

ABBREV

REGISTERED COMPANY NUMBER: 07640769 (England and Wales)

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2015
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
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FOR THE YEAR ENDED 31 AUGUST 2015

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THE EMMANUEL SCHOOL TRUST
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2015

MEMBERS

Ms M Fordjour (appointed 14.12.14)
Ms P Edwards (appointed 14.12.14)
Mrs M Burke (appointed 6.12.14)
Mrs J Cooper (appointed 6.12.14)
I Gurman (appointed 6.12.14)
E Osafo
Rev A Hodgkinson
Mrs Y Onifade (appointed 14.12.14)
Dr A Oluwatudimu

TRUSTEES

Mrs L Colthart
Rev A Hodgkinson
Mrs T M Oluwatudimu
Rev D C Williams
Mrs H Jackson
Dr A Oluwatudimu
R Irish
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

THE EMMANUEL SCHOOL TRUST
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2015

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

Parent & Staff Representatives

Parents:

Ms L F Coleman - appointed 17 February 2015

Ms D Richards

Mr G Youngson - resigned 11/10/2014

Staff:

Miss S Harley - appointed January 2015

Website

www.emmanuelcommunityschool.co.uk

THE EMMANUEL SCHOOL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2015

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 2015. 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 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

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

- Emmanuel Community Church International (formerly known as Emmanuel Christian Centre (ECC)) the school's link-church. Members of ECCI 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 2015

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 2014/15:

Priority

Achievement

Priority 1 Ethos

Develop the distinctiveness of the school as a Christian school

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

Ofsted said in July 2014, that "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. The school has built upon this and its values are even more apparent in all areas of the school's work."

Priority 2 Achievement

To ensure that all groups of pupils make expected or higher than expected progress by removing barriers to learning

Emmanuel Community School has extremely high expectations for its pupils and believes that, regardless of background, children should be given every opportunity to excel. To date, children have entered the school with attainment below that typical of children nationally. It is the school's expectation that its pupils attain in line with the national average by the end of Foundation Key Stage, above the national average by the end of Key Stage 1 and significantly above by the end of Key Stage 2.

Juliet Strang our LBWF School Improvement Partner (SIP) said "The Governors and Headteacher are very ambitious for every child at this school and have deeply held beliefs that every child can succeed. Progress data shows that 100% of all children with a good level of development at the end of Early Years Foundation Stage achieve at least Level 2b in reading, writing and maths".

Priority 3 Teaching

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

Ofsted 2014 says "Teaching is good because staff have high expectations".

Juliet Strang LBWF SIP says "The school leaders triangulate lesson observations, progress data, the quality of children's work, marking and assessment to establish teaching grades".

In our most recent parent survey, 98% of respondents agree or strongly agree with the statement 'My child is taught well at this school'. Many parents added positive comments, for example, 'I'm really happy with my child's progress. I have highly recommended this school to other parents I know'.

Priority 4 Behaviour and Safety

Improve attendance and maintain excellent behaviour

We have identified one of the barriers to learning to be low school attendance for some pupils.

School attendance which was low in 2013/14 has improved to just below national average in 2015 and it is currently above national average. Pupils' behaviour is excellent and this is reinforced through both positive acknowledgement of good behaviour and clear sanctions for inappropriate behaviour. Lessons are rarely interrupted by inappropriate behaviour or poor attitudes.

Positive attitudes are taught well, especially through assemblies, where the school's values are sensitively, but uncompromisingly, promoted. In the most recent survey, 100% of parents agree or strongly agree with the statement. This school makes sure its pupils are well behaved.

THE EMMANUEL SCHOOL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2015

OBJECTIVES AND ACTIVITIES

Objectives and aims

Priority 5 Leadership and Management

Develop leadership across the school

Our most recent Ofsted inspection report states "Outstanding leadership by the Headteacher, leaders and Governors has established a good school in a short time".

Juliet Strang LBWF SIP says "The Governing Body has a good range of expertise and a clear understanding of their role. They have very strong leadership ... which is underpinned by secure values, a clear vision and deep moral purpose". The value placed on community is not only expressed through parent engagement, there is evidence of a significant student voice at the school".

