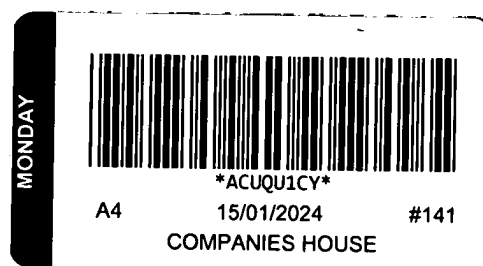


Company registration number 04464331 (England and Wales)

EMMANUEL SCHOOLS FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023



EMMANUEL SCHOOLS FOUNDATION

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EMMANUEL SCHOOLS FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS

Members

S McKinkay
N Robson
K Stone (Resigned 02/02/2023)
Dame M D Regan (Appointed 27/04/2023)
T Cooling (Appointed 25/10/2023)

Trustees

S J P Goon
H McEvoy
S McKinlay (Chairman)
M Oldknow
P J Pickthall
Prof. M Pike (Accounting officer)
Dame M D Regan (Resigned 27 April 2023)

Senior management team

- Chief Executive Officer
- Chief Operating Officer

Prof. M Pike
M Chambers

Company registration number

04464331 (England and Wales)

Principal and registered office

Trinity House
Bede Academy
Sixth Avenue
Blyth
Northumberland
NE24 2SY

Academies operated

Bede Academy- Secondary
Bede Academy- Primary
Emmanuel College

Trinity Academy

The King's Academy
Grace's College

Christ's College

Location

Blyth
Blyth
Gateshead

Doncaster

Middlesbrough
Gateshead

Sunderland

Principal

A Thelwell
N White
M Waterfield (Exec Principal)
N Ogborn (Head of School)
V Gibson
S Reader
M Waterfield (Exec Principal)
R Hooker (Head of School)
M Waterfield

Independent auditor

Azets Audit Services
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

EMMANUEL SCHOOLS FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank plc
5th Floor
102 Grey Street
Newcastle Upon Tyne
Tyne And Wear
NE1 6AG
United Kingdom

Solicitors

Muckle LLP
Time Central
32 Gallowgate
Newcastle upon Tyne
Tyne & Wear
NE1 4BF
United Kingdom

Collingwood Legal
30Riverside Studios
Amethyst Road
Newcastle upon Tyne
Tyne & Wear
NE4 7YL

EMMANUEL SCHOOLS FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The Academy Trust operates 6 schools across the North of England, with 5 academies and 1 city technology college. The Trust operates 4 secondary schools and 2 all-through schools with a combined pupil roll of 8,055 at October 2023.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The charitable company operates as Emmanuel Schools Foundation.

The trustees of Emmanuel Schools Foundation are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

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

The Trust has purchased insurance to protect Trustees and officers from negligent acts, errors or omissions occurring whilst on school business.

Method of recruitment and appointment or election of trustees

The power to appoint Trustees rests with the charitable company's members and the Secretary of State for Education. Trustees may serve for three years but are eligible for re-election at the meeting at which they retire. Subject to remaining eligible to be a particular type of trustee any trustee may be reappointed or re-elected for consecutive periods not exceeding 12 years in aggregate from the date of the original appointment but thereafter shall not be eligible for reappointment until one year after retirement unless there are exceptional circumstances.

Trustees may appoint Co-opted Trustees which means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. Members may appoint by ordinary resolution up to 11 Trustees. Trustees who are also employees must not exceed one third of the total number of Trustees. Parent trustees need not be appointed as the charitable company has local governing bodies at each school. The approach taken to recruit new Trustees is in accordance with constitutional documentation and the company's scheme of delegation.

Policies and procedures adopted for the induction and training of trustees

Training and induction is provided for all new Trustees and governors depending on their existing experience. All new Trustees and governors are given a tour of our schools and the chance to meet with staff and students. All Trustees and governors are provided with copies of any governing documents that are relevant to their role.

EMMANUEL SCHOOLS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Organisational structure

The Trustees are responsible for setting policy, adopting the strategic development plan and the annual budget, monitoring the Trust by the use of budgets and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments. The strategy of the Trust is executed and monitored by the Executive Team, consisting of the Chief Executive Officer and the Chief Operating Officer, supported by a School Improvement Lead and other senior officers as required by the CEO and COO. The operational leadership of the Trust is led by the Executive Team supported by the Trust Senior Leadership Team which includes the Director of Finance, the Director of Human Resources and other senior officers as required by the CEO and COO including Principals.

The senior management team of each school is delegated responsibility to manage their school with oversight from the Executive Team, ensuring policies agreed by the Trustees are followed correctly, and reporting back to the Board of Trustees. These groups are responsible for the authorisation of spending within agreed budget limits and for the appointment of staff. The Chief Executive Officer is the Accounting Officer for the Trust, though the Principal and senior management team of each school retain delegated authority to manage the operational activities of their school.

Arrangements for setting pay and remuneration of key management personnel

Trustees do not receive any remuneration in their roles, except for the Chief Executive Officer. The pay and remuneration of the Academy Trust's key management personnel, being members of the Trust Senior Leadership Team, is approved by the Board of Trustees' delegated Remuneration Committee following consultation in accordance with the Senior Pay Policy such as with the Finance Director, Director of HR and for Principals, the Chair of the relevant local governing body. This is following a review against performance, 360-degree feedback and relevant benchmarks such as market recruitment surveys and STPCD headteacher pay groups.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	7
Full-time equivalent employee number	6.60

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	6
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	3,784
Total pay bill	42,837,948
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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Engagement with employees

Employee consultation bodies across our schools, were established in 2019 and continue to embed. This remains our primary source of employee engagement and method of consultation in relation to local risk assessments, staff well-being and other matters of mutual concern. Over the past year we have been consulting with unions on voluntary recognition arrangements which we expect to conclude in the coming months.

EMMANUEL SCHOOLS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The Trust aims to comply with its obligations under the Equality Act 2010 and takes such factors into account. Thus, we do not have separate policies relating to protected characteristics in respect of recruitment or any other employment practice.

Where, under the Act, reasonable adjustments are required to be made for either prospective (in the case of recruitment) or existing employees the Trust accommodates such adjustments where we have constructive knowledge of the disability and of the adjustments required.

As a public sector organisation, appropriate steps have already been taken to ensure our premises are accessible e.g. lifts, ramps, automatic and wide doors; appropriate toilet facilities; braille signage etc. We listen to user feedback to ensure that we continue to meet the needs of the communities we serve.

Engagement with suppliers, customers and others in a business relationship with the academy trust

The Trust works closely with our suppliers, stakeholders and organisers of frameworks to ensure we foster the Trust's business relationships. This might include using relationships with local businesses to bring in knowledge and expertise into business studies lessons or careers support for example. Our relationships with local and regional businesses enable us to ensure we get good value for money on our trading relationships and understand changing, dynamic market conditions. This is reflected in dealings with suppliers such as catering firms, uniform suppliers, IT firms and stationery suppliers for example.

Our Commercial & Business Development Manager leads on developing these relationships which have led to a variety of improvements in service such as lower cost provision of new school and staff uniform via EAS Schoolwear; a new online second-hand uniform service and multi-million pound bids being submitted for new 3G pitches following the development of a strong relationship with the Football Foundation and multiple local sporting bodies. In addition, for example, Bede Academy is working very closely with the Port of Blyth, Energy Central and other local employers in Blyth to provide a high quality T Level provision. More work will take place over the course of the coming year to build on these and new commercial relationships.

Related parties and other connected charities and organisations

Emmanuel Schools Foundation is a Multi Academy Trust and is governed by its Members and Trustees, none of whom receive any remuneration for their positions, except for the Chief Executive Officer. Details of this and any expenses are detailed at note 10.

Emmanuel Schools Foundation is the sole shareholder of Emmanuel Academy Services Limited, who trade as EAS Schoolwear, which operate a not-for-profit uniform sales service across all of our schools during the year in order to provide our students with quality uniform at an affordable price. This was the first year that EAS Schoolwear provided uniform to Christ's College students and we are starting to roll this out to staff uniform provision.

Objectives and activities

Objects and aims

The objects of the Trust are summarised below:

- to advance for the public benefit education in the United Kingdom by promoting schools with a Christian ethos offering a broad curriculum;
- to promote, for the benefit of the inhabitants of the areas in which the academies are situated, the provision of facilities for recreation or other leisure time with the object of improving the condition of life of the said inhabitants.

EMMANUEL SCHOOLS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The main aims of the Trust are summarised below:

- to raise the standard of educational achievement and to maximise the progress of all students;
- to ensure student's personal growth and character development;
- to ensure that every child enjoys the same high quality of education in terms of resourcing, tuition and care;
- to be a catalyst for economic growth within the communities our schools serve by raising aspiration, challenging parochialism and providing enhanced qualifications;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce;
- to conduct our business in accordance with the highest standards of integrity, probity and openness.

