

**ST THOMAS MORE HIGH SCHOOL**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2015**

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

**CONTENTS**

	Page
<b>Reference and Administrative Details of the Academy, its Trustees and Advisers</b>	1
<b>Trustees' Report</b>	2 - 7
<b>Governance Statement</b>	8 - 11
<b>Statement on Regularity, Propriety and Compliance</b>	12
<b>Trustees' Responsibilities Statement</b>	13
<b>Independent Auditors' Report</b>	14 - 15
<b>Independent Reporting Accountant's Assurance Report on Regularity</b>	16 - 17
<b>Statement of Financial Activities</b>	18
<b>Balance Sheet</b>	19
<b>Cash Flow Statement</b>	20
<b>Notes to the Financial Statements</b>	21 - 37

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS, TRUSTEES AND  
ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2015**

<b>Trustees</b>	Mr M Barry, Chair of Governors (resigned 31 October 2015) <sup>1</sup> Mr J Foster, Chair of Governors Mrs G Ackred, Principal Mr V Copeland, Foundation Governor Father K Hale, Foundation Governor (resigned 13 November 2014) Mr M Lambert, Foundation Governor (resigned 1 March 2015) Mr D Micklewright, Foundation Governor Mr J O'Brien, Foundation Governor Mr J Parsad, Foundation Governor Father J Woolnough, Foundation Governor Mr A Juiniper, Foundation Governor (appointed 1 June 2015) Mr S Mason, Foundation Governor (appointed 25 June 2015) Mr F Keenan, Foundation Governor Ms S Jones, Parent Governor Mrs L Worricker, Parent Governor (resigned 1 September 2014) Mrs A Kwasnica, Parent Governor (appointed 1 November 2014) Mrs C Gradwell, Community Governor Mr P Driscoll, Community Governor (resigned 31 August 2015) Mrs M Lewis, Staff Governor (resigned 1 July 2015) Ms S Turrell, Staff Governor Rt. Reverend A Williams <sup>1</sup> The Brentwood Diocesan Trust <sup>1</sup>  1 Member
<b>Company Secretary</b>	Mr G Prior (Clerk to the Governors)
<b>Chief Executive Officer</b>	Mrs G Ackred
<b>Registered and principal office</b>	Kenilworth Gardens Westcliff On Sea Essex SS0 0BW
<b>Company registered number</b>	07696989
<b>Independent Auditors</b>	Price Bailey LLP Chartered Accountants Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
<b>Bankers</b>	Lloyds TSB 77 High Street Southend on sea Essex SS1 1HT
<b>Senior Leadership Team</b>	Mrs G. Ackred, Headteacher Mr P. Maxfield, Deputy Headteacher Ms E. Corr, Director of Learning i/c of 6th Form Mr M. Hardiman, Director of Learning i/c of Pupil Achievement Mr J. Hollingsworth, Director of Learning i/c of Teaching & Learning Mr G. Mason, Director of Learning i/c of Behaviour & Safety Mr G. Prior, Director of Finance & Operations Mrs C. Webb, Director of Religious life

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

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees present their Annual Report together with the financial statements and Auditors' report for the period ended 31 August 2015. The Trustees 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", the "Trust", 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 Trustees 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 Trustees 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.

**Trustee and Officers' Indemnities**

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and details of the costs are disclosed in Note 12 to the accounts?

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

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

**Policies and Procedures adopted for the induction and training of Trustees**

As there are only normally a handful (one or two) new Trustees in a year and as the backgrounds of individual Trustees 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 Trustees will be given a tour of the School and the chance to meet with staff and students.

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

**Organisational Structure**

The governance of the Academy is defined in the Memorandum and Articles of Association together with the funding agreement with the Department of Education.

The Board of Trustees, which meets on at least 3 occasions per year, is responsible for the strategic direction of the Academy. The Board of Trustees reviews progress towards educational objectives and results. They also approve major expenditure requests, set the budget for the following year, and set the organisational staffing structure, agree the performance objectives of the Headteacher with the School Improvement Partner, and reviews them.

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

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

The Headteacher is the designated Accounting Officer of the Academy and has overall responsibility for the day to day financial management of the Charitable Company. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are each responsible for managing their own departments within the constraints of their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Academy on a daily basis supported by a Senior Leadership Team. The Senior Leadership Team meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Board of Trustees as required for approval. Each member of the Senior Leadership Team has specific responsibilities to assist the Headteacher to manage certain aspects of the Academy.

**Connected Organisations and Related Parties**

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee 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. Any transactions where the Trustee has a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal object and aim of the Charitable Company is the operation of St Thomas More High School (the School) to provide free education and care for pupils of different abilities between the ages of 11 and 18.

