

Company Registration No. 12206105 (England and Wales)

**EMMAUS CATHOLIC ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**

EMMAUS CATHOLIC ACADEMY TRUST

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EMMAUS CATHOLIC ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members	The Right Reverend John S K Arnold Rev Canon Michael Cooke VG Rev Canon Antony McBride Mr Simon Smith Mrs Mary Hunter	
Trustees	Ms J Lawson (Appointed 1 September 2020 and resigned 20 May 2021) Ms L Tommony Mrs C Anderson (Chair of Trustees) Mrs S Rocca (Appointed 1 January 2021 and resigned 20 April 2021) Mr C Glennon (Appointed 1 January 2021) Ms A M Burrowes (Appointed 1 June 2021) Mr G F Greenhalgh (Appointed 14 September 2021) Mr M Jaffrain (Appointed 1 September 2021) Mr C A Mason (Appointed 1 June 2021)	
Senior management team - CSEL/CEO - CFO	Mr D Copley (Appointed 01 September 2021) Ms N Godwin	
Company secretary	Mr D Copley (Appointed 29 September 2021)	
Company registration number	12206105 (England and Wales)	
Registered office	Cathedral Centre 3 Ford Street Salford M3 6DP	
Academies operated St Antony's RC High School St Chad's RC Primary School St Matthew's RC High School St Anne's RC High School	Location Trafford Manchester Manchester Stockport	Principal Fiona Wright Stacey Brackenridge Helen Murden Sheldon Logue
Independent auditor	UHY Hacker Young Manchester LLP St James Building 79 Oxford Street Manchester M1 6HT	
Bankers	Lloyds TSB Bank Plc 53 King Street Manchester M2 4LQ	

EMMAUS CATHOLIC ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Browne Jacobson LLP
No1 Spinningfields
Hardman Square
Manchester
M3 3EB

EMMAUS CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust currently operates one primary and three secondary academies for pupils aged 3-16 serving a catchment area within the Diocese of Salford.

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 the Emmaus Catholic Academy Trust and contains the following schools in the period:

St Antony's Roman Catholic School (joined 1 July 2020)
St Anne's Roman Catholic High School (joined 1 November 2020)
St Chad's Roman Catholic Primary School (joined 1 January 2021)
St Matthew's Roman Catholic High School (joined 1 June 2021)

The trustees of Emmaus Catholic Academy Trust 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

Indemnities for the claims made against the Directors of the Academy Trust as a result of undertaking everyday authorised activities on behalf of the Academy Trust is in place, through the RPA, at a level of £10,000,000.

Method of recruitment and appointment or election of trustees

The Catholic Diocese of Salford under the direction of The Bishop of Salford appoint the Members of the Catholic Academy Trust.

The function of the members is to maintain and defend the Roman Catholic nature of the CMAT. They are accountable for the CMAT to the Diocese of Salford.

Members have at their disposal the structures and personnel in place within the diocesan organisation with expertise in school leadership, HR, finance, premises and buildings, safeguarding, Health & Safety and community engagement.

The recruitment of Directors extends across the Diocese and the Parishes are served by the academies within the Trust. Directors are selected in order to provide a broad range of skills and experiences and be supportive of Catholic Education within the Diocese. The Bishop, following recommendations from the Diocesan Department of Education, formally appoints foundation Directors, and Governors of the CMAT and Academy.

The term of office for any Director is 4 years and, subject to remaining eligible, the Directors may be re-appointed. Upon resignation of any Director, a replacement will be appointed as outlined above.

EMMAUS CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Policies and procedures adopted for the induction and training of trustees

Diocesan Officers provide advice and support. All Directors have access to information on the Catholic Education Service website

Directors are invited to engage with the National School of Formation, who provide provision for Headteachers and Governors to realise the true mission of the Church in education and explore ways of developing the Vision and Mission of Catholic Education.

All Directors have access to information and training offered by the National Governors Association for governance in a Multi-Academy Trust.

The Diocese of Salford has facilitated training for all governors on Leading in a Multi-Academy Trust provided by the CES and the Diocesan training programme for all governors takes account of Catholic Multi-Academy Trusts.

Following the appointment of a National Leader of governance to the board of Directors, a bespoke internal programme of professional development for the leadership of academy schools and trusts was developed for the academic year 2020 – 2021. This was delivered online and a recording of the training made accessible to all.

Organisational structure

The Trust Board is responsible for the strategic direction of the Trust and has overall responsibility for standards, finances and estates. In 2021-22, the Trust will be introducing a Finance committee to support this role, which will include the responsibilities of the audit committee, as outlined in the Academy Trusts Handbook I for multi-academy trusts with a budget below £50m. As the Trust continues to grow further committees will be developed.

The review of standards and Leadership Pay are currently dealt with at full board level. The Trust is also the Admissions Authority and employer of all Academy Schools within the Trust.

The values of the Trust are based on the principal of subsidiarity, with decision making delegated to the most appropriate level. Each Academy has a Local Governing Body consisting of Foundation, Parent and Staff Governors; the Scheme of Delegation outlines their relationship with the board.

Emmaus Catholic Academy Trust is a developing Multi Academy Trust; there are shared central functions for strategic leadership, operations and strategic finance. HR advice is available from Salford Diocese. As the Trust grows the central offer will be extended to cover further services.