Objectives, strategies and activities

The Trust's objectives, strategies and activities are set to reflect the educational aims and the ethos of the Trust. The key strategic objectives for the year included:

- Building the character development of our students through better understanding of our culture and ethos, and practising the virtues underpinning good character, as well as improving attendance and punctuality
- Improving academic performance through developing better middle leadership, curriculum development and stronger key stage transition
- Strengthening communities through building relationships with key stakeholders and other schools, and seeking to grow the Trust to extend spiritual, social, cultural and economic regeneration to further communities

In addition, there are additional objectives around further enhancing and improving our support functions, governance, staff development and financial performance. These strategic objectives have set out a series of measures and success criteria which will be presented to and reviewed by the Board of Trustees. More detailed school specific development plans, linked to the overall strategy, are monitored by local governing bodies.

Our objectives are focussed on maintaining and enhancing the academic success and reputation of our schools, promoting two-way community involvement, and encouraging students to support a wide range of charitable projects and character-building activities. To ensure that standards are continually raised both in the short term and long term, our schools operate a rigorous programme of monitoring and self-evaluation, are visited by inspectors, inter-foundation departmental observations, departmental audits, teaching mentors and undertake a comprehensive comparison of results from entry to assess student level of progress and added value.

In addition, during the year we have continued to focus attention on school improvement at the two schools that joined the Trust in 2019, Grace College and Christ's College, as well as Trinity Academy. At Grace College, we continued to support the school leadership, which is augmented with a Head of School supported by a Trust School Improvement Lead. All three schools were also supported by the Trust Director of Teaching and Learning and his team of subject specific leads during the year. Some of this has already brought an improvement at Christ's College which was awarded a Good rating by Ofsted in October 2023. At each of our schools we also continue to invest in improving the learning environment, buildings and IT infrastructure.

Public benefit

The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission and they are satisfied that the trust's public benefit is clearly demonstrated in the strategies and objectives set out above and the achievements summarised below.

EMMANUEL SCHOOLS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

Ofqual advise that the return to pre-pandemic grading means that national results were lower than last summer. It is therefore most meaningful to compare this year's results with 2019, the last year that summer exams were taken before the pandemic. As in any year, results for individual schools will vary. The approach to grading means that results for individual schools were always highly likely to be lower than last summer. Therefore, the performance analysis detailed below compares, in the main, results from 2023 against KPIs and educational performance from the 2019 exams.

Our schools continue to enjoy substantial popularity, particularly at Emmanuel College which continues to be one of the most successful state funded schools in the country and consistently recognised as one of the top performing state schools in the North East of England. In areas of exam success, achievement in creative subjects and sport, and for the personal character-development of the students, Emmanuel College has an outstanding reputation. In addition, the 2023 results for The King's Academy compared favourably with schools in its area.

The 2023 external examination results continued Emmanuel College's history of high attainment with 87% of students achieving grade 4 or higher in Maths and English (standard Basics) and 65% grade 5 or higher (strong Basics). Emmanuel College's progress 8 score in 2023 of +0.37 was the second highest in Gateshead. The average attainment score at 56.8 was also the second highest in Gateshead, and it had the highest average EBacc point score of 5.26. The A Level pass rate saw 64% of grades at B or better, and 32% at A or better. Many of our students have gone on to further education at the top universities in the country. The school increased its intake in 2019 to 240 in year 7 as it looks to bring a high standard of education to more students and this has continued since working the increase through the year groups and has also expanded its sixth form intake in 2023.

The King's Academy remains extremely popular and therefore increased its intake by 32 students a year to 240 a number of years ago. In addition, the local authority requested the school take on board further students with an intake of 270 in 2022/23 and 2023/24 to assist with a shortage of places in the area and the school has built an extension to accommodate this increase, funded by the local authority. It is also a specialist centre, within a mainstream school setting, in Teesside for students with visual, hearing and physical impairments, and learning difficulties. The Summer 2023 external examination results saw an Attainment 8 score of 45.3 which is the second highest in the borough, along with its performance 8 result, showing some strong achievements despite the higher than national average numbers of disadvantaged and SEN students. The standard basics measure rose from 52% in 2019 to 64.5% in 2023. A-level results continue to perform well with 81% achieving C grades or higher in 2022 and 47% achieving B or better. Kings was last inspected by Ofsted in March 2022 and again received a Good result.

2023's GCSE results for Bede Academy saw attainment 8 at 41.6, the standard Basics measure at 58% and strong basics of 40%. The A level pass rate achieving C grades or better was 62%. Key Stage 2 results were a good 79% reaching the expected standard in Reading, Writing, Teacher Assessment and Maths, with 22.5% achieving the higher standard. All attainment results were above national averages with the most significant being in maths and reading. Bede has also achieved a Safeguarding Gold Award from Anchored Schools in June 2022, a School of Character Kitemark Plus award in April 2022 and was rated Excellent in its section 48 inspection in January 2020.

The 2023 GCSE results at Trinity showed attainment 8 at 42.3. Also, the Basics 5+ score rose from 24% in 2019 to 30% in 2023. A Level results continued to be positive with 64% achieving a grade C or better. Further focus continues to be placed on improving outcomes this year on a trajectory to achieving an overall Good with Ofsted. The Ofsted visit in October 2021 showed that significant progress had been made with four out of five areas being classified as Good. In addition, the section 48 inspection in September 2022 gave the school an overall grade of Excellent. The school has increased their sixth form numbers in the last year with 120 students signing up for year 12 which is a considerable increase from the previous year of 79 students.

EMMANUEL SCHOOLS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2023's GCSE results for Grace College saw attainment 8 at 38.8 with progress 8 below average. The standard Basics measure was 50% and strong basics of 24% with the very high levels of deprivation of the students lagging behind national averages as we emerge from Covid-19 with over 40% of students in receipt of free school meals. The A level pass rate showed 66% achieving C grades or better. The Trust has continued its major school improvement plan to significantly improve outcomes at Grace with a plan to achieve a Good rating for the next Ofsted visit. At the first visit to the school by Ofsted in July 2023 since the Trust took over the school, it received an overall Requires Improvement rating with a Good for the sixth form and a recognition of the ambition and plans to improve the school. Grace also saw an increase in the year 7 intake to 240 which is seeing the school grow over a number of years and has seen significant investment by the Trust in the infrastructure of the building during each of the summers since 2019.

2023's GCSE results for Christ's College saw attainment 8 at 41.25, the standard Basics measure at 54% and strong basics of 34%. Key Stage 2 results saw 54% reaching the expected standard in Reading, Writing, Teacher Assessment and Maths, with 5% achieving the higher standard. Writing in particular remains well above national averages. The Trust continues to invest in the major school improvement plan for Christ's to significantly improve outcomes following the school joining our trust in 2019. Christ's College has also seen a significant investment in the infrastructure of the school in each of the years since 2019 by the Trust with the help, in first two years, of grant funding from the DFE. Christ's was visited by Ofsted in October 2023 and was upgraded to a Good rating overall reflecting the significant improvements at the school since it joined the Trust.

The Academy Trust promotes community involvement by making its facilities available to individuals, groups and businesses in the respective local area for sports and conferencing activities. A number of community groups use our facilities on a weekly basis while Emmanuel College enjoys an active partnership with Whickham Fellside Youth Football Club with whom outdoor sports facilities are shared. Whilst lettings were interrupted during coronavirus restrictions, we have since developed further partnerships in recent years that will enable community groups to thrive including a plan to improve our sporting facilities at Grace, Trinity and Bede for our students and community. Over this coming year, we will be working with local grassroots sporting groups, the Football Association and the Football Foundation on a bid to build a 3G pitch at Bede, with further bids to follow for Trinity and Grace over the next few years for school and community use.

The Academy Trust encourages students to be involved in activities in the community. Students visit primary schools and special schools in their local area; some work for charities and charity shops; others have given time to work in residential care homes and some act as reading mentors to younger students in their school. In addition, students are encouraged to gain an understanding of the world and take part in outdoor activities and educational trips. We also have a Combined Cadet Force centre at The King's Academy to offer additional opportunities to our students there and a Naval Section Cadet Force centre at Bede Academy.

EMMANUEL SCHOOLS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Key performance indicators

Selection of Key performance indicators from 2023:

	Emmanuel	The King's	Bede	Trinity	Grace	Christ's
Progress 8	+0.37	-0.29	-0.34	-0.35	-0.89	-0.57
Attainment 8	56.8	45.3	41.2	42.2	37.6	41.6
% Achieving basics	87.0	64.5	58.4	53.2	49.8	54.0

Selection of Key performance indicators from 2019:

	Emmanuel	The King's	Bede	Trinity	Grace	Christ's
Progress 8	+0.48	-0.06	-0.2	-0.38	-0.32	+0.58
Attainment 8	57.4	42.7	45.3	40.4	43.4	52.7
% Achieving basics	82	52	65	53	55	72

Current Ofsted ratings are: Emmanuel (Outstanding); Bede (Good); The King's (Good); Christ's College (Good); Grace College (Requires Improvement) and Trinity (Requires Improvement).

The unrestricted fund reserves are £1,348,099 (2022 £1,779,728)

The restricted general fund reserves are £271,897 (2022 £49,867) excluding pension reserve

Total free reserves are £1,619,996 (2022 £1,829,595)

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, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

EMMANUEL SCHOOLS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Promoting the success of the academy trust

The Trustees recognise that their role as directors of the company must promote the success of the company, and in doing so must act fairly and have regard to a range of consequences of their decisions on the Trust's long term viability. These include the interests of our pupils and our employees; business relationships with suppliers, customers and stakeholders; the community and the environment, and our reputation for high standards of business conduct. The Trustees take all their decisions in the best interests of the Trust and our many stakeholders in order that we maintain our good reputation and to further the needs of the communities in which we operate.

