

**ST THOMAS MORE HIGH SCHOOL**

**GOVERNORS REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2013**

**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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**ST THOMAS MORE HIGH SCHOOL**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**Governors**

Mr M Barry, Chair of Governors<sup>1,2</sup>  
Mr D Patterson, Vice Chair of Governors (deceased 13 April 2013)<sup>1</sup>  
Mrs G Ackred, Principal<sup>1,2</sup>  
Mr V Copeland, Foundation Governor<sup>1,2</sup>  
Mr M D'Souza, Foundation Governor (resigned 24 September 2013)<sup>1</sup>  
Mrs M Foyster, Foundation Governor  
Father K Hale, Foundation Governor  
Mr S Ince, Foundation Governor<sup>1</sup>  
Mr M Lambert, Foundation Governor  
Mr D Micklewright, Foundation Governor<sup>1</sup>  
Mr J O'Brien, Foundation Governor  
Mr J Parsad, Foundation Governor<sup>1,2</sup>  
Mrs K Mackenzie, Parent Governor (resigned 4 February 2013)  
Mrs L Worricker, Parent Governor  
Mrs C Gradwell, Community Governor<sup>1,2</sup>  
Mrs L Mason, Teacher Governor  
Mr K Seaby, Staff Governor (resigned 1 October 2012)<sup>3</sup>  
Mr G Prior, Clerk to the Governors<sup>1,2</sup>  
Rt Reverend T McMahon  
The Brentwood Diocesan Trust  
Mrs M Lewis, Staff Governor (appointed 11 October 2012)  
Mr P Driscoll, Community Governor (appointed 1 July 2013)  
Fr J Woolnough, Foundation Governor (appointed 16 October 2012)  
Mr J Foster, Foundation Governor (appointed 16 January 2013)<sup>2</sup>  
Mr F Keenan, Foundation Governor (appointed 30 April 2013)  
Mr L Connolly, Foundation Governor (appointed 5 March 2013)  
Ms S Jones, Parent Governor (appointed 26 March 2013)

1 Member of Finance and General Purpose Committee

2 Member of Audit Committee

**Company registered number**

07696989

**Principal and registered office**

Kenilworth Gardens  
Westcliff On Sea  
Essex  
SS0 0BW

**Company secretary**

Mr G Prior

**Chief executive officer**

Mrs G Ackred

**Independent auditors**

Price Bailey LLP  
Chartered Accountants  
Statutory Auditors  
Causeway House  
1 Dane Street  
Bishop's Stortford  
Hertfordshire  
CM23 3BT

**Bankers**

Lloyds TSB  
77 High Street  
Southend on sea  
Essex  
SS1 1HT

**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

The Governors present their annual report together with the financial statements and auditors' report for the period ended 31 August 2013. The Governors confirm that the annual report and financial statements comply with the current statutory requirements, the requirements of the company's governing document, the EFA accounts guidance and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**Structure, governance and management**

**Constitution**

St Thomas More High School Academy (the "Charitable Company" or the "Academy") is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are its primary governing documents.

The Governors act as the trustees for the charitable activities of the Academy and are also the directors for the purposes of company law.

Details of the governors who served throughout the year except as noted are included in the reference and administrative details on page 1.

**Members' liability**

Each member of the Charitable Company undertakes to contribute to its assets 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.

**Governors' indemnities**

Governors are covered by indemnity insurance purchased at the Academy's expense to cover the liability of the governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy. Such indemnity will not apply to any act or omission which the governors knew to be a breach of trust or breach of duty or which was committed by the governors in reckless disregard to whether it was a breach of trust or breach of duty or not; nor will such indemnity extend to the costs of any unsuccessful defence to a criminal prosecution brought against the governors in their capacity as directors of the academy trust.

**Principal activities**

To advance for the public benefit, education in the United Kingdom, in particular (but without prejudice to the generality of the foregoing) by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. The Academy is constituted as an 11-18 school for the period to 31 August 2013.

St. Thomas More High School was established by the Roman Catholic people of South East Essex to provide a Christian education for their sons within the discipline and traditions of the Catholic Church. The fundamental purpose of the school today is to maintain and develop this Catholic community so that:

- boys and girls can become well-educated and confident young men and women who are spiritually, culturally and socially fulfilled,
- boys and girls are well prepared to move on to the next stage of their lives,
- pupils, parents, Governors and staff can continue to work together to ensure that the education provided will be as rich and successful as possible.

**Method of recruitment and appointment or election of governors**

- Parent governors are appointed by election of parents of students attending the academy.
- Foundation governors are appointed by the Diocesan Bishop
- Staff governors are appointed by election of staff employed by the academy.
- Community (as per Article 51 of the Articles of Association) governors are appointed by the governing body.
- Co-Opted governors may be appointed by those governors who are not themselves co-opted governors.
- The Head Teacher automatically becomes an ex officio governor.
- Further governors may be appointed by the Secretary of State.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**Policies and procedures adopted for the induction and training of governors**

As there are only normally a handful (one or two) new governors in a year and as the backgrounds of individual governors differs hugely induction is via external formal training sessions plus informal induction tailored to the needs of the individual. Where necessary, training will be provided on educational legal and financial matters. All new governors will be given a tour of the academy and the chance to meet with staff and students.

All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors.