Arrangements for setting pay and remuneration of key management personnel

The Directors have established a Pay Committee, advised by the Catholic Senior Executive Leader who conducts the annual performance review of Headteachers, alongside an external advisor and the chair of the local governing body. An external advisor, leader of another Faith based academy Trust, has been appointed to review the performance of senior staff who reports to the board of directors and assists in the setting of appropriate targets.

The Trust board is responsible for the appointment of Headteachers and Deputy Headteachers. The directors of the trust establish the leadership pay and ISR ranges of the individual academies, through the pay committee. This ensure consistency and transparency across all schools in the Catholic Multi-Academy Trust.

Tables within the Trust Pay Policy, indicate decisions made by the Pay Committee in relation to the minimum and maximum payments at all levels of employment across the Trust, including leadership, and reflect updates made to the Teachers' Pay and Conditions document.

EMMAUS CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	2
Full-time equivalent employee number	2.00

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	2
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	400
Total pay bill	7,843,000
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	100%
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Engagement with employees (including disabled persons)

The Trust continuously seeks to encourage the involvement of its employees in its management through regular staff meetings in order to challenge educational and social disadvantage.

The Trust is fortunate to employ a talented and dedicated workforce. Staff, parents and pupils are valued by what they bring to the trust community. All staff are committed to empowering our students to make positive contributions by opening opportunities to learning. The Trust is committed to prohibit discrimination on the grounds of disability in all employment matters, this includes seeking to increase employment opportunities for people who have a disability and to ensure that its recruitment and selection processes are fully accessible. Applications for posts are monitored for compliance with the Equality Act and reasonable adjustments made for staff where identified. All staff, children, young people, visitors and contractors are expected to treat people with disabilities with respect. If an individual feels that they have been discriminated against or harassed on the grounds of disability, they will be encouraged to report the incident and will be supported in doing so.

The Trust will employ disabled persons when they appear to be suitable for the role and every effort is made to ensure they are given full and fair consideration. There are policies in place (Equality and Diversity policy, health and safety policy etc.) so that employees who have been injured or disabled during the course of their employment can, where possible, continue with their employment.

During employment, the Trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential.

EMMAUS CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Related parties and other connected charities and organisations

The Articles of Association for Emmaus Catholic Academy Trust express an alignment with the Diocese of Salford practices: 'To co-operate and work together to provide a framework for education which is in accordance with the teachings, doctrines, discipline and norms of the Catholic Church and with any guidelines and policies of the Salford Diocesan Department for Education.'

The Trust works closely with the Diocesan Education Office and all Catholic school within the diocese, through the Diocesan Primary Partnership and the Diocesan Secondary Heads group.

Objectives and activities

Objects and aims

The Emmaus Catholic Academy Trust exists to secure 3-19 Catholic Education in the Diocese of Salford.

Within the CAT, our academies are communities where our children and young people are given a clear vision for life, a vision which is rooted in the person and teachings of Jesus Christ and which is faithful to the mission of the Catholic Church.

The Trust seeks to serve all our families and to work with other partners in education for the benefit of our children and young people; we are committed to working together as academies and with the wider community for the common good.

In our academies, we uphold the dignity and unique human value of every person as we strive for excellence in education; gifts and talents are shared between our academies as we aim to provide the highest standards for all our children and young people throughout the Trust.

Emmaus Catholic Academy Trust is rooted in the Catholic mission to educate our pupils to the highest academic standards, fuel them with Gospel Spirit, in order to be agents of transformation in society: people who are rooted in action for the common good. We articulate this in our specific goal to use our individual God given gifts to find new ways to spread the joy of the Gospel to every corner of the world.

Objectives, strategies and activities

The Trust Strategic Development Plan retains the same three objectives;

1. Mission & Ethos - To promote a distinctive Catholic Mission and culture to ensure Emmaus CAT continues to be Strong in Faith
2. Teaching, Learning, Assessment & Progress - To ensure Emmaus CAT provides Great Schools.
3. Academy Improvement Including Resources, People & Wellbeing/Staffing & Managing Performance/Partnerships/Finance & Procurement/Compliance/Marketing & Comms/Operations - To build a strong and sustainable infrastructure, making effective use of resources, enabling Emmaus CAT schools to Serve Society.

These strategic aims define our very being so that we can and will offer more for every child, family, member of staff and leaders in the Emmaus Catholic Academy Trust.

Our very clear expectation is, to collectively achieve better outcomes for all our children and young people; it is within our power to do so. Being good is not good enough, we strive to be a Foundation of transformation and excellence for Catholic Education in everything we offer.

EMMAUS CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Public benefit

The Trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 to have due regard to public benefit in determining the activities undertaken by the Trust, and have complied with the guidance issued by the Charity Commission relating to public benefit. The Trust is keen to emphasise the public benefit provided by the trust, which can be seen by the activities, and performance outlined within the trustees report.

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic report

Achievements and performance

This was a very different year again with an awarding process for students who were due to sit exams. As no exams have taken place this year due to Covid 19 and the subsequent lockdown periods, the secondary schools were responsible for submitting Centre Assessed Grades (CAGs)

Financial review

Impact of Covid 19

The schools have experienced both increased costs and savings as a result of the Covid 19 pandemic. The schools partially closed in the year and remained open only to the children of key workers and vulnerable pupils. During this time the schools received no income from lettings. Areas of increased costs include cleaning costs and adaption of premises to become Covid safe. The schools also experienced savings in educational operational services and resources.