Our main focus is always on the needs of our pupils and we endeavour to develop our curriculum and school development plans in order to improve the quality of education for our students. This takes into account feedback from students in assisting us to develop our plans, as well as focussing on attendance and narrowing the gap for disadvantaged students. With regards to employees, we work with our employee consultation committees to increase the amount of feedback we receive, in addition to promoting greater continuous professional development such as with early career teacher plans. We have also refreshed our ethos and virtues as a platform to promoting greater wellbeing for our staff, such as through the use of our employee assistance programme.

In addition, we are working closely with other partners outside of school, including building our relationships with local authorities, which led to Middlesbrough MBC fully funding an extension at The King's to provide additional places for students in the area from 2022/23. We are also, for example building relationships with local sporting clubs in Gateshead, Blyth and Thorne and with the Football Foundation and Football Association as part of plans to develop partially funded 3G pitches we aim to build at Bede, Trinity and Grace. These are just recent examples of our continued promotion of links to the local communities that we operate in, as well as developing good working relationships with key suppliers, whilst ensuring we maintain assurances on their ethos and working practices.

Financial review

The Trust took on two new schools in 2019 and has continued to spend time and resources during this year embedding these into the Trust, implementing school improvement plans and investing in the infrastructure of the buildings and IT to create a better learning environment. In addition, there has been a significant impact on the Trust from inflationary factors, particularly on energy costs and higher than expected nationally agreed pay rises though we have received some additional funding to offset some of these. Therefore, we have undertaken savings exercises to mitigate the impacts of these increases.

Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The main funding for our academies is covered by a master-funding agreement whilst Emmanuel College is subject to a separate city technology college funding agreement. The grants received during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Expenditure for the year was mainly covered by grants from the ESFA, LEA and other income. The surplus for the period was £536,948.

At 31 August 2023 the net book value of tangible fixed assets was £89,352,655 and movements in tangible fixed assets are shown in Note 13 to the accounts. The assets are used exclusively for providing education and associated support services to the pupils of the Trust. The balance sheet restricted fixed asset fund is reduced by transfers of amounts equivalent to any depreciation charges over the expected useful life of the assets concerned to agree to the net book value.

The Trust held fund balances at 31 August 2023 of £92,117,428 comprising £90,330,832 in the restricted fixed asset fund, £438,497 in restricted income funds, including a pension reserve asset of £166,600, and £1,348,099 in unrestricted income funds.

Reserves policy

In order to alleviate the financial risks identified by our risk assessment and guarantee the continued activities of the Trust, the Board of Trustees have set a minimum reserve of 2.5% of GAG income as a base but have planned, as part of the three year business plan, to accumulate a reserve of at least 5% of GAG income by 2025. The financial risk to the Trust is balanced alongside the Trust's vision to maintain the highest levels of educational provision for its beneficiaries. The Board of Trustees will therefore set a maximum limit for its reserve funds of 12.5% of GAG income. This equates to one and a half months of the delegated funding from the ESFA.

EMMANUEL SCHOOLS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Reserves held in excess of the maximum limit will be reviewed by the Board of Trustees on a regular basis and an appropriate range of options will be considered based upon Trust priorities. These might include re-investing funds in capital projects or to generate extra income for the Trust's activities. The reserves policy is reviewed annually taking into account new risks that have emerged.

The current level of free reserves (total funds less the amount held in fixed asset restricted funds and excluding the pension reserve) is £1,619,996 which is within the boundaries of our stated policy.

Investment policy

The Trustees have the power to invest monies of the charitable company, not immediately required for the furtherance of its objects, in accordance with the Academy Trust Handbook. Any investments made will be in funds deemed by Trustees to be low risk such as bank deposit accounts. Investments must be made only in accordance with written procedures approved by the Board of Trustees. This should take account of the level of risk inherent in the investment and any social or ethical considerations.

All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and a description of the investment. Additional procedures will ensure any income receivable from the investment is received and monitored. Currently the only investments made are circa £2m held in a deposit account with Lloyds and up to £350,000 to the Trust's trading subsidiary Emmanuel Academy Services.

Principal risks and uncertainties

The Trustees have ensured that the major risks to which the Trust is exposed have been identified and that risk management strategies have been implemented.

The Trustees have developed systems to respond quickly to evolving risks arising from factors within the Trust and to changes in the external environment including procedures for reporting failings immediately to appropriate levels of management and the Trustees, together with details of corrective action being undertaken. They have embedded the control system in the Trust's operations so that it becomes part of the culture of the Trust and communicated that employees have responsibility for internal control as part of their accountability for achieving objectives.

Current risks include further inflationary pressures such as on salaries, levels of future funding and pension contributions on the financial performance of the Trust. Our schools were all subject to detailed risk assessments to remain open where possible during periods of Covid restrictions and we have put in place detailed plans for remote learning including providing access to a wide variety of devices and learning platforms. We are continuing to work with an integrated curriculum and financial plan model to improve financial performance to mitigate future financial risks, and to build a succession plan for leaders. In addition, a visit from a DFE School Resource Management Advisor has provided greater information with which to target savings and improvements in financial performance over the coming years.

Trustees take seriously their responsibilities to ensure the Trust's estate is safe, well maintained and complies with relevant regulations. We have an experienced Trust-wide Estates team who are managing compliance with regulations and who work with other senior leaders to develop medium and long term plans for maintenance, and development plans including how we prioritise and spend the Trust's School Condition Allocation funding. This is in-line with the Trust's Estate Strategy. This has seen significant investment in two schools in recent years – Grace College and Christ's College – which face the most significant challenges about the age of their buildings. This has seen investment in new roofs and modular classrooms, and will see the Christ's kitchen and dining area improved in the coming year. We are working closely with the DFE, Environment Agency, Northumbrian Water and the local authority to address concerns about flood risks at Grace College following a flood there in September 2023 as well as other issues with the age of some of the buildings at the school.

EMMANUEL SCHOOLS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Fundraising

The Trust undertakes an element of charitable fundraising largely for other local and international charities. The Trust is committed to encouraging students to promote charitable activities in their involvement in the community and awareness of those less fortunate in the world, which has led to a number of fundraising events being held over recent years which raise money for charities including the Love Trust which aims to improve education in South Africa at the Nokuphila School; Health and Hope to improve education and health in Myanmar; St Oswald's Hospice and Cancer Research.

Our schools do not work with any commercial participators / professional fundraisers, nor do we employ dedicated fundraising staff. The Trust is mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The Trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. Complaints are handled and monitored through the Trust's complaints procedure.

Streamlined energy and carbon reporting

Greenhouse Gas (GHG) Emissions

In line with the Greenhouse Gas Protocol (GHG) Corporate Accounting and Reporting Standard, the Emmanuel Schools Foundation continues to be engaged in a process aimed at reducing energy and greenhouse gas emissions.

The Foundation maintains scopes one (1), two (2) and three (3) emissions, which includes electricity and natural gas. The Foundation also maintains transport emissions inclusive of school-owned and operated vehicles, and employee-owned vehicles whereby mileage is claimed against the schools.

The Foundation previously devised a strategy to reduce our overall carbon footprint significantly by:

- Encouraging employees to purchase renewable technology cars i.e., hybrid vehicles,
- Purchasing energy efficient equipment where appropriate,
- Replacing HVAC systems with energy-efficient equipment where possible,
- Adopting behavioural change measures where possible.

Emmanuel Schools Foundation have a longstanding commitment to tackling climate change. Our calculated carbon footprint for the current financial year is 1,774.08 tCO₂e, whilst energy consumption was 8,874,720.05 kWh (8,874.72 MWh).

Methodology

Emmanuel Schools Foundation has reported all emission sources under the Companies Act 2006 (Strategic Report and Director's Reports) Regulations 2013 as required. Reporting of calculated emissions is in line with the GHG Protocol Corporate Accounting and Reporting Standard and emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2023.

The reporting period is the financial year 2022 / 2023, the same as that covered by the Annual Report and Financial Statements. The boundaries of the GHG inventory are defined using the operational control approach. In general, the emissions reported are the same as those which would be reported based on a financial control boundary.

EMMANUEL SCHOOLS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

	2023	2022
	metric tonnes	metric tonnes
<i>Emissions of CO2 equivalent</i>		
Scope 1 - direct emissions		
- Gas combustion	948.37	1,046.00
- Fuel consumed for owned transport	81.23	90.51
	<hr/>	<hr/>
	1,029.60	1,136.51
Scope 2 - indirect emissions		
- Electricity purchased	744.48	768.96
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust	-	-
	<hr/>	<hr/>
Total gross emissions	1,774.08	1,905.47
	<hr/>	<hr/>
<i>Intensity ratio</i>		
Tonnes CO2e per pupil	0.22	0.24
	<hr/>	<hr/>

Quantification and reporting methodology

The intensity metric is based on a total pupil number of 7,947. Emissions have decreased by 6.90% since our previous reporting period.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

Efficiency Measures Taken

1. Activity managing heating systems through school building management systems (BMS).
2. Actively applying behavioural changes through speaking with schools to be aware of their energy.
3. Working through a programme to install LED lighting and Solar PV at all sites.
4. Replaced dated equipment with energy efficient substitutes.