**Organisational structure**

The governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The full governing body delegates certain of its functions to five committees: The Finance, & General Management Committee, The Audit Committee, The Pupil Achievement, Community & Ethos Committee, The Personnel Committee; and The Health & Safety Committee. These meetings are also attended by members of the Academy's Senior Leadership Team (SLT).

The Head Teacher is an ex officio governor and member of the trust, and is the accounting officer. The Head Teacher directly line manages the members of the SLT, which comprises a Deputy Head, five Assistant Heads, and the Director of Finance & Operations. As a group, the SLT are responsible for the day to day operation of the academy – in particular, organising the teaching staff, facilities and students.

**Risk management**

The Academy maintains a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. This register is approved and monitored by the Finance & General Management Committee. The principal risks facing the Academy at a contextual level are outlined below in the principal risks and uncertainties section; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls; for further details, see the Statement of Internal Control below.

The trustees report that the Academy's financial and internal controls conform to guidelines issued by the EFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

**Connected organisations, including related party relationships**

The Academy does not have a sponsor and is not related to any other charitable trust or other party.

**Objectives and Activities**

"These are to establish high quality; teaching, learning and assessment; curriculum provision and other activities; care, guidance and support of students; leadership and management.  
In addition, the school seeks to ensure high levels of student achievement and standards; personal development and well-being of students; effectiveness, efficiency and inclusiveness."

**Objects and aims**

The principal object and activity of the Academy are set out in the principal activities disclosure above.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**Objectives**

The Governing body had the following main objectives for the period ended 31 August 2013:

- To ensure that, by the dissemination of Gospel values throughout all aspects of school life, pupils will learn the true meaning and value of their spiritual development in the Catholic faith,
- To ensure that each pupil will achieve his or her true potential and attain the highest levels of success of which he/she is capable and thereby maintain and build upon its good reputation in the community, to the advantage of every pupil,
- To continue the development of all pupils qualities of responsibility, reliability, initiative, loyalty and adventure, and their understanding of the importance of service to others,
- To ensure that pupils will develop an enjoyment of learning for its own sake,
- To provide and develop the opportunities that pupils will be given, and will take, to develop the cultural, intellectual and recreational dimensions of their lives, through continual review and improvement of the curriculum and organisational structure by complying with all statutory requirements and thereby improving the effectiveness of the Academy,
- To ensure that pupils will feel pride in the academy and have a lasting sense of the value and pleasure of their years here,
- To ensure that the academy is a living witness to Christian family values in a materialistic and secular society,
- To maintain close links with parents, Governors, local industry and commerce so that teachers and other staff will find this a stimulating and fulfilling place to work, with a sense of real partnership and involvement.
- To provide value for money for the funds expended.
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

**Strategies and activities**

In keeping with its objectives for the period, the main activities provided by the Academy included:

- Emphasising the dissemination Gospel values in all aspects of school life,
- Emphasising the value and importance of academic study, and encourage every pupil to achieve the best results of which he or she is capable,
- Emphasising the importance of good order, self-discipline, achievement and a proper sense of commitment and purpose,
- Encouraging in all pupils a sense of pride in being a member of the school community as well as in the development of their own individual identity,
- Make clear its expectations of pupils, staff and parents,
- Provide a stimulating and enjoyable range of experiences both curricular and extra curricular.
- Training opportunities for all staff, and especially teaching staff.
- A careers advisory service to help students obtain employment or move on to higher education

**Public benefit**

The Governors of the Academy have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

The Academy has operated in accordance with its funding agreement as a non charging, not for profit organisation throughout the period in question. Pupil admissions to the Academy have been conducted in accordance with the Academy's admissions policy.

**Achievements and performance**

The academy measures its success partly through a series of performance indicators. These indicators comprise:

- Academy popularity/admissions
- Examination results and other indicators of student progress
- Staff and department performance monitoring
- Financial Health
- Stakeholder survey outcomes

The Academy converted from Voluntary Aided school status in August 2011 and is one of the most oversubscribed schools in Southend. The academy has a full complement of pupils in Year 7 – 11 with waiting lists for Years 7 – 9.

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

Examination results for 2013 were very pleasing:

- A record 67% of students achieved 5 GCSE grades A\* C including English & Maths; this represents a 2.00% improvement on our 2012 results
- 85% of students achieved 5 GCSE grades A C; this was our second highest ever result.
- 98.20.% of Sixth Form students achieved A2's at A\* - E; 59.9% achieving grades A\* - C.

To ensure standards are continually raised, the Academy:

- Operates a programme of appraisal for both teaching and support staff including observations of lessons where appropriate. This sets targets for staff within the framework of whole school priorities
- Monitors & analyses underachievement at department and at whole school level for all students including vulnerable groups, using various performance indicators including target data and interim achievement data. This results in individual support for pupils to raise achievement.
- Consults with an External Adviser (a School Support Partner) to monitor progress towards whole school priorities within the Ofsted framework.

One of the Academy's objectives for the period was to construct a proposal and business case which would persuade the EFA to approve its bid for replacement pupil toilets. We are delighted that this bid has now been approved by the EFA.

#### **Going concern**

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

#### **Financial review**

##### **Financial report for the year**

Most of the Academy's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2013 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2013, total expenditure of £5,915,797 (excluding depreciation) was more than covered by recurrent grant funding from the EFA together with other incoming resources. The excess of expenditure over income for the year (excluding restricted fixed asset and pension funds) of £64,827 was taken from general reserves brought forward.