Review of the period

The primary source of the Multi-Academy Trust's income is obtained from the DfE via the Education and Skills Funding Agency (ESFA) in the form of grants, the use of which are restricted to particular educational purposes. The grants received from the DfE during the period ended 31 August 2021 and the associated expenditure are shown in the Statement of Financial Activities.

During the year ended 31 August 2021, total expenditure, excluding the transfer on conversion, of £11,217k (2020: £562k) was covered by grant funding from the ESFA together with other incoming resources which totalled £12,401k (2020: £599k). The surplus of income over expenditure for the period (excluding the movement on the valuation of the defined benefit pension scheme) was £1,854k (2020: £68k).

During the period there was an actuarial loss on the LGPS pension scheme of £628k. The deficit on the LGPS pension scheme at the period end was £6,321k.

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.

EMMAUS CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Reserves policy

The Trust will maintain a level of uncommitted reserves that will be adequate to provide a stable base for the continuing operation of the MAT and its member schools, whilst ensuring that excessive funds are not accumulated. These reserves will:

- Provide a short-term working balance to cushion the impact of uneven cash flows.
- Support the continued expansion and development of the MAT.
- Plan for potential major items of expenditure for example capital works or emergency repairs.

Provide a contingency to cushion the impact of unexpected events, emergencies and large shortfalls in budgets for example fluctuations in student numbers.

The Trust's plan is to build total revenue reserves to a level approximating to 5%-7% of GAG income. Each high school is expected to work towards the 5% if not already there, whilst each primary school is expected to work towards 7.5% (2 form entry) or 10% (1 form entry). Uncommitted reserves in excess of these levels will be available for investment in projects as approved by the Trust Board.

The uncommitted reserve balance will be reviewed and projections on future balances will be made as part of the budget setting process each year.

The year end funds balances are disclosed in note 17 of the accounts.

Investment policy

The Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation.

Principal risks and uncertainties

The trustees have identified the following principal risks and uncertainties facing the Trust:

- considerable financial uncertainty with regard to public funding. Financial planning is focused on maintaining the breadth and quality of future work in the context of diminishing budgets.
- falling roll in one of the secondary schools (St Anne's) who joined the trust in November 2020.
- a change in leadership at St Anne's (Jan 2021) .
- ageing buildings which require substantial upkeep – environment grant funding assisted and this will remain an area of priority. Every eligible Academy accessed CIF funding for capital improvements during 2020-21.

Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational risks

The continuing success of the Trust depends on maintaining the highest educational standards. Trustees are clearly focused on monitoring and reviewing the achievement and progress of children. Trustees continue to give due consideration to other aspects of each school's activities where there could be a reputational risk, including behaviour management, safeguarding, health and safety etc. Safeguarding and child protection risks Trustees continue to ensure that the highest standards are maintained in the selection and monitoring of staff and volunteers, the operation of child protection polices in school and in training and support, in order to protect the vulnerable young people in its care.

Safeguarding and child protection risks

Trustees continue to ensure that the highest standards are maintained in the selection and monitoring of staff and volunteers, the operation of child protection polices in school and in training and support, in order to protect the vulnerable young people in its care.

EMMAUS CATHOLIC ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Significant changes in staff

Trustees regularly review and monitor arrangements for recruitment and the development of existing staff to minimise the risk resulting from major changes in key staff. A permanent CEO was recruited during 2020-21 and will take up the role full time in September 2021.

Financial and risk management objectives and policies

The Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Plans for future periods

Whilst the Trust grew from 1 to 4 schools in the year, further growth is imminent with the arrival of another school planned for December. The Trust expects to grow in a steady, planned manner in the coming years.

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.

A resolution proposing that UHY Hacker Young Manchester LLP be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 13 December 2021 and signed on its behalf by:



Mrs C Anderson
Chair of Trustees

EMMAUS CATHOLIC ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the CEO, 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 Emmaus Catholic Academy Trust and the Secretary of State for Education. The accounting officer 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 8 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
Ms J Lawson (Appointed 1 September 2020 and resigned 20 May 2021)	5	6
Ms L Tommony	6	8
Mrs C Anderson (Chair of Trustees)	7	8
Mrs S Rocca (Appointed 1 January 2021 and resigned 20 April 2021)	3	4
Mr C Glennon (Appointed 1 January 2021)	3	3
Ms A M Burrowes (Appointed 1 June 2021)	1	1
Mr G F Greenhalgh (Appointed 14 September 2021)	0	0
Mr M Jaffrain (Appointed 1 September 2021)	0	0
Mr C A Mason (Appointed 1 June 2021)	1	1

The Trust is still in its early stages so this year has seen the addition of multiple new trustees to the board to give a better foundation for the overall trust's future growth. In the future the expectation is that an audit and finance committee and a risk committee will be set up along with a full review of governance.

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 achieved in return for the taxpayer resources received.

The accounting officer considers how the academy 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. As the trust has grown, value for money this year has been demonstrated across finance, governance and school improvement.

EMMAUS CATHOLIC ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 Emmaus Catholic Academy Trust for the period 1 September 2020 to 31 August 2021 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 2020 to 31 August 2021 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 general purposes 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.