Objectives for 2023 / 2024

1. Lighting: Continue to evolve and install low energy lighting across the portfolio.
2. Continual review of existing equipment and company policies.
3. Reviewing supply contracts to determine feasibility of renewable energy.

Emmanuel Schools Foundation will report on progress within the next set of financial accounts.

EMMANUEL SCHOOLS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods

Our schools aim to maintain and improve upon the high level of academic achievement already evident, as well as seeking to improve consistency, communication and collaboration within and across the schools. In addition, we will continue to follow our five-year strategic development plan focussing on our three main goals supported by three key enablers:

- **Character Development:** We are working towards a first-principles approach to character development that will command national respect and generate international interest
- **Academic Excellence:** We are working to set all ESF schools on trajectory of Ofsted outstanding
- **Community Transformation:** We aspire to educate as many as possible of our students from early childhood so that the impact on our schools' communities can be strengthened and to expand into new communities
- **Investment in Staff:** We are working to make ESF the employer of choice amongst Multi-Academy Trusts
- **Support and Challenge:** We are committed to building a support team whose support and strategic guidance is recognised by the schools as invaluable
- **Wise Spending:** We are committed to ensuring that all of our activities are financially sustainable and offer excellent value for money.


The next academic year will see continued focus on improving academic outcomes at Trinity Academy and Grace College; greater collaboration between our schools on curriculum and further implementation of both our refreshed ethos and virtues, and our updated IT strategy. We expect financial pressures and inflation to continue to provide significant challenge during the year and expect this to occupy management time in ensuring that we can continue to provide a quality education to our students despite financial challenges. In addition, we will continue to investigate options to expand our educational provision to a wider student body through expansion of the Multi-Academy Trust.

Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 14 December 2023 and signed on its behalf by:


Stewart McKinlay 14 Dec 2023 13:17:24 GMT (UTC +0)

S McKinlay
Chairman

EMMANUEL SCHOOLS FOUNDATION

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Emmanuel Schools Foundation 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 Chief Executive Officer, 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 Academy and the Secretary of State for Education. He is 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 Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
S J P Goon	6	7
H McEvoy	6	7
S McKinlay (Chairman)	7	7
M Oldknow	6	7
P J Pickthall	7	7
Prof. M Pike (Accounting officer)	7	7
Dame M D Regan (Resigned 27 April 2023)	2	5

Two Trustees are responsible for health and safety across the Academy Trust, one Trustee is the safeguarding lead and one Trustee is the CEO. Five committees have been formed namely a Finance and Resources Committee, an Audit and Risk Committee, an Education, Standards and Performance Committee, a Remuneration Committee and an Investment Panel. All have terms of reference.

In 2022-23 the Board of Trustees and its committees discussed and dealt with a variety of issues covering, for example:-

- Strategic Development
- Student outcomes, progress and performance targets
- Plans for teaching, learning and curriculum
- Character development and ethos
- Staff well-being and training
- Improvement plans for the 2 schools who joined the Trust in 2019
- Action plans for Trinity Academy, Grace College, Christ's College and school leadership
- Self-evaluations and school improvement plan top level priorities
- Policy updates
- Updates to the Scheme of Delegation
- Updates to the Trustee Development Plan
- Review of finances across the Trust and approval of budgets and forecasts
- Review of human resources, governance and premises management
- Leadership structure and succession planning
- IT and premises infrastructure and investment
- Safeguarding, and health and safety
- Audit and risk, and Trust KPIs
- Augmented capacity across the local governance layers by appointing new governors

EMMANUEL SCHOOLS FOUNDATION

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Governance reviews

A review of Board and committee effectiveness took place during 2023-24 which informs the Trustees' Development Plan. The Board continues to consider the skills matrix with a view to bringing in additional trustees. An additional Trust member has been appointed in 2023. Local governing bodies continue to review their effectiveness bi-annually with the last review having taken place in autumn 2023, the results of which are incorporated into governor/ Academy development plans.

A termly health and safety forum constituted of H&S leaders across the Trust and two Trustees continues to meet termly as we develop our practices in health and safety. A similar approach has taken place with safeguarding leads.

The Finance and Resources committee is a sub-committee of the main board of trustees. It met 4 times during the year.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
S J P Goon	4	4
S McKinlay (Chairman)	4	4
M Oldknow	4	4
P J Pickthall	4	4

The Audit and Risk committee is a sub-committee of the main board of trustees. It met 3 times during the year.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
S J P Goon	3	3
M Oldknow	2	3
P J Pickthall	2	3

EMMANUEL SCHOOLS FOUNDATION

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Review of value for money

As accounting officer, the principal 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, as well as estates safety and management, achieved in return for the taxpayer resources received.

The accounting officer, working with the Finance Director, 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 Trust has delivered improved value for money during the year by:

The raising of academic attainment

The Trust has invested heavily in improving standards and ensuring the learning environment, IT resources and quality teaching are in place to enable effective learning both in school and via remote learning. This has involved significant investment in IT resources, in particular over the last three financial years, due to Covid-19 issues but this will benefit our students in the long term as well. As stated above, the performance indicators for this year should not be used as direct comparisons with other schools or recent years.

In 2023, 87% of Emmanuel College students achieved grade 4 or higher in maths and English (standard Basics) and 65% grade 5 or higher (strong Basics). The Progress 8 figure of +0.37 indicated that Emmanuel College had maintained the strong performances of previous years. At A Level, 64% of A Level grades were at grade B or higher, with 32% of all grades being A*-A in 2023.

When last inspected Emmanuel was graded 'Outstanding' in every category. Key findings included the following statements: Regardless of their starting points, all students make exceptional progress to exceed significantly the national average by the end of Year 11 and in the sixth form; behaviour is outstanding and provision in the sixth form is excellent.

The King's Academy continues to provide a very good quality education to the students of south Middlesbrough. In its most recent inspection (March 2022), Ofsted graded the Academy as 'Good'. This is the fifth such grading of "Good" in succession, demonstrating a high degree of consistency in the standard of high-quality education they provide. Behaviour has improved significantly and the Academy's focus on teaching quality has led to further improvements in students' learning. GCSE results in 2023 showed a Progress 8 score of -0.29 which was the second highest in Middlesbrough despite high levels of deprivation and SEN. In addition, the school had an attainment 8 of 45.3. At A Level, 81% of all grades were grade C or higher, with 47% of all grades being A*-B in 2023. The King's Academy remains extremely popular, hence the expansion of the school in 2022 and 2023 with bulge years, and is also a specialist centre in Teesside for students with visual, hearing and physical impairments, and learning difficulties.

Bede Academy continues to ensure that the highest support is in place to ensure an outstanding and transformational education from ages 3-19. GCSE results in 2023 showed a Progress 8 score of -0.34, a standard Basics measure of 58% and strong basics of 40%. At A Level, 62% of all grades were grade C or higher with 27% at grades A*-B. In particular, improvements were made at Key Stage 2 with 79% achieving the expected standard in reading, writing teacher assessment and maths, and 23% achieving the higher standard. At its most recent Ofsted inspection in June 2017, the Academy was again rated as 'Good' in every category. A section 8 inspection in June 2023 did not change this rating.

A new Principal was appointed in September 2022 to lead Trinity Academy with significant support from the Trust. GCSE results in 2023 saw the Progress 8 score improve to -0.35. The standard Basics measure was 53% and strong Basics 30%. At A Level, 64% of all grades were grade C or higher, with 36% of all grades being A*-B.

EMMANUEL SCHOOLS FOUNDATION

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Since Grace College joined ESF in April 2019 it has seen significant investment in leadership, staff and infrastructure with a Head of School being supporting by the Trust School Improvement Lead to ensure the school has the capacity to implement plans for improvements with significant support from Emmanuel College and the Trust school improvement team. The exam results for 2023 saw a Progress 8 of -0.89 as the high levels of deprivation in the community have seen some students struggle to be re-integrated back into school after the pandemic. Standard Basics was 50% and strong basics was 24%. Also, in 2023 students getting A*-C grades in their A Levels was 66%. The school leadership has a robust action plan to deliver improvements in future years. An Ofsted visit in July 2023 rated the school as overall Requires Improvement but with a Good rating for the sixth form and a recognition of the ambitious plans and improvements made to date.

Christ's College also joined ESF in May 2019 and the Principal has been supported by a Trust school improvement lead during the year. With a new refreshed leadership team and further investment in staff and infrastructure the school has also seen some strong improvements. GCSE results in 2023 saw Progress 8 at -0.57 but this is skewed by a small cohort. Standard Basics was 54% and strong Basics was 34%. At Key Stage 2, 54% achieved the expected standard in reading, writing teacher assessment and maths, and 5% achieved the higher standard. An action plan is in place to deliver a further improvements. The school remains very popular and has seen pupil numbers increase from 532 in 2019 to 736 in 2023. Ofsted visited in October 2023 and upgraded the school to a rating of Good which evidences the hard work of the team in turning around the school since it joined the Trust.

Our schools continue to enjoy substantial popularity, particularly at Emmanuel College which continues to be one of the most successful state funded schools in the country and is consistently recognised as one of the top performing state schools in the North East of England. In areas of exam success, achievement in creative subjects and sport, and for the personal character-development of the students Emmanuel College has an outstanding reputation. In addition, the results for The King's Academy rates highly compared to other schools in its local authority.