##### **Financial position**

The Academy held fund balances at 31 August 2013 totalling a deficit of £583,482 comprising £Nil of restricted funds and £724,176 of unrestricted general funds and a pension reserve deficit of £1,598,000.

At 31 August 2013 the net book value of fixed assets was £230,342 and movements in tangible fixed assets are shown in note 17 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

##### **Reserves policy**

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that the appropriate level of free reserves should be equivalent to one month's expenditure (approximately £460k). The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £724,176, which is materially adequate.

The restricted pension fund is materially in deficit and plans to eliminate the liability on the Defined Benefit Pension Scheme are set out in note 20 based on the period end actuarial valuation.

##### **Investment Policy**

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**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

The Academy has a policy of investing its cash balances with a view to maximising returns, but where greater weight is assigned to the safety of the investment. The policy aims to invest cash in a mixture of liquid and longer term investments, such that its cash balances and liquid investments at least equal the figure outlined in the reserves policy. Amounts over this figure may be invested in longer term investments. However, it is not envisaged that the Academy should invest in any investment with a redemption period exceeding 8 weeks.

The Academy cash balance at 31 August 2013 exceeded the above level, since the governors had considered certain investment opportunities and decided to seek expert advice before committing to any particular course of action.

In the 2013 14 financial year and following years this policy will be reviewed in line with budget projections.

**Financial and risk management objectives and policies**

**Principal risks and uncertainties**

The trustees assess the principal risks and uncertainties facing the Academy as follows:

- Staff retention: possibly the biggest single risk to the Academy would lie in its failure to retain key staff – in particular, the principal. However, it is not felt that there are any immediate threats in this regard, and that recent and current developments such as the conversion to academy status form will aid retention.
- Material decrease in income affecting provision: highly unlikely. The budget for 2012 13 is sound, and the longer term financial plan shows considerable contingency against unwelcome future developments: it is highly likely that other similar institutions would be worse affected than St Thomas More.
- Falling rolls: highly unlikely. Initial response to the conversion to academy status has showed no diminution in student and parental enthusiasm. The school/Academy has been oversubscribed for many years and there is every sign of this continuing. In fact the Academy's increased control over its admissions is leading to efficiencies and optimization of its roll.
- Staff recruitment: conversion to academy status has not affected the attractiveness of the Academy to potential new staff. With each vacancy being filled during the year.
- Bank balances & investments: there is no significant risk other than an institution ceasing to trade. The Academy is therefore seeking to spread its investment over a number of solid institutions
- Debtors: there are no material debtors.
- The Academy's credit rating is not in jeopardy, though it has no need for credit facilities.
- The Academy's cash flow is healthy and long term financial planning predicts it will remain so.

**Plans for the future**

The Academy will continue striving to improve the levels of performance of its students at all levels, and will attempt to maintain its recent progress in ensuring the number of students on roll properly reflects the demand for places.

**PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who are governors at the time when this Governors' Report is approved has confirmed that:

- so far as that governor is aware, there is no relevant audit information of which the Charitable Company's auditors are unaware, and
- that governor has taken all the steps that ought to have been taken as a governor in order to be aware of any information needed by the Charitable Company's auditors in connection with preparing their report and to establish that the Charitable Company's auditors are aware of that information.

**AUDITORS**

The auditors, Price Bailey LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

This report was approved by the governors on \_\_\_\_\_ and signed on their behalf, by:

**Mr M Barry**  
Chair of Governors



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**GOVERNANCE STATEMENT**

**SCOPE OF RESPONSIBILITY**

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

The Board of Governors has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Thomas More High School and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Governors' Report and in the Governors' Responsibilities Statement. The Board of Governors has formally met 7 times during the year. Attendance during the year at meetings of the Board of Governors was as follows:

Governor	Meetings attended	Out of a possible
Mr M Barry, Chair of Governors	6	7
Mr D Patterson, Vice Chair of Governors	3	4
Mrs G Ackred, Principal	3	3
Mr V Copeland, Foundation Governor	6	7
Mr M D'Souza, Foundation Governor	0	1
Mrs M Foyster, Foundation Governor	5	5
Father K Hale, Foundation Governor	6	7
Mr S Ince, Foundation Governor	0	7
Mr M Lambert, Foundation Governor	7	7
Mr D Micklewright, Foundation Governor	5	7
Mr J O'Brien, Foundation Governor	7	7
Mr J Parsad, Foundation Governor	6	7
Mrs K Mackenzie, Parent Governor	2	2
Mrs L Worricker, Parent Governor	4	7
Mrs C Gradwell, Community Governor	7	7
Mrs L Mason, Teacher Governor	5	7
Mr K Seaby, Staff Governor	1	1
Mr G Prior, Clerk to the Governors	0	0
Rt Reverend T McMahon	0	0
The Brentwood Diocesan Trust	0	0
Mrs M Lewis, Staff Governor	5	6
Mr P Driscoll, Community Governor	1	2
Fr J Woolnough, Foundation Governor	5	6
Mr J Foster, Foundation Governor	4	5
Mr F Keenan, Foundation Governor	2	2
Mr L Connolly, Foundation Governor	3	4
Ms S Jones, Parent Governor	3	4

Mr David Patterson, Vice Chair of Governors, sadly and unexpectedly passed away. Mr John Foster was appointed Vice Chair.

There were two foundation, one parent and one staff governor resignations.

To replace the vacancies caused by resignation and existing vacancies, there were five foundation governors and one community governor appointed.

Elections were held for one parent and one staff governor with both vacancies being filled.