All leaders passionately hold the view that "Demography does not equal destiny" and this vision is shared and owned by all staff.

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.

STRATEGIC REPORT

Achievement and performance

Charitable activities

Early Years Foundation Stage Headlines 2014 to 2015

The reception class as a whole entered the school at a level below age related expectations. By the end of the academic year, 70% achieved the expected 'good level of development', with the national average being 66.3%.

Phonics Screening Check 2014 to 2015

Year 1 pupils: 71% of pupils achieved the threshold mark or higher (national average: 77%) and for Year 2 pupils: 91% of pupils achieved the threshold mark or higher (national average: 90%).

End of Key Stage 1 Assessments 2014 to 2015

ECS

Reading: 2b+ 78%; 2a+ 61%; 3+ 13%.

Writing: 2b+ 74%; 2a+ 35%; 3+ 9%

Maths: 2b+ 82%; 2a+ 47%; 3+ 12%

National

Reading: 2b+ 82%; 2a+ 59%; 3+ 32%.

Writing: 2b+ 72%; 2a+ 42%; 3+ 18%

Maths: 2b+ 82%; 2a+ 55%; 3+ 26%

A number of the school's pupils achieved 2a in the end of year assessments and the school is aware of the need to move these to level 3 quickly as the children move into Year 3.

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.

THE EMMANUEL SCHOOL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2015

STRATEGIC REPORT

Key financial performance indicators

	2016	2015	2015
	Target	Actual	Target
Total staff costs as a % of total outgoing resources	75.0%	62.9%	75.0%
Teaching staff costs as a % of total staff costs	45.0%	49.7%	45.0%
Year-end surplus margin (as a % of revenue income)	5.0%	7.7%	5.0%
Total spend on learning resources as a % of total outgoing resources	5.0%	4.5%	5.0%

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 2015.

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 2015 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 £586,891 of the total incoming resources of £795,924 (2014: £2,163,111). This included capital grant recognised of £77,445 during the year in accordance with the qualifying expenditure incurred in the period.

Total outgoing resources for the year amounted to £740,721 (2014: £542,875) which consisted of costs relating to the charitable activities of the Trust's educational operations of £721,537 (2014: £527,313), governance costs of £19,021 (2014: £15,495), and fundraising costs of £163 (2014: £67). Net income for the year amounted to £55,203.

The deficit on the restricted pension fund in relation to the London Borough of Waltham Forest Pension Scheme reduced during the year from £19,000 to £16,000. 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 £1,726,955 as at 31 August 2015 (2014: £1,673,752). There is no restriction on the amount of General Annual Grant carried forward. The only fund in deficit is the restricted pension fund as 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.

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 EMMANUEL SCHOOL TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2015

STRATEGIC REPORT

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
- condition of the building and repairs needed
- delivering of the Universal Free School Meals programme

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.

Future developments

The key priorities and objectives for the coming year are set out below:

- Continue to develop the school's Christian ethos so that it permeates every aspect of the school.
- Update the school's teaching and learning policy, provide relevant in service training for staff members, monitor the effectiveness of the policy and embed it so that all aspects of teaching and learning at the school are outstanding.
- Ensure that pupil progress and attainment are outstanding through excellent quality first teaching and effective and well targeted interventions.
- Raise attendance to at least 96.5% through continuing to highlight the strong link between attendance and attainment to all stakeholders and developing a 'great attendance' culture.
- Embed the school's behaviour policy to ensure a consistent approach across the school so that behaviour continues to move from strength to strength.
- Through excellent leadership of early years and through strong collaboration with other settings within our local authority, ensure that the provision for our youngest pupils is outstanding.
- Continue to develop leaders across the school with a constant focus on raising standards and building character in our pupils.