The Board of Trustees had the following main objectives for the period ended 31 August 2015:

- 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 society,
- To maintain close links with parents, Trustees, 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**

During the year the school has worked towards achieving these aims by:

- Ensuring that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- Emphasising the dissemination Gospel values in all aspects of school life.
- raising the standard of educational progress and attainment of all pupils.
- 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.

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

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

- 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.
- Improving the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- Providing value for money for the funds expended.
- Complying with all appropriate statutory and curriculum requirements.
- Conducting the Academy's business in accordance with the highest standards of integrity purpose.

At St Thomas More High School we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values.

**Public Benefit**

The Trustees of the Academy believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

**STRATEGIC REPORT**

**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.

**Key Performance Indicators**

The Trustees receive termly information to enable them to monitor the performance of the School compared to aims, strategies and financial budgets.

- % achieving 5 or more A\* - C including English and Maths is 73%, which is an improvement of 15% on our results from last year and we expect to be above the national average for boys.
- Average Capped Point score (Best 8 subjects) is 345.94, which is an improvement of over 21 points on last year and we expect to be above the national average for boys.
- % achieving 5 or more A\* - C is 84.7% which is significantly above the national average at 69%.
- When compared to the national average our students achieve outstanding results in English and Maths, especially when compared to the achievement of boys nationally.

	National	National boys only	St Thomas More boys
English A* - C %	65.4	57.7	76.4
Maths A* - C %	63.3	63.9	90.3

We expect our value added measure of 1021.873 this year to once again be significantly above the national average when compared like for like (boys vs boys).

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 progress data which results in individual support for pupils to make better levels of progress.
- Consults with an External Adviser (a School Support Partner) to monitor progress towards whole school priorities within the Ofsted framework.

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

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2014 were 1023 (2014: 1028). The Academy has waiting lists for Years 7 – 9.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2014/15 this was 79.9% (budget -79.2%).

#### **Going concern**

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

#### **FINANCIAL REVIEW**

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the EFA. For the year ended 31 August 2015 the Trust received £5,750,761 of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education.

During the year the Academy Trust spent all of its restricted funds and has made a deficit of £63,596 for the year after actuarial gains on the pension scheme of £54,000. Unrestricted funds available for carry forward total £737,746.

#### **Reserves policy**

The Trustees are aware of the requirement to balance current and future needs. The Trustees always aim to set a balanced budget with annual income balancing annual expenditure.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £737,746. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

The cash balance of the Academy has been very healthy all year, ending the year with a balance of £917,785. The Trustees have determined that they should hold a cash contingency equivalent to one months expenditure, approximately £470k.

Due to the accounting rules for the Local Government Pension Scheme under FRS17, the Academy is recognising a significant pension fund deficit of £1,481,000. This does not mean that an immediate liability for this amount crystallises and that such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

Reserves in excess of policy are to be used in the following manner:

- To reduce and smooth the impact on education of reducing EFA funding and increase costs caused by factors outside the control of the Academy, i.e national insurance employer contributions, (approximately 60%).
- The remaining excess (approximately 40%) is to be allocated to upgrading the Academy's facilities and premises.

#### **Investment policy**

An Investment Policy was approved by the Board of Trustees in December 2012.

The aim of the policy is to ensure funds that the Academy does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the Academy's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Academy does not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow.

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

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk management process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Finance Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust'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.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and this is relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- The Academy has considerable reliance on continued Government funding through the EFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.
- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.
- Staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Fraud and mismanagement of funds - The Academy has appointed an Internal Auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

**PLANS FOR FUTURE PERIODS**

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.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

No funds are held as custodian trustee.

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

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2015**

**PROVISION OF INFORMATION TO AUDITORS**

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

- as far as that Trustee is aware, there is no relevant audit information of which the Charitable Company's Auditors are unaware, and
- that Trustee has taken all steps that ought to have been taken as a Trustee 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 Trustees on 2 December 2015 and signed on its behalf by:

