scheme for the year ending 31 August 2015 amount to £10,000.

The LGPS obligation relates to employees of the trust who are eligible and joined the scheme in the period.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2014	2013
	£	£
Present value of funded obligations	(40,000)	(23,000)
Fair value of plan assets	<u>21,000</u>	<u>7,000</u>
	<u>(19,000)</u>	<u>(16,000)</u>
Deficit	<u>(19,000)</u>	<u>(16,000)</u>
Liability	<u>(19,000)</u>	<u>(16,000)</u>

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	2014	2013
	£	£
Current service cost	6,000	3,000
Interest cost	1,000	1,000
Expected return	(1,000)	-
Past service cost	<u>-</u>	<u>1,000</u>
	<u>6,000</u>	<u>5,000</u>
Actual return on plan assets	<u>1,000</u>	<u>-</u>

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

18. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2014	2013
	£	£
Defined benefit obligation	(23,000)	-
Current service cost	(6,000)	(3,000)
Contributions by scheme participants	(2,000)	(1,000)
Interest cost	(1,000)	(1,000)
Actuarial losses/(gains)	(8,000)	-
Business combinations	-	(18,000)
	<u>(40,000)</u>	<u>(23,000)</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2014	2013
	£	£
Fair value of scheme assets	7,000	-
Contributions by employer	11,000	5,000
Contributions by scheme participants	2,000	1,000
Expected return	1,000	-
Actuarial gains/(losses)	-	1,000
	<u>21,000</u>	<u>7,000</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2014	2013
	£	£
Equities	15,000	4,000
Other bonds	3,000	2,000
Property	1,000	-
Other	2,000	1,000
	<u>21,000</u>	<u>7,000</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	2014	2013
Discount rate	4%	4.8%
Expected return on scheme assets	5.56%	5.84%
Future salary increases	3.7%	4%
Future pension increases	2.2%	2.5%
Rate of CPI inflation	2.2%	2.5%

Mortality

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	Males	Females
Current pensioners aged 65	23.0 years	25.4 years
Future pensioners aged 65 in 20 years' time	25.3 years	27.8 years

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2014

18. PENSION AND SIMILAR OBLIGATIONS - continued

Amounts for the current and previous two periods are as follows:

	2014	2013	2012
	£	as restated £	£
Defined benefit pension plans			
Defined benefit obligation	(40,000)	(23,000)	-
Fair value of scheme assets	21,000	7,000	-
Deficit	(19,000)	(16,000)	-
Experience adjustments on scheme liabilities	(5,000)	-	-
Experience adjustments on scheme assets	-	1,000	-

19. RELATED PARTY DISCLOSURES

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

During the period the Trust was charged consultancy fees of £24,200 (2013: £nil) by Aktimon Limited in respect of services provided by trustee Mrs T M Oluwatudimu in her role as Director of Education of The Emmanuel School Trust. Aktimon Ltd is a company in which trustees Dr A. Oluwatudimu and Mrs T M Oluwatudimu are directors and each hold a 50% interest. An amount of £nil (2013: £nil) was outstanding at 31 August 2014.

During the period the Trust was charged fees relating to marketing, advertising, and the provision of staff support services of £8,317 (2013: £4,345) by J'Harts Design & Print, a business in which trustee Mrs L Colthart is a partner. An amount of £nil (2013: £1,260) was outstanding at 31 August 2014.

During the period the Trust was charged rent totalling nil (2013: £33,000) and further amounts totalling £524 (2013: £1,740) by Emmanuel Christian Centre (ECC), a charity of which Rev D Williams and Rev A Hodgkinson are trustees. The rent charges were in respect of the school premises provided by ECC, and the additional amounts related in the current year to rates charges, and in the previous year to cleaning and parking permits relating to the school.

20. ULTIMATE CONTROLLING PARTY

The Trust is run by the trustees and the senior management team. There is no ultimate controlling party.