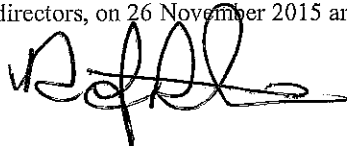
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 2015 and signed on the board's behalf by:



Rev A Hodgkinson - Trustee

THE EMMANUEL SCHOOL TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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.

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 or loss.

The board of Trustees has delegated the day-to-day responsibility to the Headteacher, 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 6 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	5	6
Rev D C Williams	5	6
Mrs T M Oluwatudimu	5	6
Dr A Oluwatudimu	5	6
Mrs H Jackson	6	6
Mrs L Colthart	6	6
R Irish	5	6
B Greaves	6	6

Attendance at meetings of the board of trustees of parent and staff representatives was as follows:

Trustee	Meetings attended	Out of a possible
S Harley (staff)	3	4
D Richards (parent)	2	3
L Ford Coleman (parent)	2	3
P Lewis (staff)	6	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.

THE EMMANUEL SCHOOL TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

- 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
A Oluwatudimu (Chair)	2	3
A Hodgkinson	3	3
P Lewis	3	3
L Colthart	3	3
R Irish	3	3

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
P Lewis	3	3
B Greaves	3	3
D Williams	1	3
H Jackson	3	3
S Harley	2	2
L Ford Coleman	1	1

Review of Value for Money

As accounting officer the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

Improving Educational Results:

We have ensured that resources are directed where they are most needed and most effective in meeting educational requirements, for example by:

- Pupils with English as a second language have shown great improvement and levels of proficiency, because funds have been targeted towards small group provision.
- Collaborative work between our EYFS leader and those within other settings in our local authority has led to good progress of the children throughout the year.
- Focused interventions by teaching assistants for group work and support has led to specific children, including those falling behind, making good progress as shown on our pupil trackers.
- Pupils eligible for pupil premium have shown good attainment through wise allocation of available funds.

THE EMMANUEL SCHOOL TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

Review of Value for Money

- Utilisation of strongly developing links between our school and others within our local authority has helped the school to focus on raising pupil attainment even more effectively.

Financial Performance:

- Involvement of community volunteers in various areas of the school, including classroom support, hearing readers and helping with trips has meant that the school has been able to effectively support pupils beyond the use of available funds.

- The school has delivered a good outcome at the end of the academic year for its pupils through careful allocation of available funds. Since the school's staff members and volunteers are very willing to go the extra mile, because of their strong belief in the vision of the school, the school is able to function extremely efficiently.

- Finance governance and oversight is good, with an experienced accountant on the Governing Body and Finance sub-committee. He brings rigour to the school's approach to the management of its finances and ensures that those responsible for the day to day management of the budget are held to account.

- Half-termly preparation of budgets and management accounts mean that the school is well aware of how its different budgets are being spent and where any pinch points might be. Regular meetings to assess spend against budgets allows the school to ensure that money is well spent on raising achievement.

- Governance policy is in place for spending with clear guidelines, allowing all stakeholders to be clear regarding their roles and the parameters in which they need to work.

- Negotiated discounts with suppliers and service providers mean that the school gets best value for money when buying in resources and services.

- Annual review of service provider contracts ensures that they are fit for purpose and best value for our school.

- The school ensures that tenders/quotes are obtained as appropriate to ensure Value for Money with projects.

Future Objectives:

We recognise the need to continue developing relationships with other academies and/or local schools, in order to benefit from economies of scale in procuring products and services, developing staff and sharing knowledge, skill and expertise.

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 2014 to 31 August 2015 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 2014 to 31 August 2015 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:

THE EMMANUEL SCHOOL TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

The Risk and Control Framework

- comprehensive budgeting and monitoring systems within an annual budget and termly financial reports which are reviewed and agreed by the board of Trustees
- 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 (asset purchase or capital investment) guidelines
- 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 has decided not to appoint an internal auditor. However the Trustees have appointed Steve Hibbin of School Finances to perform peer reviews.