**Mr J Foster**  
Chair of Governors

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

**GOVERNANCE STATEMENT**

**SCOPE OF RESPONSIBILITY**

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

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr M Barry, Chair of Governors to 31 October 2015	3	3
Mr J Foster, Chair of Governors	2	3
Mrs G Ackred, Principal	3	3
Mr V Copeland, Foundation Governor	3	3
Father K Hale, Foundation Governor	0	0
Mr M Lambert, Foundation Governor	1	1
Mr D Micklewright, Foundation Governor	1	3
Mr J O'Brien, Foundation Governor	3	3
Mr J Parsad, Foundation Governor	2	3
Father J Woolnough, Foundation Governor	1	3
Mr A Juiniper, Foundation Governor	1	1
Mr S Mason, Foundation Governor	0	1
Mr F Keenan, Foundation Governor	3	3
Ms S Jones, Parent Governor	3	3
Mrs L Worricker, Parent Governor	0	0
Mrs A Kwasnica, Parent Governor	3	3
Mrs C Gradwell, Community Governor	2	3
Mr P Driscoll, Community Governor	0	0
Mrs M Lewis, Staff Governor	1	2
Ms S Turrell, Staff Governor	1	3
Rt. Reverend A Williams	0	0
The Brentwood Diocesan Trust	0	0

There were three foundation, one community and one staff Governor resignation. Two foundation Governors were appointed.

There were three foundation Governor vacancies at the 31st August 2015. The number of foundation Governors has been reviewed by the Governing Body and a recommendation has been presented to reduce the number by two Foundation Governors and one staff Governor in the new financial year in line with Government guidance on governing body numbers. The remaining vacancies will be filled in the autumn term 2015

In addition to the 3 formal meetings Governors also visited the School to talk to staff and pupils and to see the School in action. They used a range of formal and informal visits, including attending School events, conducting 'learning walks' and visiting classrooms. Individual Governors are linked to different aspects of the School's work, such as monitoring the progress of disadvantaged pupils and behaviour & safety. These aspects had been identified as needing improvement.

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

**GOVERNANCE STATEMENT (continued)**

In order to be kept fully up to date, all Trustees are included in the circulation of the weekly bulletin and newsletter. The information in these documents gives Trustees a clearer context of School life as a background to their meetings and visits, which helped give governors an overview of activities and action taken, so that they are able to formulate questions on challenge the impact and outcomes of these actions. Paired Governors also attended SLT meetings according to the timetable of topics to be discussed. These items were referred to in questions and discussion at Board of Trustees. This helped to give all Governors a greater insight into the effectiveness of the School. In the review the timetable of topics will be circulated to all Governors with an open invitation to attend these meetings.

All other categories were filled.

The Board of Trustees acting in accordance with the Financial Regulations for 2013 which no longer required the Academy to have a separate Audit Committee and in the interest of effective use of Trustee resources, agreed to subsume the committee's remit into the Finance Committee.

Governance reviews:

A review of Governance and its structures and their effectiveness took place in June 2013. This included an audit of skills of each member of the Board of Trustees, which resulted in a rationalisation of the committee membership for the academic year 2015 – 2016 and the appointment of three new Trustees to improve the breadth and depth of expertise of the Board. Trustees sought information from external experts on issues such as the analysis of data, finance, personnel and school improvement. For example, this included, support from the school improvement partner on interpreting performance data. Trustees used this external support to gain new perspectives on information provided by the school and external reports so that they were confident that their understanding of the school's performance was accurate. The next annual review will take place in the Spring / Summer term 2015.

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

The Finance & Premises committee considered various matters during the year. These included the impact on funding of the changes in Special Educational Need, 6th form funding and the general decline in central Government grants and the need to have sufficient reserves to allow for a smooth transition to lower levels of income.

The committee also considered the position of the Local Government Pension Scheme on the Academy's balance sheet. Expenditure relating to the impact on staffing resulting from the proposed 1% increase and National insurance employer contributions were discussed.

The Committee also discussed and approved the need to reduce staffing costs including the use of compulsory redundancy. Various projects aimed at improving the utilisation of the premises and improving the facilities for education were also discussed.

Attendance at meetings in the year are shown below.

Trustee	Meetings attended	Out of a possible
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 to 31 October 2015	2	3
Mrs G Ackred, Principal	3	3
Mr J Parsad	2	3
Mr J Foster, Chair of Governors	0	3
Mr D Micklewright	2	3

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

**GOVERNANCE STATEMENT (continued)**

**REVIEW OF VALUE FOR MONEY**

I accept that as Accounting Officer of St Thomas More High School I am responsible and accountable for ensuring that the Academy trust delivers good value in the use of public resources. I am aware of the guide to Academy value for money statements published by the Education Funding Agency and understand that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

I set out below how I have ensured that the Trust's use of its resources has provided good value for money during the academic year.

Economic, efficient and effective use of resources to produce better educational results has been demonstrated by the results for 2014/2015 academic year. Full details available on the Academy website: [www.st-thomasmore.southend.sch.uk](http://www.st-thomasmore.southend.sch.uk).