During the year, Beever Struthers were appointed as internal auditors following a procurement exercise. There was a schedule of work put in place and there has been no issues that have arisen from this in year.

The internal auditor's role included giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems including health and safety, safeguarding and IT.

The auditor will report to the board of trustees, until such time as an audit committee is established, on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees and will annually prepare an annual summary report to the board outlining the areas reviewed, key findings, recommendations and conclusions to help the board consider actions and assess year on year progress.

Review of effectiveness

As accounting officer, the CEO 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 auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

EMMAUS CATHOLIC ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the external auditors 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 13 December 2021 and signed on its behalf by:



Mrs C Anderson
Chair of Trustees

Mr D Copley
Accounting Officer

EMMAUS CATHOLIC ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of Emmaus Catholic Academy Trust, 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 received by the academy trust, 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 Academies Financial Handbook 2020.

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 Academies Financial Handbook 2020.

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.



Mr D Copley
Accounting Officer

13 December 2021

EMMAUS CATHOLIC ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are also the directors of Emmaus Catholic Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 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 2020 to 2021;
- 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 13 December 2021 and signed on its behalf by:



Mrs C Anderson
Chair of Trustees

EMMAUS CATHOLIC ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMMAUS CATHOLIC ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of Emmaus Catholic Academy Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of 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 2020 to 2021 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 2021 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 2020 to 2021.

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.

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 trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. 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.

In connection with our audit of the accounts, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. 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.

EMMAUS CATHOLIC ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMMAUS CATHOLIC ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

Extent to which the audit was considered capable of detecting irregularities including fraud

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.

EMMAUS CATHOLIC ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMMAUS CATHOLIC ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, we considered the following:

- the nature of the industry and sector, control environment and business performance
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance,
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team and involving relevant internal specialists, including tax, and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks the academy operates in, focussing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and Academies Accounts Direction.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management and those charged with governance concerning actual and potential litigation claims;
- In addressing the risk of fraud through inappropriate recording of income, we review the existence and completeness of ESFA income and reconcile all other material income streams to third party evidence;
- We carry out a detailed review of deferred income, including a review of amounts released to income in the year.
- We review a sample of expenditure to ensure it has been appropriately authorised and that tender process have been followed where applicable;
- We carry out a review of the register of interests and minutes to ensure that all the related parties have been disclosed adequately;
- In assessing the risk of fraud through management override of controls, testing the appropriateness of journal entries and assessing whether judgements made in making accounting estimates are indicative of potential bias.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

EMMAUS CATHOLIC ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMMAUS CATHOLIC ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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.



**Stephen Grayson FCCA (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young Manchester LLP**

13 December 2021

**Chartered Accountants
Statutory Auditor**

St James Building
79 Oxford Street
Manchester
M1 6HT

EMMAUS CATHOLIC ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EMMAUS CATHOLIC ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 4 January 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Emmaus Catholic Academy Trust during the period 1 September 2020 to 31 August 2021 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 Emmaus Catholic Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Emmaus Catholic Academy Trust 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 Emmaus Catholic Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Emmaus Catholic Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Emmaus Catholic Academy Trust's funding agreement with the Secretary of State for Education dated 1 July 2020 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 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.

EMMAUS CATHOLIC ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EMMAUS CATHOLIC ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

UHY Hacker Young Manchester LLP

Dated: 13 December 2021

EMMAUS CATHOLIC ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and capital grants	3	28,015	382,471	92,097	502,583	901
Charitable activities:						
- Funding for educational operations	4	17,426	11,788,413	-	11,805,839	598,586
Other trading activities	5	56,299	36,361	-	92,660	-
Investments	6	64	-	-	64	2
Total		<u>101,804</u>	<u>12,207,245</u>	<u>92,097</u>	<u>12,401,146</u>	<u>599,489</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	-	11,211,886	5,516	11,217,402	562,460
Charitable expenditure - transfer from local authority on conversion	25	-	3,736,679	(15,995)	3,720,684	1,037,030
Total	7	<u>-</u>	<u>14,948,565</u>	<u>(10,479)</u>	<u>14,938,086</u>	<u>1,599,490</u>
Net income/(expenditure)		101,804	(2,741,320)	102,576	(2,536,940)	(1,000,001)
Transfers between funds	17	-	(197,690)	197,690	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	19	-	(628,000)	-	(628,000)	66,000
Net movement in funds		101,804	(3,567,010)	300,266	(3,164,940)	(934,001)
Reconciliation of funds						
Total funds brought forward		1,653	(935,654)	-	(934,001)	-
Total funds carried forward		<u>103,457</u>	<u>(4,502,664)</u>	<u>300,266</u>	<u>(4,098,941)</u>	<u>(934,001)</u>

EMMAUS CATHOLIC ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative information ended 31 August 2020	Notes	Unrestricted	Restricted funds:		Total
		funds	General	Fixed asset	2020
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	901	-	-	901
Charitable activities:					
- Funding for educational operations	4	750	597,836	-	598,586
Investments	6	2	-	-	2
Total		<u>1,653</u>	<u>597,836</u>	<u>-</u>	<u>599,489</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	-	562,460	-	562,460
Charitable expenditure - transfer from local authority on conversion	25	-	1,037,030	-	1,037,030
Total	7	<u>-</u>	<u>1,599,490</u>	<u>-</u>	<u>1,599,490</u>
Net income/(expenditure)		1,653	(1,001,654)	-	(1,000,001)
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	19	-	66,000	-	66,000
Net movement in funds		1,653	(935,654)	-	(934,001)
Reconciliation of funds					
Total funds brought forward		-	-	-	-
Total funds carried forward		<u>1,653</u>	<u>(935,654)</u>	<u>-</u>	<u>(934,001)</u>