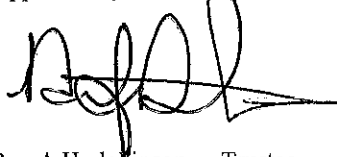
The reviewer's role includes giving advice on financial matters and performing a range of checks on the trust's financial systems. The reviewer reports to the board of Trustees on the operation of the systems of control and the discharge of the board of Trustees' financial responsibilities.

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 Leadership Team within the trust who have responsibility for the development and maintenance of the internal control framework.

Approved by order of the members of the board of trustees on 26 November 2015 and signed on its behalf by:



Rev A Hodgkinson - Trustee



Mr Peter Lewis - Accounting Officer

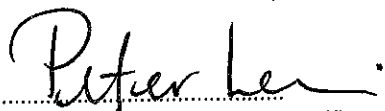
THE EMMANUEL SCHOOL TRUST

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2015**

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 for Education. 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 2015

THE EMMANUEL SCHOOL TRUST

STATEMENT OF TRUSTEES RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2015

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

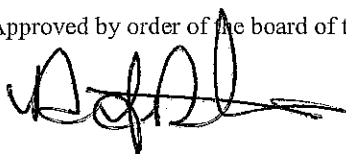
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2005;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that 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 2015 and signed on its behalf by:



Rev A Hodgkinson - Trustee

**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 2015 on pages nineteen to thirty six. 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 2015 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 2014 to 2015 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 2015

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 2014 to 2015, 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 2014 to 31 August 2015 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 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 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 2014 to 2015 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 matters 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 2015 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 2014 to 31 August 2015 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 2015

THE EMMANUEL SCHOOL TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2015

					2015	2014
	Not es	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Fund £	Total funds £	Total funds £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	2	408	-	-	408	147
Activities for generating funds	3	25,922	-	-	25,922	24,104
Incoming resources from charitable activities						
Academy's educational operations	4	3,241	686,908	77,445	767,594	2,137,860
Other incoming resources		-	2,000	-	2,000	1,000
Total incoming resources		29,571	688,908	77,445	795,924	2,163,111
RESOURCES EXPENDED						
Costs of generating funds						
Fundraising trading: cost of goods sold and other costs	6	-	163	-	163	67
Charitable activities						
Academy's educational operations	7	948	658,212	62,377	721,537	527,313
Governance costs	8	-	19,021	-	19,021	15,495
Total resources expended	5	948	677,396	62,377	740,721	542,875
NET INCOME/(EXPENDITURE) FOR THE YEAR		28,623	11,512	15,068	55,203	1,620,236
Actuarial gains/losses on defined benefit schemes		-	(2,000)	-	(2,000)	(8,000)
Net movement in funds		28,623	9,512	15,068	53,203	1,612,236
RECONCILIATION OF FUNDS						
Total funds brought forward		27,605	(3,226)	1,649,373	1,673,752	61,516
TOTAL FUNDS CARRIED FORWARD		56,228	6,286	1,664,441	1,726,955	1,673,752

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 2015

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.

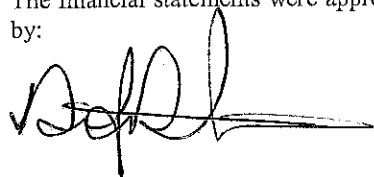
The notes form part of these financial statements

THE EMMANUEL SCHOOL TRUST (REGISTERED NUMBER: 07640769)