The Academy has developed and has fully embedded tracking systems for individual students and provides a range of targeted interventions that track levels of progress from Key Stage 2 through to KS5 and beyond. As a result the Academy has significantly improved student progress and attainment in many aspects as compared with last year.

% achieving 5 or more A\* - C including English and Maths is 73%, which is an improvement of 15% on our results from last year and we expect to be above the national average for boys.

Average Capped Point score (Best 8 subjects) is 345.94, which is an improvement of over 21 points on last year and we expect to be above the national average for boys.

% achieving 5 or more A\* - C is 84.7% which is significantly above the national average at 69%.

When compared to the national average our students achieve outstanding results in English and Maths, especially when compared to the achievement of boys nationally.

	National	National boys only	St Thomas More boys
English A* - C %	65.4	57.7	76.4
Maths A* - C %	63.3	63.9	90.3

We expect our value added measure of 1021.873 this year to once again be significantly above the national average when compared like for like (boys vs boys).

The Academy regularly benchmarks financial performance against other Academy Trusts to demonstrate that the Trust provides good value for money.

Tender exercises are regularly undertaken to ensure that high value contracts are assessed against the marketplace on a regular basis to ensure that long term contracts (3 to 5 years) remain competitive.

For purchases above £15,000, but below the tender limit, 3 quotes are required.

**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 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy 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's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees..

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

**GOVERNANCE STATEMENT (continued)**

**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 Trustees;
- 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; and
- identification and management of risks.

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

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

- Review of payroll procedures
- to undertake a review of the arrangements for the operation of the BACS system;
- review of invoices and payments;
- to look at budget control and setting.

On a termly basis, the Internal Auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

**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 a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 2 December 2015 and signed on its behalf, by:

**Mr J Foster**  
Chair of Governors

**Mrs G Ackred, Principal**  
Accounting Officer

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

**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 Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the Board of Trustees 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 (2014).

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

**Mrs G Ackred, Principal**  
Accounting Officer

Date: 2 December 2015

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

**TRUSTEES' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees (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 Trustees' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Requirements issued by the EFA, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from EFA/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 financial statements may differ from legislation in other jurisdictions.

Approved by order of the Board of Trustees on 2 December 2015 and signed on its behalf by:

**Mr J Foster**  
Chair of Governors

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

**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 2015 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 2014 to 2015 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 TRUSTEES AND AUDITORS**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (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.

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as Auditors under section 144 of the Charities Act 2011 and report to you in accordance with regulations made under section 154 of that Act. 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 Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

In our opinion the information given in the Trustees' Report, incorporating the Strategic 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Gary Miller FCA (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  
14 December 2015

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

**INDEPENDENT REPORTING ACCOUNTANTS' 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 2014 to 2015, 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 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to St Thomas More High School and 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 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 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 ACCOUNTANT**

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 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by 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 ACCOUNTANTS' 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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Gary Miller FCA (Senior Statutory Auditor)

**Price Bailey LLP**

Chartered Accountants  
Statutory Auditors

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

14 December 2015

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

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	As restated Total funds 2014 £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds:						
Voluntary income	2	15,367	407,000	-	422,367	426,387
Activities for generating funds	3	234,952	166,580	-	401,532	405,665
Incoming resources from charitable activities						
	4	-	5,290,844	21,246	5,312,090	5,351,329
Other incoming resources	5	7,811	13,961	-	21,772	41,268
<b>TOTAL INCOMING RESOURCES</b>		<b>258,130</b>	<b>5,878,385</b>	<b>21,246</b>	<b>6,157,761</b>	<b>6,224,649</b>
<b>RESOURCES EXPENDED</b>						
Charitable activities	7	272,537	5,872,916	118,654	6,264,107	6,380,061
Governance costs	6	-	11,250	-	11,250	12,175
<b>TOTAL RESOURCES EXPENDED</b>	8	<b>272,537</b>	<b>5,884,166</b>	<b>118,654</b>	<b>6,275,357</b>	<b>6,392,236</b>
<b>NET RESOURCES EXPENDED BEFORE TRANSFERS</b>						
		(14,407)	(5,781)	(97,408)	(117,596)	(167,587)
Transfers between funds	17	(3,740)	(85,219)	88,959	-	-
<b>NET EXPENDITURE FOR THE YEAR</b>		<b>(18,147)</b>	<b>(91,000)</b>	<b>(8,449)</b>	<b>(117,596)</b>	<b>(167,587)</b>
Actuarial gains and losses on defined benefit pension schemes						
		-	54,000	-	54,000	257,000
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>(18,147)</b>	<b>(37,000)</b>	<b>(8,449)</b>	<b>(63,596)</b>	<b>89,413</b>
Total funds at 1 September 2014						
		755,893	(1,444,000)	194,038	(494,069)	636,518
Prior year adjustment (Note 16)						
		-	1,220,000	-	1,220,000	-
<b>TOTAL FUNDS AT 31 AUGUST 2015</b>		<b>737,746</b>	<b>(261,000)</b>	<b>185,589</b>	<b>662,335</b>	<b>725,931</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 21 to 37 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 2015**