There were no vacancies at the 31st August 2013.

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**GOVERNANCE STATEMENT (continued)**

The Finance and General Management Committee is a sub-committee of the main Board of Governors. Its purpose is to address financial matters.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mr S Ince, Foundation Governor	1	3
Mr D Micklewright, Foundation Governor	2	3
Mr V Copeland, Foundation Governor	3	3
Mrs C Gradwell, Community Governor	3	3
Mr M Barry, Chair of Governors	3	3
Mrs G Ackred, Principal	3	3

The Audit Committee is also a sub-committee of the main Board of Governors. Its purpose is to address internal and external audit matters arising during the year.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mr J Foster, Chair	1	1
Mr V Copeland	2	2
Mrs C Gradwell	2	2
Mr J Parsad	1	1
Mr M Barry	1	2
Mr D Micklewright	1	1
Mrs G Ackred	1	2
Mr G Prior	2	2
Internal Auditor - Mr D Clarke	2	2
External Auditor - Price Bailey	1	1

**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 ongoing process designed to identify and prioritise the risks to the achievement of academy 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 St Thomas More High School for the year 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Governors has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

**THE RISK AND CONTROL FRAMEWORK**

The academy'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 Governors;
- regular reviews by the Finance and General Management Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Governors has considered the need for a specific internal audit function and has decided to appoint as internal auditor.

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**GOVERNANCE STATEMENT (continued)**

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a quarterly basis, the internal auditor reports to the Board of Governors on the operation of the systems of control and on the discharge of the Board of Governors' financial responsibilities.

[USER TEXT - confirm whether the appointee has delivered their schedule of work as planned, provide details of any material control issues arising as a result of the appointee's work and, if relevant, describe what remedial action is being taken to rectify the issues.]

**REVIEW OF EFFECTIVENESS**

As Accounting Officer, the Principal 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 internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Management Committee and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Governors on \_\_\_\_\_ and signed on their behalf, by:

**Mr M Barry**  
**Chair of Governors**

**Mrs G Ackred, Principal**  
**Accounting Officer**

**ST THOMAS MORE HIGH SCHOOL  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of St Thomas More High School I have considered my responsibility to notify the academy Board of Governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2012).

I confirm that I and the academy Board of Governors are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook (2012).

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.

**Mrs G Ackred, Principal**  
Accounting Officer

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**GOVERNORS' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

The Governors (who act as governors of St Thomas More High School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Requirements issued by the EFA, United Kingdom Accounting Standards (UKGAAP) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UKGAAP Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Governors 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 financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the governing body on

and signed on its behalf by:

**Mr M Barry**  
Chair of Governors

**ST THOMAS MORE HIGH SCHOOL**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST THOMAS MORE HIGH SCHOOL**

We have audited the financial statements of St Thomas More High School for the year ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

This report is made solely to the academy'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 academy's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS**

As explained more fully in the Governors' Responsibilities Statement, the Governors (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

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

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2013 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST THOMAS MORE HIGH SCHOOL**

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

Mr Gary Miller (Senior Statutory Auditor)

for and on behalf of

**Price Bailey LLP**

Chartered Accountants  
Statutory Auditors

Causeway House  
1 Dane Street  
Bishop's Stortford  
Hertfordshire  
CM23 3BT  
Date:

**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO ST THOMAS MORE HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 20 August 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Thomas More High School during the year 1 September 2012 to 31 August 2013 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 St Thomas More High School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Thomas More High School and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St Thomas More High School and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF ST THOMAS MORE HIGH SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING AUDITORS**

The accounting officer is responsible, under the requirements of St Thomas More High School's funding agreement with the Secretary of State for Education dated 17 August 2011, and the Academies Financial Handbook extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013. 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 year 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration and corroboration of the evidence supporting the accounting officers statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other Key management personnel
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate



**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO ST THOMAS MORE  
HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

**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 year 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Price Bailey LLP**

Chartered Accountants  
Statutory Auditors

Causeway House  
1 Dane Street  
Bishop's Stortford  
Hertfordshire  
CM23 3BT

Date:

**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating Income and Expenditure Account and Statement of Recognised Gains and Losses)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £	Total funds 2012 £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Assets transferred on conversion to Academy	2	-	-	-	-	(444,739)
Other voluntary income	2	36,665	-	-	36,665	336,251
Activities for generating funds	3	232,649	245,648	-	478,297	535,240
Incoming resources from charitable activities		-	5,188,154	212,659	5,400,813	5,653,603
Other incoming resources	5	6,075	18,263	-	24,338	29,300
<b>TOTAL INCOMING RESOURCES</b>		<b>275,389</b>	<b>5,452,065</b>	<b>212,659</b>	<b>5,940,113</b>	<b>6,109,655</b>
<b>RESOURCES EXPENDED</b>						
Charitable activities		301,466	5,519,095	244,366	6,064,927	6,185,876
Governance costs	6	-	25,300	-	25,300	22,147
<b>TOTAL RESOURCES EXPENDED</b>	8	<b>301,466</b>	<b>5,544,395</b>	<b>244,366</b>	<b>6,090,227</b>	<b>6,208,023</b>
<b>NET RESOURCES EXPENDED BEFORE TRANSFERS</b>						
		(26,077)	(92,330)	(31,707)	(150,114)	(98,368)
Transfers between Funds	16	-	(77,420)	77,420	-	-
<b>NET EXPENDITURE FOR THE YEAR</b>		<b>(26,077)</b>	<b>(169,750)</b>	<b>45,713</b>	<b>(150,114)</b>	<b>(98,368)</b>
Actuarial gains and losses on defined benefit pension schemes		-	(59,000)	-	(59,000)	(276,000)
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>(26,077)</b>	<b>(228,750)</b>	<b>45,713</b>	<b>(209,114)</b>	<b>(374,368)</b>
Total funds at 1 September 2012		750,253	(1,369,250)	244,629	(374,368)	-
<b>TOTAL FUNDS AT 31 AUGUST 2013</b>		<b>724,176</b>	<b>(1,598,000)</b>	<b>290,342</b>	<b>(583,482)</b>	<b>(374,368)</b>

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 19 to 35 form part of these financial statements.