BALANCE SHEET
AT 31 AUGUST 2015

					2015	2014
	Notes	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Fund £	Total funds £	Total funds £
FIXED ASSETS						
Tangible assets	12	-	-	1,664,441	1,664,441	1,646,103
CURRENT ASSETS						
Stocks	13	444	-	-	444	416
Debtors	14	-	23,162	-	23,162	68,499
Cash at bank and in hand		<u>55,785</u>	<u>68,673</u>	<u>464</u>	<u>124,922</u>	<u>58,392</u>
		56,229	91,835	464	148,528	127,307
CREDITORS						
Amounts falling due within one year	15	-	(69,550)	(464)	(70,014)	(80,658)
NET CURRENT ASSETS		<u>56,229</u>	<u>22,285</u>	<u>-</u>	<u>78,514</u>	<u>46,649</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		56,229	22,285	1,664,441	1,742,955	1,692,752
PENSION LIABILITY	17	-	(16,000)	-	(16,000)	(19,000)
NET ASSETS		<u>56,229</u>	<u>6,285</u>	<u>1,664,441</u>	<u>1,726,955</u>	<u>1,673,752</u>
FUNDS						
Unrestricted funds:	16					
General fund					56,229	27,605
Restricted funds:						
Pension reserve					(16,000)	(19,000)
General Annual Grant (GAG)					22,285	2,502
DfE/EFA capital grants					1,664,441	1,649,373
Other government grants					-	13,272
					<u>1,670,726</u>	<u>1,646,147</u>
TOTAL FUNDS					<u>1,726,955</u>	<u>1,673,752</u>

The financial statements were approved by the Board of Trustees on 26 November 2015 and were signed on its behalf by:



Rev A Hodgkinson -Trustee

The notes form part of these financial statements

THE EMMANUEL SCHOOL TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Net cash inflow from operating activities	1	56,207	29,817
Returns on investments and servicing of finance	2	(516)	(467)
Capital expenditure and financial investment	2	10,839	(943)
		<u> </u>	<u> </u>
Increase in cash in the period		<u>66,530</u>	<u>28,407</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		<u>66,530</u>	<u>28,407</u>
Change in net debt resulting from cash flows		<u>66,530</u>	<u>28,407</u>
Movement in net debt in the period		66,530	28,407
Net debt at 1 September		<u>58,392</u>	<u>29,985</u>
Net debt at 31 August		<u>124,922</u>	<u>58,392</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 2015

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

	2015 £	2014 £
Net incoming resources	55,203	1,620,236
Depreciation charges	48,269	38,279
Capital grants from DfE/EFA	(77,445)	(1,639,106)
Interest paid	516	467
(Increase)/decrease in stocks	(28)	51
Decrease/(increase) in debtors	45,336	(47,482)
(Decrease)/increase in creditors	(10,644)	62,372
Difference between pension charge and cash contributions	<u>(5,000)</u>	<u>(5,000)</u>
Net cash inflow from operating activities	<u><u>56,207</u></u>	<u><u>29,817</u></u>

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

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest paid	<u>(516)</u>	<u>(467)</u>
Net cash outflow for returns on investments and servicing of finance	<u><u>(516)</u></u>	<u><u>(467)</u></u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(66,606)	(1,640,049)
Capital grants from DfE/EFA	<u>77,445</u>	<u>1,639,106</u>
Net cash inflow/(outflow) for capital expenditure and financial investment	<u><u>10,839</u></u>	<u><u>(943)</u></u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/9/14 £	Cash flow £	At 31/8/15 £
Net cash:			
Cash at bank and in hand	58,392	66,530	124,922
Total	<u><u>58,392</u></u>	<u><u>66,530</u></u>	<u><u>124,922</u></u>

THE EMMANUEL SCHOOL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

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 assess 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 2015

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 2015

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

	2015	2014
	£	£
Donations	<u>408</u>	<u>147</u>

3. ACTIVITIES FOR GENERATING FUNDS

	2015	2014
	£	£
Sale of school uniforms	791	976
Hire of facilities & premises	23,166	13,028
Catering income	745	9,005
Other income	<u>1,220</u>	<u>1,095</u>
	<u>25,922</u>	<u>24,104</u>

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

	Unrestricted funds	Restricted funds	2015 Total funds	2014 Total funds
	£	£	£	£
Grants	-	764,353	764,353	2,137,147
Income from clubs & trips	<u>3,241</u>	<u>-</u>	<u>3,241</u>	<u>713</u>