EMMAUS CATHOLIC ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	13		300,266		-
Current assets					
Debtors	14	1,453,452		19,233	
Cash at bank and in hand		1,703,305		308,270	
		<u>3,156,757</u>		<u>327,503</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(1,234,964)		(259,504)	
Net current assets			1,921,793		67,999
Net assets excluding pension liability			2,222,059		67,999
Defined benefit pension scheme liability	19	(6,321,000)		(1,002,000)	
Total net liabilities		<u>(4,098,941)</u>		<u>(934,001)</u>	
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			300,266		-
- Restricted income funds			1,818,336		66,346
- Pension reserve			(6,321,000)		(1,002,000)
Total restricted funds			<u>(4,202,398)</u>		<u>(935,654)</u>
Unrestricted income funds	17		103,457		1,653
Total funds			<u>(4,098,941)</u>		<u>(934,001)</u>

The accounts on pages 21 to 45 were approved by the trustees and authorised for issue on 13 December 2021
in behalf by:



Mrs C Anderson
Chair of Trustees

Company Number 12206105

EMMAUS CATHOLIC ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by operating activities	20	1,540,395		301,298	
Cash funds transferred on conversion		109,259		6,970	
		<u>1,649,654</u>		<u>308,268</u>	
Cash flows from investing activities					
Dividends, interest and rents from investments		64		2	
Capital grants from DfE Group		35,104		-	
Purchase of tangible fixed assets		(289,787)		-	
		<u>(254,619)</u>		<u>2</u>	
Net cash (used in)/provided by investing activities			(254,619)		2
			<u>1,395,035</u>		<u>308,270</u>
Net increase in cash and cash equivalents in the reporting period			1,395,035		308,270
Cash and cash equivalents at beginning of the year			308,270		-
			<u>1,703,305</u>		<u>308,270</u>
Cash and cash equivalents at end of the year			<u><u>1,703,305</u></u>		<u><u>308,270</u></u>

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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 Conversion and transfers in to the academy trust

The conversion from state maintained schools to the academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred in from St Chad's Roman Catholic Primary School, St Matthew's Roman Catholic High School and St Anne's Roman Catholic High School to the academy trust have been valued at their fair value and recognised in the balance sheet at the point when the risks and rewards of ownership passed to the academy trust. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Charitable activities – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 25.

1.4 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.

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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.

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.

Transfer of assets from existing academies

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. Income equal to the net assets transferred is recognised within donations and capital grant income.

1.5 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.

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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.

1.6 Tangible fixed assets

Tangible fixed assets costing £3,000 or more and individual items of IT equipment costing over £500 are capitalised at cost 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 such assets is charged directly to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trusts depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Leasehold buildings	4% straight line basis
Assets under construction	not depreciated
Plant and machinery	12.5% straight line basis
Computer equipment	25% straight line basis
Fixtures, fittings & equipment	12.5% straight line basis
Motor vehicles	20% straight line

Land and Building owned by the Diocese of Salford: The academy trust company occupies the land (and building) under mere license. This continuing permission of use is pursuant to, and subject to, the Trustees' charitable objectives, and is part of the Catholic Church's contribution since 1847 to provide state funded education in partnership with the State. The licence delegates aspects of the management of the land (and buildings) to the academy trust company for the time being, but does not vest any rights over the land in the academy trust company. The Diocese of Salford can terminate this agreement, with Secretary of State approval, with two years notice, requiring the academy to find new premises. All Diocese of Salford land and buildings are therefore not included on the academy trusts balance sheets as a tangible fixed asset.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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 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.

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.7 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 of services it must provide.

1.8 Leased assets

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

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.

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.

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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 Department for Education Group.

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 Liability

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 20, will impact 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 2021. 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.

Critical areas of judgement

The trustees do not consider there to be any areas of judgement that are critical to the academy trust's financial statements.

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Private sponsorship	-	25,491	25,491	-
Capital grants	-	92,097	92,097	-
Other donations	28,015	356,980	384,995	901
	<u>28,015</u>	<u>474,568</u>	<u>502,583</u>	<u>901</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
General annual grant (GAG)	-	9,131,190	9,131,190	554,772
Other DfE / ESFA grants:				
Pupil premium	-	541,707	541,707	7,687
Start up grants	-	942,793	942,793	-
Others	-	333,092	333,092	10,307
	<u>-</u>	<u>10,948,782</u>	<u>10,948,782</u>	<u>572,766</u>
Other government grants				
Local authority grants	-	632,019	632,019	25,070
Exceptional government funding				
Other Coronavirus funding	-	207,612	207,612	-
Other funding				
Other incoming resources	17,426	-	17,426	750
Total funding	<u>17,426</u>	<u>11,788,413</u>	<u>11,805,839</u>	<u>598,586</u>