**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07696989**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2013**

	Note	£	2013 £	£	2012 £
<b>FIXED ASSETS</b>					
Tangible assets	13		230,342		244,629
<b>CURRENT ASSETS</b>					
Debtors	14	193,277		29,710	
Cash at bank and in hand		972,607		863,266	
		<u>1,165,884</u>		<u>892,976</u>	
<b>CREDITORS:</b> amounts falling due within one year	15	(381,708)		(43,973)	
			<u>784,176</u>		<u>849,003</u>
<b>NET CURRENT ASSETS</b>					
			<u>1,014,518</u>		<u>1,093,632</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
Defined benefit pension scheme liability	20		(1,598,000)		(1,468,000)
			<u>(583,482)</u>		<u>(374,368)</u>
<b>NET LIABILITIES INCLUDING PENSION SCHEME LIABILITIES</b>					
<b>FUNDS OF THE ACADEMY</b>					
Restricted funds :					
Restricted funds	16	-		98,750	
Restricted fixed asset funds	16	290,342		244,629	
		<u>290,342</u>		<u>343,379</u>	
Restricted funds excluding pension liability			(1,307,658)		(1,124,621)
Pension reserve		(1,598,000)		(1,468,000)	
			<u>724,176</u>		<u>750,253</u>
Total restricted funds			<u>(1,307,658)</u>		<u>(1,124,621)</u>
Unrestricted funds	16		724,176		750,253
			<u>(583,482)</u>		<u>(374,368)</u>
<b>TOTAL DEFICIT</b>					

The financial statements were approved by the Governors, and authorised for issue, on their behalf, by:

and are signed on

**Mr M Barry**  
Chair of Governors

The notes on pages 19 to 35 form part of these financial statements.

**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

	Note	31 August 2013 £	Period ended 31 August 2012 £
Net cash flow from operating activities	18	190,849	881,610
Interest received		7,635	-
Payments to acquire tangible fixed assets		(89,143)	(18,344)
<b>INCREASE IN CASH IN THE YEAR</b>		<u>109,341</u>	<u>863,266</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

		31 August 2013 £	Period ended 31 August 2012 £
Increase in cash in the year		<u>109,341</u>	<u>863,266</u>
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>		109,341	863,266
Net funds at 1 September 2012		<u>863,266</u>	-
<b>NET FUNDS AT 31 AUGUST 2013</b>		<u>972,607</u>	<u>863,266</u>

The notes on pages 19 to 35 form part of these financial statements.

**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 issued by the EFA, applicable accounting standards and the Companies Act 2006.

**1.2 Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received and include grants from the DfE.

**1.3 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's policies.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**1. ACCOUNTING POLICIES (continued)**

**1.4 Resources expended**

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities are costs incurred in the academy's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Going concern**

The Governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

**1.6 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised.

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

The policy with respect to impairment reviews of fixed assets is ...

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	10 years straight line
Kitchen equipment	-	3 years straight line
Computer equipment	-	3 years straight line

**1.7 Operating leases**

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**1.8 Taxation**

The academy 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 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.

**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**1. ACCOUNTING POLICIES (continued)**

**1.9 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 20, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

**2. OTHER VOLUNTARY INCOME**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Assets transferred on conversion to Academy	-	-	-	(444,739)
Donations	36,665	-	36,665	336,251
Voluntary income	36,665	-	36,665	(108,488)

**3. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Lettings	18,496	-	18,496	20,203
Catering	202,390	-	202,390	205,782
Educational Income	-	223,265	223,265	286,822
Other non-trading income	11,763	22,383	34,146	22,433
	232,649	245,648	478,297	535,240

**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**4. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
<b>DfE/EFA grants</b>				
General Annual Grant (GAG)	-	4,959,514	4,959,514	5,304,850
Other DfE / EFA Grants	-	276,872	276,872	86,687
Local Authority Grants	-	164,427	164,427	262,066
	<u>-</u>	<u>5,400,813</u>	<u>5,400,813</u>	<u>5,653,603</u>

**5. OTHER INCOMING RESOURCES**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Other income	6,075	18,263	24,338	29,300
	<u>6,075</u>	<u>18,263</u>	<u>24,338</u>	<u>29,300</u>

**6. GOVERNANCE COSTS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Governance Auditors' remuneration	-	6,500	6,500	5,500
Governance Auditors' non audit costs	-	15,350	15,350	3,750
Governance Professional fees	-	2,750	2,750	12,397
Governance Internal Audit costs	-	700	700	500
	<u>-</u>	<u>25,300</u>	<u>25,300</u>	<u>22,147</u>