	Note	£	2015 £	£	As restated 2014 £
<b>FIXED ASSETS</b>					
Tangible assets	13		185,589		194,038
<b>CURRENT ASSETS</b>					
Debtors	14	1,256,796		1,287,187	
Cash at bank and in hand		917,785		1,051,069	
		<u>2,174,581</u>		<u>2,338,256</u>	
<b>CREDITORS:</b> amounts falling due within one year	15	(216,835)		(362,363)	
<b>NET CURRENT ASSETS</b>			<u>1,957,746</u>		<u>1,975,893</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,143,335</u>		<u>2,169,931</u>
Defined benefit pension scheme liability	22		(1,481,000)		(1,444,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITY</b>			<u><u>662,335</u></u>		<u><u>725,931</u></u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted funds :					
Restricted funds - donation in kind	17	1,220,000		1,220,000	
Restricted funds	17	-		-	
Restricted fixed asset funds	17	185,589		194,038	
		<u>1,405,589</u>		<u>1,414,038</u>	
Pension reserve		(1,481,000)		(1,444,000)	
		<u>(75,411)</u>		<u>(29,962)</u>	
Total restricted funds			(75,411)		(29,962)
Unrestricted funds	17		737,746		755,893
<b>TOTAL FUNDS</b>			<u><u>662,335</u></u>		<u><u>725,931</u></u>

The financial statements were approved by the Board of Trustees, and authorised for issue, on December 2015 and are signed on their behalf, by:

2

**Mr J Foster**  
Chair of Governors

The notes on pages 21 to 37 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 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	19	(50,603)	72,869
Returns on investments and servicing of finance		2,538	19,575
Payments to acquire tangible fixed assets		(85,219)	(13,982)
<b>(DECREASE)/INCREASE IN CASH IN THE YEAR</b>		<b>(133,284)</b>	<b>78,462</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

	2015 £	2014 £
(Decrease)/increase in cash in the year	(133,284)	78,462
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>	<b>(133,284)</b>	<b>78,462</b>
Net funds at 1 September 2014	1,051,069	972,607
<b>NET FUNDS AT 31 AUGUST 2015</b>	<b>917,785</b>	<b>1,051,069</b>

The notes on pages 21 to 37 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 2015**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. 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 2014 to 2015 issued by 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 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 and include grants from the Department for Education.

**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. For legacies, entitlement is the earlier of the Academy being notified of an impending distribution or the legacy being received.

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 2015**

**1. ACCOUNTING POLICIES (continued)**

**1.4 Resources expended**

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 Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

**1.5 Going concern**

The Trustees 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 Trustees 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 £5,000 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.

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 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 2015**

**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 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 22, 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 pension interest adjustment in note 20. Actuarial gains and losses are recognised immediately in other gains and losses.

**2. OTHER VOLUNTARY INCOME**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	As restated Total funds 2014 £
Donations	15,367	-	15,367	19,387
Notional rent (see note 24)	-	407,000	407,000	407,000
	<u>15,367</u>	<u>407,000</u>	<u>422,367</u>	<u>426,387</u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings	31,972	-	31,972	20,307
Catering	202,980	-	202,980	190,723
Educational Income	-	127,417	127,417	178,110
Other non-trading income	-	39,163	39,163	16,525
	<u>234,952</u>	<u>166,580</u>	<u>401,532</u>	<u>405,665</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
<b>DfE/EFA revenue grants</b>				
General Annual Grant (GAG)	-	4,998,470	4,998,470	5,092,372
Other DfE / EFA grants	-	82,537	82,537	65,409
Local authority grants	-	231,083	231,083	193,548
	<u>-</u>	<u>5,312,090</u>	<u>5,312,090</u>	<u>5,351,329</u>

**5. OTHER INCOMING RESOURCES**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Other income	7,811	13,961	21,772	41,268
	<u>7,811</u>	<u>13,961</u>	<u>21,772</u>	<u>41,268</u>