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2015

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

<u>3,241</u>	<u>764,353</u>	<u>767,594</u>	<u>2,137,860</u>
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An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
DfE/EFA revenue grant				
General Annual Grant(GAG)	-	486,306	486,306	328,726
Other DfE/EFA grants	-	23,140	23,140	15,915
Start up grants	-	<u>129,413</u>	<u>129,413</u>	<u>133,950</u>
	-	638,859	638,859	478,591
DfE/EFA capital grant				
DfE Capital Grant	-	77,445	77,445	1,639,106
Other government grant				
Local Authority grants	-	<u>48,049</u>	<u>48,049</u>	<u>19,450</u>
	-	<u>764,353</u>	<u>764,353</u>	<u>2,137,147</u>

5. RESOURCES EXPENDED

	Staff costs £	Non-pay expenditure		2015 Total £	2014 Total £
		Premises £	Other costs £		
Costs of generating funds					
Fundraising trading; cost of goods sold and other costs	-	-	163	163	67
Charitable activities					
Academies educational operations					
Direct costs	389,393	-	47,139	436,532	318,945
Allocated support costs	<u>76,226</u>	<u>100,951</u>	<u>107,828</u>	<u>285,005</u>	<u>208,368</u>
	465,619	100,951	155,130	721,700	527,380
Governance costs including allocated support costs	-	-	<u>19,021</u>	<u>19,021</u>	<u>15,495</u>
	<u>465,619</u>	<u>100,951</u>	<u>174,151</u>	<u>740,721</u>	<u>542,875</u>

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2015

5. RESOURCES EXPENDED - continued

Net resources are stated after charging/(crediting):

	2015	2014
	£	£
Auditors' remuneration	5,495	5,350
Auditors' remuneration for non-audit work	9,125	8,235
Depreciation - owned assets	<u>48,268</u>	<u>38,279</u>

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

	2015	2014
	£	£
Purchases	<u>163</u>	<u>67</u>

7. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2015 Total funds	2014 Total funds
	£	£	£	£
Direct costs				
Teaching and educational support staff	-	389,393	389,393	286,954
Educational supplies	-	30,488	30,488	22,674
Staff development	-	3,418	3,418	675
Educational consultancy	-	2,340	2,340	500
Goods and services	948	7,945	8,893	7,142
Other direct costs	<u>-</u>	<u>2,000</u>	<u>2,000</u>	<u>1,000</u>
	948	435,584	436,532	318,945
Allocated support costs				
Support staff costs	-	76,226	76,226	60,828
Depreciation	-	48,269	48,269	38,279
Technology costs	-	20,494	20,494	9,698
Recruitment and support	-	1,998	1,998	3,616
Maintenance of premises and equipment	-	24,946	24,946	8,818
Office expenses	-	18,744	18,744	19,129
Pupil support services	-	32,174	32,174	31,209
Rent and rates	-	19,888	19,888	19,563
Insurance	-	4,579	4,579	4,191
Catering	-	37,171	37,171	12,570
Interest payable and similar charges	<u>-</u>	<u>516</u>	<u>516</u>	<u>467</u>
	-	285,005	285,005	208,368
	<u>948</u>	<u>720,589</u>	<u>721,537</u>	<u>527,313</u>

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2015

8. GOVERNANCE COSTS

	2015	2014
	£	£
Legal & professional	4,401	1,910
Auditors' remuneration	5,495	5,350
Auditors' remuneration for non-audit work	<u>9,125</u>	<u>8,235</u>
	<u>19,021</u>	<u>15,495</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2015 nor for the year ended 31 August 2014.

The staff trustee only receives remuneration in respect of services provided undertaking the role 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:

Mrs H Jackson (staff trustee): £10,000 - £15,000 (2014: £10,000 - £15,000)
Employer's pension contributions: £nil (2014: £0 to £5,000)

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

Trustees' expenses

During the year trustees' expenses totalling £1,466 (2014: £3,837) were reimbursed to four trustees (2014: four trustees). These were in respect of the following purchases made for the Trust: equipment of £471, refreshments of £55, equipment of £471, kitchen, motor expenses of £36 and school holiday club resources of £904.

Reimbursement was made to the Headteacher of £13 (2014: £1,169) for the following purchases made for the Trust: books and learning resources of £13.