**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
<b>DIRECT COSTS</b>				
Wages and salaries	-	2,113,900	2,113,900	2,285,627
National insurance	-	178,597	178,597	184,957
Pension cost	-	280,795	280,795	277,035
Educational Supplies	-	459,376	459,376	551,288
Staff Development	-	16,355	16,355	25,451
Insurance Costs	-	2,845	2,845	-
Other costs	-	17,250	17,250	12,752
Agency supply costs	-	242,348	242,348	168,259
	<u>-</u>	<u>3,311,466</u>	<u>3,311,466</u>	<u>3,505,369</u>
<b>SUPPORT COSTS</b>				
Wages and salaries	63,380	1,030,359	1,093,739	1,097,473
National insurance	965	67,057	68,022	67,649
Pension cost	3,360	131,544	134,904	138,079
Depreciation	-	103,430	103,430	78,766
LGPS FRS17 adjustments	-	50,000	50,000	58,000
Other Educational Supplies	-	43,481	43,481	3,929
Examination Fees	-	122,108	122,108	117,489
Educational Consultancy	-	2,500	2,500	-
Staff Development	-	5,765	5,765	4,189
Maintenance of Premises & Equipment	-	394,522	394,522	430,016
Occupancy Costs	-	326,084	326,084	309,136
Catering	133,139	-	133,139	126,390
Professional Fees	-	46,573	46,573	33,061
Printing, Postage and Stationery	-	30,837	30,837	37,172
Other costs	100,622	42,096	142,718	146,147
Recruitment Costs	-	42,804	42,804	21,006
Vehicle Costs	-	12,835	12,835	12,005
	<u>301,466</u>	<u>2,451,995</u>	<u>2,753,461</u>	<u>2,680,507</u>
	<u>301,466</u>	<u>5,763,461</u>	<u>6,064,927</u>	<u>6,185,876</u>

**8. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	Staff costs 2013 £	Premises 2013 £	Other costs 2013 £	Total 2013 £	Total 2012 £
Provision of Education - Direct costs	2,573,292	-	738,174	3,311,466	3,505,369
Allocated support costs	1,296,665	402,614	1,054,182	2,753,461	2,680,507
<b>Charitable activities</b>	<u>3,869,957</u>	<u>402,614</u>	<u>1,792,356</u>	<u>6,064,927</u>	<u>6,185,876</u>
<b>Governance</b>	<u>-</u>	<u>-</u>	<u>25,300</u>	<u>25,300</u>	<u>22,147</u>
	<u>3,869,957</u>	<u>402,614</u>	<u>1,817,656</u>	<u>6,090,227</u>	<u>6,208,023</u>

**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**9. NET RESOURCES EXPENDED**

This is stated after charging:

	31 August 2013 £	Period ended 31 August 2012 £
Depreciation of tangible fixed assets: - owned by the charity	103,430	78,766
Auditors' remuneration	6,500	5,500
Auditors' remuneration - non-audit (including EFA pilot audit fee)	16,350	3,750
Governance Internal audit costs	700	500
	<u>                    </u>	<u>                    </u>

**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**10. STAFF COSTS**

Staff costs were as follows:

	31 August 2013 £	Period ended 31 August 2012 £
Wages and salaries	2,965,291	3,214,841
Social security costs	246,619	252,606
Other pension costs (Note 20)	415,699	415,114
	3,627,609	3,882,561
Supply teacher costs	242,348	168,259
	3,869,957	4,050,820

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

	31 August 2013 No.	Period ended 31 August 2012 No.
Teaching	56	53
Administration & Support	45	49
Management	7	6
	108	108
	108	108

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

	31 August 2013 No.	Period ended 31 August 2012 No.
In the band £ 60,001 - £ 70,000	2	0
In the band £ 70,001 - £ 80,000	0	1
In the band £ 80,001 - £ 90,000	1	2
In the band £100,001 - £200,000	0	1
	3	4
	3	4

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2013 pension contributions for these staff amounted to £8,367. One non teaching staff participated in the local government pension scheme total amount of contribution for this staff amounted to £3,582.

**ST THOMAS MORE HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**11. GOVERNORS' REMUNERATION AND EXPENSES**

The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy in respect of their role as Governors. The value of Governors' remuneration fell within the following bands:

	31 August 2013 £'000	Period ended 31 August 2012 £'000
Mr P Travis, Accounting Officer (to June 2012)		90-95
Mrs L Mason (formerly Miss L Snooke), Staff Governor	45-50	45-50
Mr K Seaby, Staff Governor	0-5	35-40
Mrs G Ackred, Accounting officer (from April 2012)	80-85	20-25
Mrs M Lewis, Staff Governor	25-30	

During the year, no Governors received any reimbursement of expenses (2012 - £nil).

**12. GOVERNORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2013 was £1,662 (2012 - £686).

The cost of this insurance is included in the total insurance cost.

**13. TANGIBLE FIXED ASSETS**

	Freehold land £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2012	213,267	31,848	78,280	323,395
Additions	-	6,539	82,604	89,143
At 31 August 2013	<u>213,267</u>	<u>38,387</u>	<u>160,884</u>	<u>412,538</u>
<b>Depreciation</b>				
At 1 September 2012	30,467	11,996	36,303	78,766
Charge for the year	30,467	13,251	59,712	103,430
At 31 August 2013	<u>60,934</u>	<u>25,247</u>	<u>96,015</u>	<u>182,196</u>
<b>Net book value</b>				
At 31 August 2013	<u>152,333</u>	<u>13,140</u>	<u>64,869</u>	<u>230,342</u>
At 31 August 2012	<u>182,800</u>	<u>19,852</u>	<u>41,977</u>	<u>244,629</u>

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**13. TANGIBLE FIXED ASSETS (continued)**

The school owns 5 acres of land, which has been included in the accounts at nil value.