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Hire of facilities	7,658	-	7,658	-
Trip income	-	8,596	8,596	-
Other income	48,641	27,765	76,406	-
	<u>56,299</u>	<u>36,361</u>	<u>92,660</u>	<u>-</u>

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Other investment income	64	-	64	2

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2021 £	Total 2020 £
Academy's educational operations					
- Direct costs	6,585,025	-	571,434	7,156,459	420,676
- Allocated support costs	2,046,505	871,537	1,142,901	4,060,943	141,784
	<u>8,631,530</u>	<u>871,537</u>	<u>1,714,335</u>	<u>11,217,402</u>	<u>562,460</u>

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Fees payable to auditor for audit services	17,500	10,500
Operating lease rentals	11,666	1,625
Depreciation of tangible fixed assets	5,516	-
Net interest on defined benefit pension liability	53,000	2,000

8 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services;
- estates and IT support services;
- marketing and communication services.

The academy trust charges for these services on a flat 1.5% (2020: nil) of GAG income.

The amounts charged during the year were as follows:

	2021 £	2020 £
St Antony's RC High School	39,255	-
St Chad's RC Primary School	11,547	-
St Matthew's RC High School	30,249	-
St Anne's RC High School	45,462	-
	<u>126,513</u>	<u>-</u>

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Charitable activities

	2021	2020
	£	£
All from restricted funds:		
Direct costs		
Educational operations	7,156,459	420,676
Support costs		
Educational operations	4,060,943	141,784
	<u>11,217,402</u>	<u>562,460</u>

	2021	2020
	£	£
Analysis of support costs		
Support staff costs	2,088,063	63,406
Depreciation	5,516	-
Technology costs	168,682	-
Premises costs	866,021	39,806
Legal costs	151,671	13,458
Other support costs	738,711	14,080
Governance costs	42,279	11,034
	<u>4,060,943</u>	<u>141,784</u>

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

Staff costs

Staff costs during the year were:

	2021 £	2020 £
Wages and salaries	5,933,394	336,626
Social security costs	590,654	34,222
Pension costs	1,785,969	88,959
	<hr/>	<hr/>
Staff costs - employees	8,310,017	459,807
Agency staff costs	273,771	5,400
Staff restructuring costs	47,742	-
	<hr/>	<hr/>
Staff development and other staff costs	8,631,530	465,207
	73,401	-
	<hr/>	<hr/>
Total staff expenditure	8,704,931	465,207
	<hr/> <hr/>	<hr/> <hr/>

Staff restructuring costs comprise:

Redundancy payments	37,638	-
Severance payments	10,104	-
	<hr/>	<hr/>
	47,742	-
	<hr/> <hr/>	<hr/> <hr/>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £10,104 (2020: £nil). Individually, the payments were: £8,104 and £2,000.

Staff numbers

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

	2021 Number	2020 Number
Teachers	280	46
Administration and support	94	17
Management	2	3
	<hr/>	<hr/>
	376	66
	<hr/> <hr/>	<hr/> <hr/>

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

(Continued)

Higher paid staff

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

	2021 Number	2020 Number
£70,001 - £80,000	2	-
£80,001 - £90,000	1	-
	<u> </u>	<u> </u>

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 employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £28,940 (2020: £Nil).

11 Trustees' remuneration and expenses

None of the trustees have been paid remuneration or have received any other benefits from an employment the with academy trust.

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 £10,000,000 on any one claim and the cost for the year ended 31 August 2021 is not separately identifiable, but is included in the total insurance cost.

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Tangible fixed assets

	Leasehold buildings	Assets under construction	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2020	-	-	-	-	-	-
Transfer on conversion	-	-	-	-	15,995	15,995
Additions	18,269	56,993	88,544	112,486	13,495	289,787
At 31 August 2021	18,269	56,993	88,544	112,486	29,490	305,782
Depreciation						
At 1 September 2020	-	-	-	-	-	-
Charge for the year	392	-	2,839	585	1,700	5,516
At 31 August 2021	392	-	2,839	585	1,700	5,516
Net book value						
At 31 August 2021	17,877	56,993	85,705	111,901	27,790	300,266
At 31 August 2020	-	-	-	-	-	-

14 Debtors

	2021 £	2020 £
Trade debtors	2,820	-
Other debtors	671,867	6,641
Prepayments and accrued income	778,765	12,592
	1,453,452	19,233

Amounts included above which fall due after more than one year:

	2021 £	2020 £
Other debtors	278,234	-

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	848,964	46,085
Other taxation and social security	120,526	-
ESFA creditors	-	134,551
Other creditors	9,015	21,163
Accruals and deferred income	256,459	57,705
	<u>1,234,964</u>	<u>259,504</u>

16 Deferred income

	2021 £	2020 £
Deferred income is included within:		
Creditors due within one year	26,113	-
	<u>26,113</u>	<u>-</u>
Deferred income at 1 September 2020	-	-
Resources deferred in the year	26,113	-
	<u>26,113</u>	<u>-</u>
Deferred income at 31 August 2021	<u>26,113</u>	<u>-</u>

Deferred income includes amounts relating to UIFSM of £15,324, ESFA rates relief of £9,079 and 3G pitch hire income of £1,710.