The Trust has used capital funding from the ESFA, as well as setting aside significant funds from operating revenue, in order to ensure the Trust estate is safe, well-maintained, and complies with regulations. Capital spend is prioritised according to need across the Estate in accordance with the Trust Estate Strategy and is reviewed by the Investment Panel. This year significant projects have included the completion of the Kings extension to accommodate the expansion of student numbers as well as planning to update kitchen and dining facilities at Christs. In September 2023 Grace College suffered a flood in heavy rains and the Trust is working with the DFE to ensure the school is more resilient to flooding in future. The Trust has appointed a Compliance Manager to monitor compliance with Estates regulations.

Robust governance and oversight of the trust's finances

Monitoring of the trust's internal controls was carried out during the year by our external auditors Azets Audit Services (who acquired the trade of our former auditor Tait Walker LLP earlier in the year) and our internal auditors Clive Owen LLP, and this gives assurance that controls are in place and carried out in accordance to set policies and procedures.

Financial control is managed by a central resource and comprehensive budgeting and monitoring, together with the production of timely management accounts which are produced by the Finance Director and reviewed by the Accounting Officer, Trustees and, for school specific accounts, by Principals and members of the local governing boards. Joint tendering exercises are frequently carried out between the Emmanuel Schools Foundation schools to achieve economies of scale.

All major capital projects and financial costs associated with the Trust's estate development plan, school condition allocation and school development plans are approved by the Trustees and are monitored by the Finance Director and Investment Panel. Such plans are prioritised in line with good estate management.

EMMANUEL SCHOOLS FOUNDATION

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

As a result of financial pressures in the education sector, the staffing structure and curriculum is regularly reviewed across our schools, using integrated curriculum led financial planning, with staff being deployed efficiently whilst ensuring that our students' education is not compromised.

Shared services and systems are used across the Foundation schools to ensure value for money is being achieved. A project is underway in the coming year to ensure fit for purpose and efficient support services are in place for the future moving some systems to enable greater automation and transparency of data.

Targets are set to measure financial and other performances and are reviewed by the Accounting Officer, Trustees and governors.

Clearly defined purchasing guidelines have been put in place with delegated lines of authority and segregation of duties.

Risks have been identified and managed and are updated on a regular basis.

Contracts are reviewed to ensure we receive value for money whilst ensuring quality and effectiveness. Procurement of IT and premises costs are managed centrally to ensure the Trust benefits from bulk purchasing of capital items and software supplies.

The Trustees, governors and senior staff apply the principles of best value when making decisions about the allocation of resources to best promote the aims and values of the Trust, targeting resources to best improve standards and the quality of the provision and the use of resources to best support the various educational needs of all pupils.

Ensuring the Trust demonstrates good value from money and effective use of resources

The trust benchmarks financial performance against other schools and Multi-Academy Trusts to demonstrate value for money and to learn where savings can be made.

Tender exercises are carried out regularly to ensure that high value purchases are competitive in the market place. All tenders are carried out in accordance with set policies and procedures.

Maximising income generation

Emmanuel Schools Foundation centrally employs a Business Development Manager who actively seeks to maximise income through the hire of the Trust's facilities across its schools, and to identify new sources of funding.

Reviewing controls and managing risks

Monthly Trust management accounts are produced and reviewed by the Finance Director and the Chief Executive, and any significant variances that may have an impact on budgets are addressed and rectified.

Similarly, each school has monthly management accounts produced and reviewed by the Finance Director and the relevant Principal.

Insurance levels are reviewed annually and used cost-effectively to manage risks.

The Trustees review the reserve levels of the Trust regularly. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Trustees have determined that an appropriate level of free reserves should be maintained. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance and to plan for future capital projects.

The Trust ensures that all surplus cash balances are invested in an interest bearing account to maximise interest earning potential.

Reviewing budget holders accounts

Budget holders receive monthly budget reports which are scrutinised to ensure the most effective use of resources to meet the objectives of the Foundation. These reports are reviewed on a monthly basis, and all transactions and up to date balances are available on the web portal to be viewed and monitored by budget holders, Principals and finance staff. Curriculum changes and any new strategies are identified in the Trust strategic development plan and individual school development plans.

EMMANUEL SCHOOLS FOUNDATION

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 academy trust 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 Emmanuel Schools Foundation for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust 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 ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The risk and control framework

The academy trust'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 with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and Resources 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;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and appointed Clive Owen LLP to perform this function during 2022/23.

Clive Owen LLP, our internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems.

On a termly basis the internal auditor reports to the Audit Committee on the operation of the systems of control and on the discharge of the board's financial responsibilities and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Trustees confirm that the external and internal auditors have delivered their schedules of work as planned. The work performed revealed no material control weaknesses.

Review of effectiveness

As accounting officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external and internal auditors;
- the financial management and governance self-assessment process;
- the external review by the DFE's School Resource Management Adviser;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

EMMANUEL SCHOOLS FOUNDATION

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023


The accounting officer has been advised of the implications of the result of their review of the system of internal control and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 14 December 2023 and signed on its behalf by:



Stewart McKinlay 14 Dec 2023 13:17:24 GMT (UTC +0)

S McKinlay
Chairman



Mark Pike 14 Dec 2023 13:14:25 GMT (UTC +0)

Prof. M Pike
Accounting officer

EMMANUEL SCHOOLS FOUNDATION

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2023

As accounting officer of Emmanuel Schools Foundation, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

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 ESFA.



Mark Pike 14 Dec 2023 13:14:25 GMT (UTC +0)

Prof. M Pike
Accounting Officer

14 December 2023
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EMMANUEL SCHOOLS FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees (who are also the directors of Emmanuel Schools Foundation for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 enable them to ensure that the accounts 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 that grants received from ESFA/DfE have been applied for the purposes intended.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 14 December 2023 and signed on its behalf by:



Stewart McKinlay 14 Dec 2023 13:17:24 GMT (UTC +0)

S McKinlay
Chairman

EMMANUEL SCHOOLS FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMMANUEL SCHOOLS FOUNDATION

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the accounts of Emmanuel Schools Foundation for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 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 Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw your attention to the key judgements made in relation to the accounting treatment and assumptions regarding the Local Government Pension Scheme ('LGPS'). The key judgements are disclosed in note 2 and the pension note includes the relevant pension scheme disclosures. It should be noted that for sector-wide comparability users of these financial statements should take into consideration differing sector judgements relating to asset ceiling calculations, where appropriate. Our Auditor's Report is unmodified in this respect.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EMMANUEL SCHOOLS FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMMANUEL SCHOOLS FOUNDATION (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

We have nothing to report in respect of the following matters in relation to which 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 accounts 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- enquiries of management about any actual or potential litigation and claims;
- enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- reading correspondence with regulators including the OFSTED; and
- reviewing minutes of those charged with governance;
- reviewing internal assurance reports; and
- reviewing financial statement disclosures and testing support documentation.

We identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); and compliance with the Charities Act 2011 and UK Companies Act.

EMMANUEL SCHOOLS FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMMANUEL SCHOOLS FOUNDATION (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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 auditor's 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.

Azets Audit Services

Brian Laidlaw 14 Dec 2023 15:31:09 GMT (UTC +0)

**Brian Laidlaw BA CA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services**

14 December 2023
.....

**Chartered Accountants
Statutory Auditor**

**Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS**

EMMANUEL SCHOOLS FOUNDATION

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EMMANUEL SCHOOLS FOUNDATION AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 30 June 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Emmanuel Schools Foundation during the period 1 September 2022 to 31 August 2023 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 Emmanuel Schools Foundation and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Emmanuel Schools Foundation and ESFA 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 Emmanuel Schools Foundation and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Emmanuel Schools Foundation's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Emmanuel Schools Foundation's funding agreement with the Secretary of State for Education dated 17 February 2017 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. 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 academy trust's income and expenditure.

EMMANUEL SCHOOLS FOUNDATION

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EMMANUEL SCHOOLS FOUNDATION AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The work undertaken to draw to our conclusion includes:

- Review of Governing Body and committee minutes;
- Review of available internal assurance reports;
- Completion of self assessment questionnaire by the Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Governors and Accounting Officer setting out responsibilities;
- Obtained a formal letter of representation detailing the responsibilities of Governors;
- Review of payroll, purchases and expense claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review of cash payments for unusual transactions;
- Review of purchasing card transactions;
- Review of register of interests;
- Review of related party transactions;
- Review of borrowing arrangements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review of gifts and hospitality on a sample basis to ensure in line with policy; and
- Consideration of governance issues.