The land and buildings have been included in the accounts based on the valuation provided by the governors using depreciated replacement cost. Governors do not believe that the cost of obtaining a more detailed valuation outweighs the benefit.

The land and buildings at Kenilworth Gardens where the school is based are owned by the Diocese of Brentwood and have not been included in the fixed asset valuation.

**14. DEBTORS**

	2013 £	2012 £
Other debtors	193,277	29,710
	<u>193,277</u>	<u>29,710</u>

**15. CREDITORS:  
Amounts falling due within one year**

	2013 £	2012 £
Trade creditors	199,347	2,535
Other creditors	182,361	12,060
Accruals and deferred income	-	29,378
	<u>381,708</u>	<u>43,973</u>

**Deferred income**

Deferred income at 1 September 2012		12,059
Resources deferred during the year		63,866
Amounts released from previous years		(12,059)
		<u>63,866</u>
Deferred income at 31 August 2013		<u>63,866</u>

Resources deferred during the year relate to trip and pupil premium income received in advance of the academic year 2013/14.

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**16. STATEMENT OF FUNDS**

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
<b>Unrestricted funds</b>						
Unrestricted	750,253	275,389	(301,466)	-	-	724,176
<b>Restricted funds</b>						
	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
General Annual Grant (GAG)	98,750	4,954,856	(4,976,186)	(77,420)	-	-
Restricted SEN Pupil premium funding	-	82,587	(82,587)	-	-	-
Restricted educational visits	-	61,181	(61,181)	-	-	-
Other government grants	-	223,265	(223,265)	-	-	-
Other Restricted	-	3,750	(3,750)	-	-	-
Restricted exam fees income	-	107,564	(107,564)	-	-	-
Restricted music income	-	12,232	(12,232)	-	-	-
Restricted music income	-	6,630	(6,630)	-	-	-
Pension fund	(1,468,000)	-	(71,000)	-	(59,000)	(1,598,000)
	<u>(1,369,250)</u>	<u>5,452,065</u>	<u>(5,544,395)</u>	<u>(77,420)</u>	<u>(59,000)</u>	<u>(1,598,000)</u>
<b>Restricted fixed asset funds</b>						
Restricted fixed asset fund	244,629	-	(103,430)	89,143	-	230,342
DfE/EFA capital grant	-	20,659	-	(20,659)	-	-
ACMF grant	-	192,000	(140,936)	8,936	-	60,000
	<u>244,629</u>	<u>212,659</u>	<u>(244,366)</u>	<u>77,420</u>	<u>-</u>	<u>290,342</u>
Total restricted funds	<u>(1,124,621)</u>	<u>5,664,724</u>	<u>(5,788,761)</u>	<u>-</u>	<u>(59,000)</u>	<u>(1,307,658)</u>
Total of funds	<u><u>(374,368)</u></u>	<u><u>5,940,113</u></u>	<u><u>(6,090,227)</u></u>	<u><u>-</u></u>	<u><u>(59,000)</u></u>	<u><u>(583,482)</u></u>

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

**General Annual Grant (GAG)**

This represents funding from the EFA to cover the costs of recurrent expenditure.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013.

**Special Educational Needs (SEN)**

This represents allocated funding for special educational needs pupils.

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**16. STATEMENT OF FUNDS (continued)**

**Pupil Premium**

This funding is to be used to raise achievement and improve outcomes for pupils from low-income families who are eligible for free school meals, looked after children and those from families with parents in the Armed Forces.

**Educational visits**

This represents contributions made by parents to the running of educational visits for the pupils of The School and the associated costs of running the visits.

**Other restricted**

This represents income received from additional bodies for a specific purpose.

**Pension fund**

This fund represents the school's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the school on conversion from a state controlled school.

**Restricted Fixed Asset Funds**

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

**SUMMARY OF FUNDS**

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
General funds	750,253	275,389	(301,466)	-	-	724,176
Restricted funds	(1,369,250)	5,452,065	(5,544,395)	(77,420)	(59,000)	(1,598,000)
Restricted fixed asset funds	244,629	212,659	(244,366)	77,420	-	290,342
	<u>(374,368)</u>	<u>5,940,113</u>	<u>(6,090,227)</u>	<u>-</u>	<u>(59,000)</u>	<u>(583,482)</u>

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £	Total funds 2012 £
Tangible fixed assets	-	-	230,342	230,342	244,629
Current assets	724,176	381,708	60,000	1,165,884	892,976
Creditors due within one year	-	(381,708)	-	(381,708)	(43,973)
Provisions for liabilities and charges	-	(1,598,000)	-	(1,598,000)	(1,468,000)
	<u>724,176</u>	<u>(1,598,000)</u>	<u>290,342</u>	<u>(583,482)</u>	<u>(374,368)</u>

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**18. NET CASH FLOW FROM OPERATING ACTIVITIES**

	31 August 2013 £	Period ended 31 August 2012 £
Net incoming resources before revaluations	(150,114)	(98,368)
Returns on investments and servicing of finance	(7,635)	-
Net assets transferred on conversion	-	(305,051)
Depreciation of tangible fixed assets	103,430	78,766
Increase in debtors	(163,567)	(29,710)
Increase in creditors	337,735	43,973
FRS 17 adjustments	71,000	1,192,000
	190,849	881,610

**19. ANALYSIS OF CHANGES IN NET FUNDS**

	1 September 2012 £	Cash flow £	Other non-cash changes £	31 August 2013 £
Cash at bank and in hand:	863,266	109,341	-	972,607
<b>Net funds</b>	863,266	109,341	-	972,607

**20. PENSION COMMITMENTS**

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Essex County Council. Both are 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 2004 and of the LGPS 31 March 2010.