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	59,376	9,131,190	(7,174,540)	(197,690)	1,818,336
Start up grants	-	942,793	(942,793)	-	-
Pupil premium	-	541,707	(541,707)	-	-
Other DfE / ESFA grants	-	333,092	(333,092)	-	-
Other government grants	-	839,631	(839,631)	-	-
Other restricted funds	6,970	418,832	(425,802)	-	-
Pension reserve	(1,002,000)	-	(4,691,000)	(628,000)	(6,321,000)
	<u>(935,654)</u>	<u>12,207,245</u>	<u>(14,948,565)</u>	<u>(825,690)</u>	<u>(4,502,664)</u>
Restricted fixed asset funds					
Inherited on conversion	-	-	15,995	-	15,995
DfE group capital grants	-	92,097	(5,516)	-	86,581
Capital expenditure from GAG	-	-	-	197,690	197,690
	<u>-</u>	<u>92,097</u>	<u>10,479</u>	<u>197,690</u>	<u>300,266</u>
Total restricted funds	<u>(935,654)</u>	<u>12,299,342</u>	<u>(14,938,086)</u>	<u>(628,000)</u>	<u>(4,202,398)</u>
Unrestricted funds					
General funds	<u>1,653</u>	<u>101,804</u>	<u>-</u>	<u>-</u>	<u>103,457</u>
Total funds	<u>(934,001)</u>	<u>12,401,146</u>	<u>(14,938,086)</u>	<u>(628,000)</u>	<u>(4,098,941)</u>

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

Restricted general fund

This fund represents grants received for the Academy's operational activities and development.

Fixed assets fund

These grants relate to funding from the DfE, ESFA and private sponsors to carry out works of a capital nature as part of the school improvement plan.

Other restricted funds

These funds relate to monies received from the local government, private sector and private sponsors to carry out works of a capital or revenue nature.

Unrestricted funds

This fund primarily relates to income from lettings and teaching school income.

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

(Continued)

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

	Balance at 13 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	554,772	(495,396)	-	59,376
Other DfE / ESFA grants	-	17,994	(17,994)	-	-
Other government grants	-	25,070	(25,070)	-	-
Other restricted funds	-	-	6,970	-	6,970
Pension reserve	-	-	(1,068,000)	66,000	(1,002,000)
	-	597,836	(1,599,490)	66,000	(935,654)
Total restricted funds	-	597,836	(1,599,490)	66,000	(935,654)
Unrestricted funds					
General funds	-	1,653	-	-	1,653
Total funds	-	599,489	(1,599,490)	66,000	(934,001)

Total funds analysis by academy

	2021 £	2020 £
Fund balances at 31 August 2021 were allocated as follows:		
St Antony's RC High School	326,841	67,999
St Chad's RC Primary School	292,377	-
St Matthew's RC High School	1,081,771	-
St Anne's RC High School	160,894	-
Central services	59,910	-
Total before fixed assets fund and pension reserve	1,921,793	67,999
Restricted fixed asset fund	300,266	-
Pension reserve	(6,321,000)	(1,002,000)
Total funds	(4,098,941)	(934,001)

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

(Continued)

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 2021 £	Total 2020 £
St Antony's RC High School	2,534,856	566,120	269,744	622,070	3,992,790	562,460
St Chad's RC Primary School	442,394	220,192	29,727	233,946	926,259	-
St Matthew's RC High School	1,366,433	482,500	67,022	345,525	2,261,480	-
St Anne's RC High School	2,273,185	815,314	133,943	634,340	3,856,782	-
Central services	-	3,938	39,153	131,484	174,575	-
	<u>6,616,868</u>	<u>2,088,064</u>	<u>539,589</u>	<u>1,967,365</u>	<u>11,211,886</u>	<u>562,460</u>

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	300,266	300,266
Current assets	3,156,757	-	-	3,156,757
Creditors falling due within one year	(3,053,300)	1,818,336	-	(1,234,964)
Defined benefit pension liability	-	(6,321,000)	-	(6,321,000)
Total net assets	<u>103,457</u>	<u>(4,502,664)</u>	<u>300,266</u>	<u>(4,098,941)</u>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Current assets	1,653	325,850	-	327,503
Creditors falling due within one year	-	(259,504)	-	(259,504)
Defined benefit pension liability	-	(1,002,000)	-	(1,002,000)
Total net assets	<u>1,653</u>	<u>(935,654)</u>	<u>-</u>	<u>(934,001)</u>

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 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 Greater Manchester Pension Fund. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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 academies. 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.

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 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% 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 £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £850,029 (2020: £58,967).

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.

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations

(Continued)

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 18.5% to 20.4% for employers and 5.5% to 12.5% for employees.

As described in note 25 the LGPS obligation relates to the employees of the academy trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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.