**6. GOVERNANCE COSTS**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Governance Auditors' remuneration	-	6,750	6,750	6,500
Governance Auditors' non audit costs	-	3,600	3,600	3,600
Governance professional fees	-	-	-	975
Governance internal audit costs	-	900	900	1,100
	<u>-</u>	<u>11,250</u>	<u>11,250</u>	<u>12,175</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**7. CHARITABLE ACTIVITIES**

	Total funds 2015 £	As restated Total funds 2014 £
<b>DIRECT COSTS - EDUCATIONAL OPERATIONS</b>		
Wages and salaries	2,303,608	2,341,154
National insurance	181,593	183,811
Pension cost	338,981	337,285
Educational supplies	301,567	380,304
Staff development	11,424	21,950
Insurance costs	-	8,005
Other costs	13,202	16,577
Agency supply costs	155,626	114,278
	<b>3,306,001</b>	<b>3,403,364</b>
<b>SUPPORT COSTS - EDUCATIONAL OPERATIONS</b>		
Wages and salaries	1,380,975	1,228,051
National insurance	71,881	64,488
Pension cost	161,905	141,374
Depreciation	93,668	70,015
LGPS FRS17 adjustments	41,000	67,000
Other educational supplies	21,486	18,729
Examination fees	119,755	133,988
Educational consultancy	2,270	3,552
Staff development	5,756	6,405
Maintenance of premises & equipment	128,988	165,796
Occupancy costs	160,341	302,439
Catering	127,833	137,677
Professional fees	64,917	51,282
Printing, postage and stationery	49,248	42,335
Other costs	96,197	106,345
Recruitment costs	10,569	15,143
Vehicle costs	14,317	15,078
Notional rent (see note 24)	407,000	407,000
	<b>2,958,106</b>	<b>2,976,697</b>
	<b>6,264,107</b>	<b>6,380,061</b>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**8. RESOURCES EXPENDED**

	Staff costs	Premises	Non Pay Expenditure Other costs	Total	As restated Total
	2015	2015	2015	2015	2014
	£	£	£	£	£
Provision of education - direct costs	2,824,182	-	481,819	3,306,001	3,403,364
Allocated support costs	1,614,761	917,830	425,515	2,958,106	2,976,697
<b>Charitable activities</b>	<u>4,438,943</u>	<u>917,830</u>	<u>907,334</u>	<u>6,264,107</u>	<u>6,380,061</u>
<b>Governance</b>	-	-	11,250	11,250	12,175
	<u>4,438,943</u>	<u>917,830</u>	<u>918,584</u>	<u>6,275,357</u>	<u>6,392,236</u>

**9. NET RESOURCES EXPENDED**

This is stated after charging:

	2015	2014
	£	£
Depreciation of tangible fixed assets: - owned or leased by the Academy	93,668	70,015
	<u>93,668</u>	<u>70,015</u>

**10. STAFF**

**a. Staff costs**

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	3,684,583	3,569,205
Social security costs	253,474	248,299
Other pension costs	500,886	478,659
	<u>4,438,943</u>	<u>4,296,163</u>

**b. Staff severance payments**

Included in staff costs are non-statutory / non-contractual severance payments totalling £Nil (2014: £14,180).

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**10. STAFF (continued)**

**c. Staff numbers**

The average number of persons employed by the Academy during the year expressed as full time equivalents was as follows:

	2015 No.	2014 No.
Teaching	52	54
Administration & support	59	54
Management	8	8
	119	116
	119	116

**d. Higher paid staff**

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

	2015 No.	2014 No.
In the band £ 60,001 - £ 70,000	3	3
In the band £ 80,001 - £ 90,000	1	1
	3	3
	3	3

Three of the above employees participated in the Teachers' Pension Scheme. The other employee participated in the Local Government Pension Scheme.

**11. TRUSTEES' REMUNERATION AND EXPENSES**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

G Ackred (Headteacher and Accounting Officer)

Remuneration £80,000-£85,000 (2014: £80,000-£85,000)

Employer's pension contributions £10,000-£15,000 (2014: £10,000-£15,000)

M Lewis (Staff Trustee)

Remuneration £25,000-£30,000 (2014: £30,000-£35,000)

Employer's pension contributions £0-£5,000 (2014: £0-£5,000)

S Turrell (Staff Trustee)

Remuneration £20,000-£25,000 (2014: £20,000-£25,000)

Employer's pension contributions £0-£5,000 (2014: £0-£5,000)

During the period 31 August 2015, no Trustees received any reimbursement of expenses for their role as Trustees (2014: £220).

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**12. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £735 (2014 - £1,260). From April 2015 the Academy changed insurance providers and is now a member of the Risk Protection Arrangement. The costs relating to the Trustees' and Officers' insurance from this date have not been separately disclosed as the individual cost is not known.