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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Azets Audit Services

Brian Laidlaw 14 Dec 2023 15:31:09 GMT (UTC +0)

Reporting Accountant
Azets Audit Services

Dated: 14 December 2023

EMMANUEL SCHOOLS FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and capital grants	3	6,750	-	3,015,600	3,022,350	3,267,284
Charitable activities:						
- Funding for educational operations	4	313,777	53,689,116	-	54,002,893	49,557,548
- Teaching school		-	-	-	-	126,523
Other trading activities	5	1,532,430	-	-	1,532,430	1,625,133
Investments	6	19,659	-	-	19,659	1,530
Total		1,872,616	53,689,116	3,015,600	58,577,332	54,578,018
Expenditure on:						
Charitable activities:						
- Educational operations	9	2,304,245	54,064,915	3,493,824	59,862,984	57,415,945
Total	8	2,304,245	54,064,915	3,493,824	59,862,984	57,415,945
Net expenditure		(431,629)	(375,799)	(478,224)	(1,285,652)	(2,837,927)
Transfers between funds	19	-	(132,171)	132,171	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	21	-	1,822,600	-	1,822,600	20,735,000
Net movement in funds		(431,629)	1,314,630	(346,053)	536,948	17,897,073
Reconciliation of funds						
Total funds brought forward		1,779,728	(876,133)	90,676,885	91,580,480	73,683,407
Total funds carried forward		1,348,099	438,497	90,330,832	92,117,428	91,580,480

EMMANUEL SCHOOLS FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2022		funds	General	Fixed asset	2022
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	29,951	-	3,237,333	3,267,284
Charitable activities:					
- Funding for educational operations	4	14,859	49,542,689	-	49,557,548
- Teaching school		126,523	-	-	126,523
Other trading activities	5	1,625,133	-	-	1,625,133
Investments	6	1,530	-	-	1,530
Total		1,797,996	49,542,689	3,237,333	54,578,018
Expenditure on:					
Charitable activities:					
- Educational operations	9	1,762,268	52,330,739	3,322,938	57,415,945
Total	8	1,762,268	52,330,739	3,322,938	57,415,945
Net income/(expenditure)		35,728	(2,788,050)	(85,605)	(2,837,927)
Transfers between funds	19	(778,000)	(98,000)	876,000	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	21	-	20,735,000	-	20,735,000
Net movement in funds		(742,272)	17,848,950	790,395	17,897,073
Reconciliation of funds					
Total funds brought forward		2,522,000	(18,725,083)	89,886,490	73,683,407
Total funds carried forward		1,779,728	(876,133)	90,676,885	91,580,480

EMMANUEL SCHOOLS FOUNDATION

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13	89,352,655		90,294,762	
Current assets					
Debtors	15	2,265,818		3,378,399	
Cash at bank and in hand		4,604,141		4,330,901	
		6,869,959		7,709,300	
Current liabilities					
Creditors: amounts falling due within one year	16	(4,193,951)		(5,367,856)	
Net current assets		2,676,008		2,341,444	
Total assets less current liabilities		92,028,663		92,636,206	
Creditors: amounts falling due after more than one year	17	(77,835)		(129,726)	
Net assets excluding pension asset/(liability)		91,950,828		92,506,480	
Defined benefit pension scheme asset/(liability)	21	166,600		(926,000)	
Total net assets		92,117,428		91,580,480	
Funds of the academy trust:					
Restricted funds	19				
- Fixed asset funds		90,330,832		90,676,885	
- Restricted income funds		271,897		49,867	
- Pension reserve		166,600		(926,000)	
Total restricted funds		90,769,329		89,800,752	
Unrestricted income funds	19	1,348,099		1,779,728	
Total funds		92,117,428		91,580,480	

The accounts on pages 29 to 56 were approved by the trustees and authorised for issue on 14 December 2023 and are signed on their behalf by:

S. McKinlay

Stewart McKinlay 14 Dec 2023 13:17:24 GMT (UTC +0)

S McKinlay
Chairman

Company registration number 04464331 (England and Wales)

EMMANUEL SCHOOLS FOUNDATION**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 AUGUST 2023**

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	22	(159,229)		166,956	
Cash flows from investing activities					
Dividends, interest and rents from investments		19,659		1,530	
Capital grants from DfE Group		2,020,316		1,492,748	
Other capital grants		995,284		1,494,216	
Purchase of tangible fixed assets		(2,551,718)		(4,245,521)	
Net cash provided by/(used in) investing activities		483,541		(1,257,027)	
Cash flows from financing activities					
Repayment of other loan		(51,072)		(819)	
Net cash used in financing activities		(51,072)		(819)	
Net Increase/(decrease) in cash and cash equivalents in the reporting period		273,240		(1,090,890)	
Cash and cash equivalents at beginning of the year		4,330,901		5,421,791	
Cash and cash equivalents at end of the year		4,604,141		4,330,901	

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling which is the functional currency of the entity.

The academy trust has taken advantage of the exemption from preparing consolidated financial statements contained in Section 402 of the Companies Act 2006 on the basis that the results of its subsidiary undertaking are not material to the results of the group.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

Grants are included in the statement of financial activities on a receivable basis. The balance 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 meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 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. Where there are specific conditions attached to the funding that require the continued use of the asset, 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 the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life, as follows:

Long leasehold land and buildings	over 50 years and building components over 10-15 years
Assets under construction	not depreciated until in use
Computer equipment	over 5 years
Furniture and equipment	over 5 years
Motor vehicles	over 5 years

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 asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

1.6 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.7 Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.8 Leased assets

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

1.9 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.10 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.

1.11 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust 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 based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust 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 credit 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 net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.12 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education Skills and Funding Agency and the Department for Education Group.

1.13 Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 27.

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The UK corporate bond yields at 31 August 2023 are at their highest levels for many years resulting in higher accounting discount rates at the year end. This places a significantly lower value on the pension obligations compared to last year and will be one of the main reasons a net asset has been reported. We have ensured that our assumptions are appropriate for the academy trust and the valuation has been based on the following estimates:

- There is a minimum funding requirement in relation to LGPS
- There is the ability to recover a surplus through the ability to reduce future contributions (not refund)
- In calculating the surplus, the present value of current and past service costs is offset against the future contributions over the future period
- The present values in the above calculations are calculated using an annuity representing participation into perpetuity.

There is no known intention to exit the LGPS and therefore the economic benefit of a refund would be highly unlikely and on that basis recognition of an asset is considered inappropriate. We have however considered the economic benefit available to the Academy trust as a future contribution reduction and whether it is appropriate to recognise the net asset in full. Under FRS 102, a net asset restriction may apply as the prevailing view is that a minimum funding requirement for future service exists in the LGPS. We requested our actuaries consider the impact of the minimum funding requirement on the asset ceiling and as a result we have restricted the asset based upon an asset restriction calculation. We consider this to be appropriate and a more accurate reflection of the pension positions as at the 31 August 2023.

Critical areas of judgement

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Assessing indicator of impairment

In assessing whether there have been any indicators of impairment of assets the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairment identified during the current financial year.

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donated fixed assets	-	-	-	250,369
Capital grants	-	3,015,600	3,015,600	2,986,964
Other donations	6,750	-	6,750	29,951
	<u>6,750</u>	<u>3,015,600</u>	<u>3,022,350</u>	<u>3,267,284</u>

4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Educational operations				
DfE/ESFA grants				
General annual grant (GAG)	-	45,803,424	45,803,424	43,363,024
Other DfE/ESFA grants:				
- UIFSM	-	125,483	125,483	112,229
- Pupil premium	-	2,396,111	2,396,111	2,215,644
- PE and Sports grant	-	40,110	40,110	39,950
- Others	-	2,765,119	2,765,119	1,362,003
	<u>-</u>	<u>51,130,247</u>	<u>51,130,247</u>	<u>47,092,850</u>
Other government grants				
Local authority grants	-	1,595,868	1,595,868	1,521,398
	<u>-</u>	<u>1,595,868</u>	<u>1,595,868</u>	<u>1,521,398</u>
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	622,499	622,499	378,913
	<u>-</u>	<u>622,499</u>	<u>622,499</u>	<u>378,913</u>
Other incoming resources	<u>313,777</u>	<u>340,502</u>	<u>654,279</u>	<u>564,387</u>
Total funding for educational operations	<u>313,777</u>	<u>53,689,116</u>	<u>54,002,893</u>	<u>49,557,548</u>
Teaching school income	<u>-</u>	<u>-</u>	<u>-</u>	<u>126,523</u>
Total funding	<u>313,777</u>	<u>53,689,116</u>	<u>54,002,893</u>	<u>49,684,071</u>

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Hire of facilities	126,922	-	126,922	98,782
Catering income	1,393,647	-	1,393,647	1,401,606
Other income	11,861	-	11,861	124,745
	<u>1,532,430</u>	<u>-</u>	<u>1,532,430</u>	<u>1,625,133</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	<u>19,659</u>	<u>-</u>	<u>19,659</u>	<u>1,530</u>

7 Central services

The academy trust has provided the following central services to its academies during the year:

- educational support services and school improvement;
- financial services;
- human resources, payroll, legal and governance services;
- IT services; and
- estates and project management and business management.

The academy trust charges for these services on the following basis:

- at a percentage of General Annual Grant Income for schools that were part of the Trust for the whole year.