Total contributions made	2021 £	2020 £
Employer's contributions	249,000	17,000
Employees' contributions	73,000	5,000
	<u> </u>	<u> </u>
Total contributions	322,000	22,000
	<u> </u>	<u> </u>

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.7	3.1
Rate of increase for pensions in payment/inflation	2.9	2.3
Discount rate for scheme liabilities	1.7	1.7
	<u> </u>	<u> </u>

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

	2021 Years	2020 Years
Retiring today		
- Males	20.5	20.5
- Females	23.3	23.1
Retiring in 20 years		
- Males	21.9	22
- Females	25.3	25
	<u> </u>	<u> </u>

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations

(Continued)

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

	Approx. increase to scheme liabilities	Approx. monetary amount £
0.1% decrease in the real discount rate	+2%	324,000
1 year increase in member life expectancy	+4%	553,000
0.1% increase in salary increase rate	+0%	39,000
0.1% increase in the pension increase rate	+2%	280,000
	<u> </u>	<u> </u>

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

	2021 Fair value £	2020 Fair value £
Equities	5,324,290	1,054,000
Bonds	1,124,850	248,000
Property	524,930	109,000
Other assets	524,930	139,000
	<u> </u>	<u> </u>
Total market value of assets	7,499,000	1,550,000
	<u> </u>	<u> </u>

The actual return on scheme assets was £884,000 (2020: £9,000).

Amount recognised in the Statement of Financial Activities

	2021 £	2020 £
Current service cost	727,000	39,000
Interest income	(69,000)	(4,000)
Interest cost	122,000	6,000
	<u> </u>	<u> </u>
Total operating charge	780,000	41,000
	<u> </u>	<u> </u>

Changes in the present value of defined benefit obligations

	2021 £	2020 £
At 1 September 2020	2,552,000	-
Obligations acquired on conversion	8,903,000	2,563,000
Current service cost	727,000	39,000
Interest cost	122,000	6,000
Employee contributions	73,000	5,000
Actuarial loss/(gain)	1,443,000	(61,000)
	<u> </u>	<u> </u>
At 31 August 2021	13,820,000	2,552,000
	<u> </u>	<u> </u>

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations

(Continued)

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

	2021 £	2020 £
At 1 September 2020	1,550,000	-
Assets acquired on conversion	4,743,000	1,519,000
Interest income	69,000	4,000
Actuarial gain	815,000	5,000
Employer contributions	249,000	17,000
Employee contributions	73,000	5,000
	<u>7,499,000</u>	<u>1,550,000</u>
At 31 August 2021	<u>7,499,000</u>	<u>1,550,000</u>

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

	2021 £	2020 £
Net expenditure for the reporting period (as per the statement of financial activities)	(2,536,940)	(1,000,001)
Adjusted for:		
Net deficit on conversion to academy	3,720,684	1,037,030
Capital grants from DfE and other capital income	(92,097)	-
Investment income receivable	(64)	(2)
Defined benefit pension costs less contributions payable	478,000	22,000
Defined benefit pension scheme finance cost	53,000	2,000
Depreciation of tangible fixed assets	5,516	-
(Increase) in debtors	(1,377,226)	(19,233)
Increase in creditors	975,460	259,504
Stocks, debtors and creditors transferred on conversion	314,062	-
	<u>1,540,395</u>	<u>301,298</u>
Net cash provided by operating activities	<u>1,540,395</u>	<u>301,298</u>

21 Analysis of changes in net funds

	1 September 2020 £	Cash flows £	31 August 2021 £
Cash	308,270	1,395,035	1,703,305
	<u>308,270</u>	<u>1,395,035</u>	<u>1,703,305</u>

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Long-term commitments, including operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021	2020
	£	£
Amounts due within one year	25,479	-
Amounts due in two and five years	64,358	-
	<hr/>	<hr/>
	89,837	-
	<hr/> <hr/>	<hr/> <hr/>

23 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.

Expenditure related party transactions

Trusted Governor Services Limited – a company in which J A Lawson (a trustee) has a majority interest:

- The academy trust purchased meeting minute documenting services from Trusted Governor Services Limited totalling £1,704 (2020: £nil) during the period. There were no amounts outstanding at 31 August 2021 (2020: £nil).
- The academy trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which J A Lawson neither participated in, nor influenced.
- In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook.

The Diocese is also a related party to which the trust paid a total of £14,425 in Education Support Levy fees during the year.

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

24 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.

EMMAUS CATHOLIC ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

25 Conversion to an academy

On the 1st November 2020, St Anne's Roman Catholic High School converted to academy trusts status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Emmaus Catholic Academy Trust from the Local Authority for £nil consideration.

Subsequently on the 1st January 2021, St Chad's Roman Catholic Primary School and on the 1st June 2021 St Matthew's Roman Catholic High School were also converted to academy trusts status and were transferred for £nil consideration.

The transfers have been accounted for as a combination that is in substance a gift. The assets and liabilities were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net loss in the statement of financial activities as charitable expenditure - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

Academy	Location	Date of conversion
St Chad's RC Primary School	Manchester	1 January 2021
St Matthew's RC High School	Manchester	1 June 2021
St Anne's RC High School	Stockport	1 November 2020

	Unrestricted funds	Restricted funds:		Total 2021
	£	General	Fixed asset	£
Net assets transferred:				
Other tangible fixed assets	-	-	15,995	15,995
Cash	-	109,259	-	109,259
Pension scheme deficit	-	(4,160,000)	-	(4,160,000)
Debtors	-	314,062	-	314,062
	-	(3,736,679)	15,995	(3,720,684)

	Unrestricted funds	Restricted funds:		Total 2021
	£	General	Fixed asset	£
Funds surplus/(deficit) transferred:				
Fixed assets funds	-	-	15,995	15,995
LA budget funds	-	423,321	-	423,321
LGPS pension funds	-	(4,160,000)	-	(4,160,000)
	-	(3,736,679)	15,995	(3,720,684)