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 2015**

10. STAFF COSTS

	2015	2014
	£	£
Wages and salaries	387,389	269,843
Social security costs	26,397	18,088
Other pension costs	<u>36,064</u>	<u>24,975</u>
	449,850	312,906
Supply teacher costs	<u>15,769</u>	<u>34,876</u>
	<u><u>465,619</u></u>	<u><u>347,782</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:

	2015	2014
Management	1	1
Teaching staff	3	2
Educational support	9	6
Administration & support	1	1
Premises & cleaning	2	2
Midday supervision	<u>2</u>	<u>1</u>
	<u><u>18</u></u>	<u><u>13</u></u>

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

	2015	2014
£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 2015, employer pension contributions for the employee amounted to £8,823.

11. 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 2015 amounted to £501.47 including insurance premium tax.

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2015

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2014	1,596,239	52,930	50,223	1,699,392
Additions	-	47,705	18,901	66,606
At 31 August 2015	<u>1,596,239</u>	<u>100,635</u>	<u>69,124</u>	<u>1,765,998</u>
DEPRECIATION				
At 1 September 2014	22,805	11,750	18,734	53,289
Charge for year	<u>22,805</u>	<u>15,095</u>	<u>10,368</u>	<u>48,268</u>
At 31 August 2015	<u>45,610</u>	<u>26,845</u>	<u>29,102</u>	<u>101,557</u>
NET BOOK VALUE				
At 31 August 2015	<u>1,550,629</u>	<u>73,790</u>	<u>40,022</u>	<u>1,664,441</u>
At 31 August 2014	<u>1,573,434</u>	<u>41,180</u>	<u>31,489</u>	<u>1,646,103</u>

Included in cost or valuation of land and buildings is freehold land of £456,000 (2014 - £456,000). The EFA retain a legal charge over the freehold property, which is the school premises.

13. STOCKS

	2015 £	2014 £
Stocks	<u>444</u>	<u>416</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade debtors	6,939	8,520
Other debtors	-	13,272
VAT	13,573	44,657
Prepayments and accrued income	<u>2,650</u>	<u>2,050</u>
	<u>23,162</u>	<u>68,499</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	8,180	46,636
Other creditors	-	8,068
Deferred income	38,319	15,236
Accrued expenses	<u>23,515</u>	<u>10,718</u>
	<u>70,014</u>	<u>80,658</u>

Deferred income represents advance funding for Universal Infant Free School Meals, Pupil Premium and a Local Authority SEN grant.

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2015

16. MOVEMENT IN FUNDS

	At 1/9/14 £	Net movement in funds £	Transfers between funds £	At 31/8/15 £
Unrestricted funds				
General fund	27,605	28,624	-	56,229
Restricted funds				
Pension reserve	(19,000)	3,000	-	(16,000)
General Annual Grant (GAG)	2,502	19,783	-	22,285
DfE/EFA capital grants	1,649,373	15,068	-	1,664,441
Other government grants	13,272	(13,272)	-	-
	1,646,147	24,579	-	1,670,726
TOTAL FUNDS	<u>1,673,752</u>	<u>53,203</u>	<u>-</u>	<u>1,726,955</u>

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	29,571	(947)	-	28,624
Restricted funds				
Pension reserve	2,000	3,000	(2,000)	3,000
General Annual Grant (GAG)	455,241	(435,458)	-	19,783
DfE/EFA capital grants	77,445	(62,377)	-	15,068
Other government grants	48,049	(61,321)	-	(13,272)
Start up Grant	129,413	(129,413)	-	-
Other DfE/EFA grants	54,205	(54,205)	-	-
	766,353	(739,774)	(2,000)	24,579
TOTAL FUNDS	<u>795,924</u>	<u>(740,721)</u>	<u>(2,000)</u>	<u>53,203</u>

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 2015.

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2015

17. 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.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. 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 (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer pension costs paid to TPS in the period amounted to £26,429 (2014: £19,328).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

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 2015 was £17,647, of which employer's contributions totalled £14,635. 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.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

The estimated value of employer contributions for the year ending 31 August 2016 is £15,000.