The amounts charged during the year were as follows:

	2023 £	2022 £
Bede Academy	668,045	418,174
Emmanuel College	583,982	379,044
Trinity Academy	534,319	332,820
The King's Academy	580,523	369,357
Grace College	556,178	336,900
Christ's College	218,657	124,770
	<u>3,141,704</u>	<u>1,961,065</u>

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

8 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2023 £	Total 2022 £
Academy's educational operations					
- Direct costs	38,590,463	3,493,824	3,508,330	45,592,617	42,286,214
- Allocated support costs	7,638,503	3,585,048	3,046,816	14,270,367	15,129,731
	<u>46,228,966</u>	<u>7,078,872</u>	<u>6,555,146</u>	<u>59,862,984</u>	<u>57,415,945</u>

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Fees payable to auditor for:		
- Audit	19,750	9,625
- Other services	2,200	1,873
Depreciation of tangible fixed assets	3,493,824	3,322,938
Net interest on defined benefit pension liability	20,000	319,000
	<u></u>	<u></u>

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Direct costs				
Educational operations	197,290	45,395,327	45,592,617	42,286,214
Support costs				
Educational operations	2,106,955	12,163,412	14,270,367	15,129,731
	<u>2,304,245</u>	<u>57,558,739</u>	<u>59,862,984</u>	<u>57,415,945</u>

	2023 £	2022 £
Analysis of support costs		
Support staff costs	7,638,543	8,864,743
Technology costs	709,363	618,257
Premises costs	3,585,048	3,366,795
Legal costs	216,613	250,141
Other support costs	2,046,550	1,981,977
Governance costs	74,250	47,818
	<u>14,270,367</u>	<u>15,129,731</u>

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

10 Staff

Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	33,732,529	30,893,716
Social security costs	3,392,142	3,149,352
Pension costs	7,885,030	9,210,683
Staff costs - employees	45,009,701	43,253,751
Agency staff costs	1,183,019	1,041,791
Staff restructuring costs	36,246	84,772
	46,228,966	44,380,314
Staff development and other staff costs	173,043	525,035
Total staff expenditure	46,402,009	44,905,349

Staff restructuring costs comprise:

Redundancy payments	36,246	84,772
---------------------	--------	--------

Severance payments

The academy trust paid 3 non contractual settlement payments in the year, disclosed in the following bands:

£0 - £25,000	2
£25,001 - £50,000	1

Staff numbers

The average number of persons employed by the academy trust during the year was as follows:

	2023 Number	2022 Number
Teachers	564	553
Administration and support	562	560
Management	2	4
	1,128	1,117

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

10 Staff

(Continued)

Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs and employer national insurance contributions) exceeded £60,000 was:

	2023 Number	2022 Number
£60,001 - £70,000	29	30
£70,001 - £80,000	10	8
£80,001 - £90,000	2	4
£90,001 - £100,000	5	2
£100,001 - £110,000	-	3
£110,001 - £120,000	1	2
£120,001 - £130,000	1	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £323,114 (2022: £609,080).

11 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

Prof. M Pike (CEO):

Remuneration: £145,000 - £150,000 (2022 - £135,000 - £140,000)

Employer's pension contributions: £25,000 - £30,000 (2022 - £25,000 - £30,000)

During the year, travel and subsistence payments totalling £6,128 (2022: £4,225) were reimbursed or paid directly to 5 trustees (2022: 2 trustees).

12 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Tangible fixed assets

	Long leasehold land and buildings	Assets under construction	Computer equipment	Furniture and equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2022	96,731,812	2,398,576	3,300,477	3,658,263	76,177	106,165,305
Transfers	2,031,048	(2,371,229)	27,710	312,471	-	-
Additions	1,365,980	425,977	219,612	541,410	-	2,552,979
Disposals	-	(1,258)	(2,799)	-	-	(4,057)
At 31 August 2023	100,128,840	452,066	3,545,000	4,512,144	76,177	108,714,227
Depreciation						
At 1 September 2022	11,765,821	-	2,019,712	2,048,470	36,540	15,870,543
On disposals	-	-	(2,799)	-	-	(2,799)
Charge for the year	2,413,595	-	440,668	626,532	13,033	3,493,828
At 31 August 2023	14,179,416	-	2,457,581	2,675,002	49,573	19,361,572
Net book value						
At 31 August 2023	85,949,424	452,066	1,087,419	1,837,142	26,604	89,352,655
At 31 August 2022	84,965,991	2,398,576	1,280,765	1,609,793	39,637	90,294,762

14 Fixed asset investments

Holdings of more than 20%

The academy trust holds more than 20% of the share capital of the following undertakings:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Emmanuel Academy Services Limited	United Kingdom	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principal activities	Capital and reserves £	Profit/(loss) for the year £
Emmanuel Academy Services Limited	Uniform sales	14,477	8,462

EMMANUEL SCHOOLS FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2023****15 Debtors**

	2023	2022
	£	£
Trade debtors	120,500	756,774
Amounts owed by group undertakings	200,157	188,874
VAT recoverable	404,165	721,266
Other debtors	1,480	6,259
Prepayments and accrued income	1,539,516	1,705,226
	<u>2,265,818</u>	<u>3,378,399</u>

16 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other loans	51,891	51,072
Trade creditors	1,087,397	1,688,960
Other taxation and social security	861,488	766,323
Other creditors	825,188	769,481
Accruals and deferred income	1,367,987	2,092,020
	<u>4,193,951</u>	<u>5,367,856</u>

17 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Other loans	<u>77,835</u>	<u>129,726</u>
Analysis of loans	£	£
Wholly repayable within five years	129,726	180,798
Less: included in current liabilities	(51,891)	(51,072)
Amounts included above	<u>77,835</u>	<u>129,726</u>
Loan maturity		
Debt due in one year or less	51,891	51,072
Due in more than one year but not more than two years	51,891	51,891
Due in more than two years but not more than five years	25,944	77,835
	<u>129,726</u>	<u>180,798</u>

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Creditors: amounts falling due after more than one year

(Continued)

Loan of £129,726 from Salix Finance Ltd which is provided on the following terms: Salix Energy Efficiency loan (Joseph Swan Academy now Grace College) - Interest free loan repayable through GAG in 6-monthly installments of £25,945 from March 2019.

18 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	909,040	1,460,159
	<u> </u>	<u> </u>
Deferred income at 1 September 2022	1,460,159	1,404,182
Released from previous years	(1,460,159)	(1,404,182)
Resources deferred in the year	909,040	1,460,159
	<u> </u>	<u> </u>
Deferred income at 31 August 2023	909,040	1,460,159
	<u> </u>	<u> </u>

At the year end, the academy trust held deferred income in respect of Universal Infant Free School Meals, Rates Relief, SCA Funding, Local Authority Funding, School meals and music lessons paid in advance.

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	40,867	45,803,424	(45,449,223)	(132,171)	262,897
UIFSM	-	125,483	(125,483)	-	-
Pupil premium	-	2,396,111	(2,396,111)	-	-
Other DfE/ESFA COVID-19 funding	-	622,499	(622,499)	-	-
Other DfE/ESFA grants	-	2,805,229	(2,805,229)	-	-
Other government grants	-	1,595,868	(1,595,868)	-	-
Other restricted funds	9,000	340,502	(340,502)	-	9,000
Pension reserve	(926,000)	-	(730,000)	1,822,600	166,600
	<u>(876,133)</u>	<u>53,689,116</u>	<u>(54,064,915)</u>	<u>1,690,429</u>	<u>438,497</u>
Restricted fixed asset funds					
DfE group capital grants	<u>90,676,885</u>	<u>3,015,600</u>	<u>(3,493,824)</u>	<u>132,171</u>	<u>90,330,832</u>
Total restricted funds	<u>89,800,752</u>	<u>56,704,716</u>	<u>(57,558,739)</u>	<u>1,822,600</u>	<u>90,769,329</u>
Unrestricted funds					
General funds	<u>1,779,728</u>	<u>1,872,616</u>	<u>(2,304,245)</u>	<u>-</u>	<u>1,348,099</u>
Total funds	<u>91,580,480</u>	<u>58,577,332</u>	<u>(59,862,984)</u>	<u>1,822,600</u>	<u>92,117,428</u>

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Funds

(Continued)

The specific purposes for which the funds are to be applied are as follows:

The General Annual Grant (GAG) must be used for the normal running costs of the Trust. Under 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 the balance sheet date.

A start up grant was received from the ESFA as a result of the conversion to academy status. The full grant was allocated.

Other DfE/ESFA grants include teachers pay and pension grants, pupil premium, PE and sports grant and other DfE/ESFA grants.

Other government grants comprise funding received from the Local Authority.

The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to Local Government Pension Scheme ('LGPS') and the pension liability has therefore been aligned with these funds. The restricted funds are in deficit as a result of the deficit on the LGPS pension scheme alone.

The inherited fixed asset fund reflects the fixed assets acquired from the Local Authority on conversion to academy status. Depreciation on these assets is charged against this fund.

DfE/ESFA capital grants received in year consist of capital grants received in the year which have been received for expenditure on acquisition and maintenance of fixed assets.

The transfer from the Local Authority reflects the fixed assets, the pension deficit, the surplus GAG and any surplus school funds acquired on conversion

Unrestricted funds can be used for any purpose at the discretion of the academy trust.