**13. TANGIBLE FIXED ASSETS**

	Freehold land £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2014	213,267	64,446	168,536	446,249
Additions	-	15,912	69,307	85,219
At 31 August 2015	<u>213,267</u>	<u>80,358</u>	<u>237,843</u>	<u>531,468</u>
<b>Depreciation</b>				
At 1 September 2014	91,401	29,810	131,000	252,211
Charge for the year	30,467	4,181	59,020	93,668
At 31 August 2015	<u>121,868</u>	<u>33,991</u>	<u>190,020</u>	<u>345,879</u>
<b>Net book value</b>				
At 31 August 2015	<u>91,399</u>	<u>46,367</u>	<u>47,823</u>	<u>185,589</u>
At 31 August 2014	<u>121,866</u>	<u>34,636</u>	<u>37,536</u>	<u>194,038</u>

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

Included within freehold land is an astroturf pitch which has been included in the accounts based on the valuation provided by the Trustees using depreciated replacement cost. Trustees do not believe that the cost of obtaining a more detailed valuation outweighs the benefit.

The Academy Trust occupies land and the buildings provided to it by site the Diocesan Trustees under a license (also referred to as a Church Supplemental Agreement) which contains a two year notice period. Having considered the fact that the Academy Trust occupies the land and buildings by a license that transfers to the Academy no rights or control over the site save that of occupying it at the will of the Diocesan Trustees under the agreement, the Diocesan Trustees have concluded that the value of the land and buildings occupied by the Academy Trust will not be recognised or valued within fixed assets.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**14. DEBTORS**

	2015 £	As restated 2014 £
<b>Due after more than one year</b>		
Other debtors (see note 24)	813,000	813,000
<b>Due within one year</b>		
Other debtors	443,796	474,187
	1,256,796	1,287,187

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

	2015 £	2014 £
Trade creditors	70,403	146,482
Other creditors	146,432	215,881
	216,835	362,363
<b>Deferred income</b>		£
Deferred income at 1 September 2014		93,047
Resources deferred during the year		89,342
Amounts released from previous years		(93,047)
Deferred income at 31 August 2015		89,342

**16. PRIOR YEAR ADJUSTMENT**

A prior year adjustment has been made to recognise a donation in kind receivable which represents the commitment by the Diocese of Brentwood to provide land and buildings on a rent free basis for 36 months which had not been previously recognised.

The effect has been to recognise an asset valued at £1,220,000 from the date of conversion to an Academy Trust.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**17. STATEMENT OF FUNDS**

	Brought forward As restated £	Incoming resources £	Resources expended £	Transfers in/(out) £	Gains/ (losses) £	Carried forward £
<b>Unrestricted funds</b>						
Unrestricted	755,893	258,130	(272,537)	(3,740)	-	737,746
<b>Restricted funds</b>						
	Brought forward As restated £	Incoming resources £	Resources expended £	Transfers in/(out) £	Gains/ (losses) £	Carried forward £
General Annual Grant (GAG)	-	4,985,664	(4,900,445)	(85,219)	-	-
Restricted SEN Pupil premium funding	-	92,962	(92,962)	-	-	-
Restricted educational visits	-	116,875	(116,875)	-	-	-
Other government grants	-	127,417	(127,417)	-	-	-
Other Restricted	-	9,300	(9,300)	-	-	-
Restricted exam fees income	-	125,518	(125,518)	-	-	-
Restricted music income	-	5,979	(5,979)	-	-	-
Restricted music income	-	7,670	(7,670)	-	-	-
Donation in kind (see note 24)	1,220,000	407,000	(407,000)	-	-	1,220,000
Pension fund	(1,444,000)	-	(91,000)	-	54,000	(1,481,000)
	(224,000)	5,878,385	(5,884,166)	(85,219)	54,000	(261,000)
<b>Restricted fixed asset funds</b>						
Restricted fixed asset fund	194,038	-	(93,668)	85,219	-	185,589
DfE/EFA capital grant	-	21,246	(24,986)	3,740	-	-
	194,038	21,246	(118,654)	88,959	-	185,589
Total restricted funds	(29,962)	5,899,631	(6,002,820)	3,740	54,000	(75,411)
Total of funds	725,931	6,157,761	(6,275,357)	-	54,000	662,335

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 2015.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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

**Special Educational Needs (SEN)**

This represents allocated funding for special educational needs pupils.

**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 government grants / Other restricted**

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

**Restricted exam fees income**

This represents income received from students to pay for resits of examinations that they have requested.

**Restricted music income**

This represents income received from students to pay for music lessons provided by an outside provider.