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2015

17. PENSION AND SIMILAR OBLIGATIONS
- continued

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2015	2014
	£	£
Present value of funded obligations	(55,000)	(40,000)
Fair value of plan assets	<u>39,000</u>	<u>21,000</u>
	(16,000)	(19,000)
Deficit	<u>(16,000)</u>	<u>(19,000)</u>
Liability	<u>(16,000)</u>	<u>(19,000)</u>

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

	Defined benefit pension plans	
	2015	2014
	£	£
Current service cost	10,000	6,000
Interest cost	2,000	1,000
Expected return	<u>(2,000)</u>	<u>(1,000)</u>
	<u>10,000</u>	<u>6,000</u>
Actual return on plan assets	<u>-</u>	<u>1,000</u>

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

	Defined benefit pension plans	
	2015	2014
	£	£
Defined benefit obligation	(40,000)	(23,000)
Current service cost	(10,000)	(6,000)
Contributions by scheme participants	(3,000)	(2,000)
Interest cost	(2,000)	(1,000)
Actuarial losses/(gains)	<u>-</u>	<u>(8,000)</u>
	<u>(55,000)</u>	<u>(40,000)</u>

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2015

17. PENSION AND SIMILAR OBLIGATIONS
- continued

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

	Defined benefit pension plans	
	2015	2014
	£	£
Fair value of scheme assets	21,000	7,000
Contributions by employer	15,000	11,000
Contributions by scheme participants	3,000	2,000
Expected return	2,000	1,000
Actuarial gains/(losses)	<u>(2,000)</u>	<u>-</u>
	<u>39,000</u>	<u>21,000</u>

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

	Defined benefit pension plans	
	2015	2014
	£	£
Equities	26,000	15,000
Other bonds	5,000	3,000
Property	2,000	1,000
Cash/liquidity	2,000	-
Other	<u>4,000</u>	<u>2,000</u>
	<u>39,000</u>	<u>21,000</u>

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

	2015	2014
Discount rate	4%	4%
Expected return on scheme assets	5.21%	5.56%
Future salary increases	3.7%	3.7%
Future pension increases	2.2%	2.2%
Rate of CPI inflation	2.2%	2.2%

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	23.1 years	25.4 years
Future pensioners aged 65 in 20 years' time	25.4 years	27.9 years

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

	2015	2014	2013
	£	£	£
Defined benefit pension plans			
Defined benefit obligation	(55,000)	(40,000)	(23,000)
Fair value of scheme assets	39,000	21,000	7,000
Deficit	(16,000)	(19,000)	(16,000)
Experience adjustments on scheme liabilities	-	(5,000)	-
Experience adjustments on scheme assets	2,000	-	1,000

THE EMMANUEL SCHOOL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2015

17. PENSION AND SIMILAR OBLIGATIONS
- continued

18. 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 £25,800 (2014: £24,200) 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 and a further £850 in respect of her provision of services at school holiday clubs during the year. 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 (2014: £nil) was outstanding at 31 August 2015.

During the period the Trust was charged fees relating to marketing, advertising, and the provision of staff support services of £16,428 (2014: £8,317) by JHarts Design & Print, a business in which trustee Mrs L Colthart is a partner. An amount of £120 (2014: £nil) was outstanding at 31 August 2015.

The trust undertook the above transactions at arms' length in accordance with its financial regulations, which Mrs T M Oluwatudimu and Mrs L Colthart neither participated in, nor influenced.

During the period the Trust was charged amounts totalling £1,673 (2014: £524) by Emmanuel Christian Centre (ECC), a charity of which Rev D Williams and Rev A Hodgkinson are trustees. The charges related to the provision of relief caretaker services in the current year, and in the previous year to rates charges. No balance was outstanding at 31 August 2015 or 31 August 2014.

In entering into the transactions above, the trust has complied with the requirements of the EFA's Academies Financial Handbook.

19. ULTIMATE CONTROLLING PARTY

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