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Funds

(Continued)

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	68,917	43,363,024	(43,293,074)	(98,000)	40,867
UIFSM	-	112,229	(112,229)	-	-
Pupil premium	-	2,215,644	(2,215,644)	-	-
Other DfE/ESFA COVID-19 funding	-	378,913	(378,913)	-	-
Other DfE/ESFA grants	-	1,401,953	(1,401,953)	-	-
Other government grants	-	1,521,398	(1,521,398)	-	-
Other restricted funds	9,000	549,528	(549,528)	-	9,000
Pension reserve	(18,803,000)	-	(2,858,000)	20,735,000	(926,000)
	<u>(18,725,083)</u>	<u>49,542,689</u>	<u>(52,330,739)</u>	<u>20,637,000</u>	<u>(876,133)</u>
Restricted fixed asset funds					
DfE group capital grants	89,886,490	2,986,964	(3,322,938)	876,000	90,426,516
Private sector capital sponsorship	-	250,369	-	-	250,369
	<u>89,886,490</u>	<u>3,237,333</u>	<u>(3,322,938)</u>	<u>876,000</u>	<u>90,676,885</u>
Total restricted funds	<u>71,161,407</u>	<u>52,780,022</u>	<u>(55,653,677)</u>	<u>21,513,000</u>	<u>89,800,752</u>
Unrestricted funds					
General funds	2,522,000	1,671,473	(1,762,268)	(778,000)	1,653,205
Teaching school	-	126,523	-	-	126,523
	<u>2,522,000</u>	<u>1,797,996</u>	<u>(1,762,268)</u>	<u>(778,000)</u>	<u>1,779,728</u>
Total funds	<u>73,683,407</u>	<u>54,578,018</u>	<u>(57,415,945)</u>	<u>20,735,000</u>	<u>91,580,480</u>

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Funds (Continued)

Total funds analysis by academy

	2023	2022
	£	£
Fund balances at 31 August 2023 were allocated as follows:		
Bede Academy	-	-
Emmanuel College	597,210	805,000
Trinity Academy	-	-
The King's Academy	-	-
Grace College	-	-
Christ's College	-	-
Central services	1,022,786	1,024,000
Total before fixed assets fund and pension reserve	1,619,996	1,829,595
Restricted fixed asset fund	90,330,832	90,676,885
Pension reserve	166,600	(926,000)
Total funds	92,117,428	91,580,480

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2023	Total 2022
	£	£	£	£	£	£
Bede Academy	7,999,593	1,252,505	493,099	2,060,423	11,805,620	10,784,000
Emmanuel College	6,923,676	1,009,752	379,254	1,440,881	9,753,563	9,063,000
Trinity Academy	6,019,332	977,670	349,903	1,301,456	8,648,361	8,123,000
The King's Academy	7,827,425	1,046,368	342,758	1,503,572	10,720,123	9,700,000
Grace College	6,361,448	781,013	277,544	1,729,199	9,149,204	8,188,000
Christ's College	2,587,126	424,298	166,536	590,597	3,768,557	3,315,000
Central services	993,276	1,963,428	17,979	(452,165)	2,522,518	2,060,000
Total	38,711,876	7,455,034	2,027,073	8,173,963	56,367,946	51,233,000

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	89,352,655	89,352,655
Current assets	1,348,099	4,413,957	1,107,903	6,869,959
Current liabilities	-	(4,142,060)	(51,891)	(4,193,951)
Non-current liabilities	-	-	(77,835)	(77,835)
Pension scheme asset	-	166,600	-	166,600
Total net assets	1,348,099	438,497	90,330,832	92,117,428
	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	90,294,762	90,294,762
Current assets	1,779,728	5,366,652	562,920	7,709,300
Current liabilities	-	(5,316,785)	(51,071)	(5,367,856)
Non-current liabilities	-	-	(129,726)	(129,726)
Pension scheme liability	-	(926,000)	-	(926,000)
Total net assets	1,779,728	(876,133)	90,676,885	91,580,480

21 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by various parties. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £825,492 were payable to the schemes at 31 August 2023 (2022: £769,919) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. All teachers have the option to opt out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary. These contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

21 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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 every 4 years. 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 2020. The valuation report was published by the Department for Education on 30 October 2023.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £5,530,030 (2022: £5,197,623).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17.9% for employers and 5.5- 12.5% for employees.

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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Total contributions made	2023 £	2022 £
Employer's contributions	1,645,000	1,424,000
Employees' contributions	545,000	457,000
Total contributions	<u>2,190,000</u>	<u>1,881,000</u>

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

21 Pension and similar obligations

(Continued)

Principal actuarial assumptions

2023
%

2022
%

Tyne & Wear Pension Fund

Rate of increase in salaries

4.1

4.2

Rate of increase for pensions in payment/inflation

2.6

2.7

Discount rate for scheme liabilities

5.0

4.0

Inflation assumption (CPI)

2.6

2.7

Teesside Pension Fund

Rate of increase in salaries

4.10

4.20

Rate of increase for pensions in payment/inflation

3.00

3.20

Discount rate for scheme liabilities

5.20

4.30

Inflation assumption (CPI)

3.00

3.20

South Yorkshire Pension Fund

Rate of increase in salaries

3.60

4.20

Rate of increase for pensions in payment/inflation

3.00

3.20

Discount rate for scheme liabilities

5.20

4.30

Inflation assumption (CPI)

3.00

3.20

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

2023
Years

2022
Years

Tyne & Wear Pension Fund

Retiring today

- Males

21.0

21.8

- Females

24.1

25.0

Retiring in 20 years

- Males

22.2

23.5

- Females

25.5

26.7

Teesside Pension Fund

Retiring today

- Males

20.50

21.90

- Females

23.50

23.60

Retiring in 20 years

- Males

21.30

23.30

- Females

25.00

25.40

South Yorkshire Pension Fund

Retiring today

- Males

20.60

22.40

- Females

23.60

25.20

Retiring in 20 years

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

21 Pension and similar obligations

(Continued)

- Males	21.40	24.00
- Females	25.00	27.20

Scheme liabilities would have been affected by changes in assumptions as follows:

The academy trust's share of the assets in the scheme

	2023 Fair value £	2022 Fair value £
Equities	20,718,000	19,392,000
Bonds	5,353,000	4,688,000
Multi Asset Credit	887,000	741,000
Cash	726,000	1,566,000
Property	4,502,000	3,990,000
Other assets	2,256,000	1,460,000
Asset restriction	(3,189,400)	
Total market value of assets	31,252,600	31,837,000

The actual return on scheme assets was £884,000 (2022: £209,000).

Amount recognised in the statement of financial activities

	2023 £	2022 £
Current service cost	2,355,000	2,539,000
Interest income	(1,345,000)	(531,000)
Interest cost	1,365,000	850,000
Total operating charge	2,375,000	2,858,000

Changes in the present value of defined benefit obligations

	2023 £
At 1 September 2022	32,763,000
Current service cost	2,355,000
Interest cost	1,365,000
Employee contributions	545,000
Actuarial gain	(5,473,000)
Benefits paid	(469,000)
At 31 August 2023	31,086,000

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

21 Pension and similar obligations

(Continued)

Changes in the fair value of the academy trust's share of scheme assets

	2023 £
At 1 September 2022	31,837,000
Interest income	1,345,000
Actuarial loss	(461,000)
Employer contributions	1,645,000
Employee contributions	545,000
Benefits paid	(469,000)
Asset restriction (reflected within actuarial loss)	(3,189,400)
At 31 August 2023	<u>31,252,600</u>

22 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2023 £	2022 £
Net expenditure for the reporting period (as per the statement of financial activities)		(1,285,652)	(2,837,927)
Adjusted for:			
Capital grants from DfE and other capital income		(3,015,600)	(3,042,527)
Investment income receivable	6	(19,659)	(1,530)
Defined benefit pension costs less contributions payable	21	710,000	2,539,000
Defined benefit pension scheme finance cost	21	20,000	319,000
Depreciation of tangible fixed assets		3,493,824	3,322,938
Decrease/(increase) in debtors		1,112,581	(1,016,734)
(Decrease)/increase in creditors		(1,174,723)	884,736
Net cash (used in)/provided by operating activities		<u>(159,229)</u>	<u>166,956</u>

23 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	4,330,901	273,240	4,604,141
Loans falling due within one year	(51,072)	(819)	(51,891)
Loans falling due after more than one year	(129,726)	51,891	(77,835)
	<u>4,150,103</u>	<u>324,312</u>	<u>4,474,415</u>

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

24 Long-term commitments

Operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £	2022 £
Amounts due within one year	314,252	168,738
Amounts due in two and five years	257,673	70,019
	<u>571,925</u>	<u>238,757</u>

25 Capital commitments

	2023 £	2022 £
Expenditure contracted for but not provided in the accounts	<u>1,757,184</u>	<u>241,109</u>

26 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

Emmanuel Academy Services Limited

(The company is a wholly owned subsidiary of Emmanuel Schools Foundation).

During the year expenditure of £129,829 (2022: £111,112) was recharged from Emmanuel Schools Foundation in respect of salary and over costs relating to the company. Income was received of £6,173 (2022: £29,508).

Included within debtors is a balance of £200,157 (2022: £188,874) owed to Emmanuel Schools Foundation.

At the year end, the company recorded pre-tax profits of £8,462, in line with accounting standards the taxable profits will be gift aided to Emmanuel Schools Foundation within 9 months of the year end. The gift aid payment will be recognised upon payment of the balance to the parent company, and is therefore not included in these financial statements. In earlier years, gift aid payments have been recognised in the year in which relevant profits were generated.

27 Members' liability

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

EMMANUEL SCHOOLS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

28 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the academy trust received £114,577 (2022: £113,228) and disbursed £94,527 (2022: £93,313) from the fund. An amount of £20,050 (2022: 29,846) is included in other creditors relating to undistributable funds that is repayable to ESFA.