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' Pensions Regulations (2010). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

**The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a "pay as you go" basis – these contributions along with those made by employers are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the



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**20. PENSION COMMITMENTS (continued)**

Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

**Valuation of the Teachers' Pension Scheme**

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

**Teachers' Pension Scheme Changes**

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

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

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

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

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

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**20. PENSION COMMITMENTS (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2013 was £175,000, of which employer's contributions totalled £136,000 and employees' contributions totalled £39,000. The agreed contribution rates for future years are 12.3% for employers and 5.5-7.5% for employees.

The LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy 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.

The amounts recognised in the Balance Sheet are as follows:

	31 August 2013 £	Period ended 31 August 2012 £
Present value of funded obligations	(2,350,000)	(2,012,000)
Fair value of scheme assets	752,000	544,000
	<u>                    </u>	<u>                    </u>
Net liability	<u><u>(1,598,000)</u></u>	<u><u>(1,468,000)</u></u>

The amounts recognised in the Statement of Financial Activities are as follows:

	31 August 2013 £	Period ended 31 August 2012 £
Current service cost	(157,000)	(131,000)
Interest on obligation	(81,000)	(86,000)
Expected return on scheme assets	31,000	28,000
	<u>                    </u>	<u>                    </u>
Total	<u><u>(207,000)</u></u>	<u><u>(189,000)</u></u>
	<u>                    </u>	<u>                    </u>
Actual return on scheme assets	<u><u>92,000</u></u>	<u><u>33,000</u></u>

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**20. PENSION COMMITMENTS (continued)**

Movements in the present value of the defined benefit obligation were as follows:

	31 August 2013 £	Period ended 31 August 2012 £
Opening defined benefit obligation	2,012,000	-
Current service cost	157,000	131,000
Interest cost	81,000	86,000
Contributions by scheme participants	39,000	39,000
Actuarial Losses	122,000	281,000
Benefits paid	(61,000)	(12,000)
Present value of defined benefit obligation on conversion	-	1,487,000
	<u>2,350,000</u>	<u>2,012,000</u>

Movements in the fair value of the academy's share of scheme assets:

	31 August 2013 £	Period ended 31 August 2012 £
Opening fair value of scheme assets	544,000	-
Expected return on assets	31,000	28,000
Actuarial gains and (losses)	63,000	5,000
Contributions by employer	136,000	135,000
Contributions by employees	39,000	39,000
Benefits paid	(61,000)	(12,000)
Fair value of scheme assets on conversion	-	349,000
	<u>752,000</u>	<u>544,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £(59,000) (2012 - £(276,000)).

The academy expects to contribute £138,000 to its Defined Benefit Pension Scheme in 2014.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2013	2012
Equities	65.00 %	68.00 %
Gilts	8.00 %	6.00 %
Other bonds	9.00 %	9.00 %
Property	11.00 %	13.00 %
Cash	3.00 %	4.00 %
Alternative assets	4.00 %	- %

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2013	2012
Discount rate for scheme liabilities	4.70 %	3.90 %
Expected return on scheme assets at 31 August	5.80 %	5.20 %
Rate of increase in salaries	4.70 %	3.70 %
Rate of increase for pensions in payment / inflation	2.90 %	1.90 %
Inflation assumption (CPI)	2.90 %	1.90 %
Inflation assumption (RPI)	3.70 %	2.70 %

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**20. PENSION COMMITMENTS (continued)**

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

	2013	2012
Retiring today		
Males	22.7	22.7
Females	25.3	25.3
Retiring in 20 years		
Males	24.2	24.1
Females	26.9	26.8

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2013	2012
	£	£
Defined benefit obligation	(2,350,000)	(2,012,000)
Scheme assets	752,000	544,000
Deficit	(1,598,000)	(1,468,000)
Experience adjustments on scheme assets	63,000	5,000

**21. OPERATING LEASE COMMITMENTS**

At 31 August 2013 the academy had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			
	2013	2012	2013	2012
	£	£	£	£
<b>Expiry date:</b>				
Within 1 year	-	-	9,744	9,744
Between 2 and 5 years	-	-	60,000	60,000
	-	-	69,744	70,000

**22. RELATED PARTY TRANSACTIONS**

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

During the year the company made payments of £4,574 (2012 £5,905) to D W Micklewright, a foundation governor.

The amount due from them at the year end was £ NIL.

The premises that the Academy uses to fulfil its charitable objectives is owned by the Brentwood Roman Catholic Diocese a member of the Academy. The Academy has not entered into a long term lease and does not pay rent for the use of land and buildings. A gift in kind in relation to this arrangement has not been recognised in the Statement of Financial Activities as the governors do not consider that the benefit can be reasonably quantified or measured.

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**23. CONTROLLING PARTY**

The academy is under the control of the board of governors.