**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.

**Donation in kind**

This represents the rent free occupation of the land and buildings from the Diocese of Brentwood.

**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 As restated £	Incoming resources £	Resources expended £	Transfers in/(out) £	Gains/ (losses) £	Carried forward £
General funds	755,893	258,130	(272,537)	(3,740)	-	737,746
Restricted funds	(224,000)	5,878,385	(5,884,166)	(85,219)	54,000	(261,000)
Restricted fixed asset funds	194,038	21,246	(118,654)	88,959	-	185,589
	<u>725,931</u>	<u>6,157,761</u>	<u>(6,275,357)</u>	<u>-</u>	<u>54,000</u>	<u>662,335</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	185,589	185,589	194,038
Debtors due after more than 1 year	-	813,000	-	813,000	813,000
Current assets	737,746	623,835	-	1,361,581	1,525,256
Creditors due within one year	-	(216,835)	-	(216,835)	(362,363)
Provisions for liabilities and charges	-	(1,481,000)	-	(1,481,000)	(1,444,000)
	<u>737,746</u>	<u>(261,000)</u>	<u>185,589</u>	<u>662,335</u>	<u>725,931</u>

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

	2015 £	2014 £
Net incoming resources before revaluations	(117,596)	(167,587)
Returns on investments and servicing of finance	(2,538)	(19,575)
Depreciation of tangible fixed assets	93,668	70,015
Decrease in debtors	30,391	126,090
Decrease in creditors	(145,528)	(39,074)
FRS 17 adjustments	91,000	103,000
<b>Net cash (outflow)/inflow from operations</b>	<u>(50,603)</u>	<u>72,869</u>

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

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	1,051,069	(133,284)	-	917,785
<b>Net funds</b>	<u>1,051,069</u>	<u>(133,284)</u>	<u>-</u>	<u>917,785</u>

**21. 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/she is a Member, or within one year after he/she ceases to be a Member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a Member.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**22. 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 2012 and of the LGPS 31 March 2013.

Contributions amounting to £5,545 were payable to the scheme at 31 August 2015 (2014 - £Nil and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**22. PENSION COMMITMENTS (continued)**

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million;
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations; and
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The pension costs paid to TPS in the period amounted to £288,476 (2014: £296,207).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy 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.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £192,000, of which employer's contributions totalled £148,000 and employees' contributions totalled £44,000. The agreed contribution rates for future years are 12.5% for employers and 5.5-7.5% for employees.

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

The amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(2,746,000)	(2,443,000)
Fair value of scheme assets	1,265,000	999,000
	(1,481,000)	(1,444,000)
Net liability	(1,481,000)	(1,444,000)

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

	2015 £	2014 £
Current service cost	(219,000)	(184,000)
Interest on obligation	(100,000)	(115,000)
Expected return on scheme assets	59,000	48,000
	(260,000)	(251,000)
Total	(260,000)	(251,000)
Actual return on scheme assets	54,000	100,000

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**22. PENSION COMMITMENTS (continued)**

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

	2015 £	2014 £
Opening defined benefit obligation	2,443,000	2,350,000
Current service cost	219,000	184,000
Interest cost	100,000	115,000
Contributions by scheme participants	53,000	44,000
Actuarial gains	(59,000)	(211,000)
Benefits paid	(10,000)	(39,000)
	<u>2,746,000</u>	<u>2,443,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	999,000	752,000
Expected return on assets	59,000	48,000
Actuarial (losses) and gains	(5,000)	46,000
Contributions by employer	169,000	148,000
Contributions by employees	53,000	44,000
Benefits paid	(10,000)	(39,000)
	<u>1,265,000</u>	<u>999,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and (Losses) was £(24,000) (2014 - £(78,000)).

The Academy expects to contribute £172,000 to its Defined Benefit Pension Scheme in 2016.

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

	2015	2014
Equities	65.00 %	64.00 %
Gilts	4.00 %	6.00 %
Other bonds	10.00 %	11.00 %
Property	12.00 %	12.00 %
Cash	2.00 %	3.00 %
Alternative assets	7.00 %	4.00 %

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

	2015	2014
Discount rate for scheme liabilities	4.00 %	3.90 %
Expected return on scheme assets at 31 August	- %	5.30 %
Rate of increase in salaries	4.40 %	4.40 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %
Inflation assumption (CPI)	2.60 %	2.60 %
Inflation assumption (RPI)	3.50 %	3.40 %

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**22. 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:

	2015	2014
Retiring today		
Males	22.8	22.7
Females	25.2	25.1
Retiring in 20 years		
Males	25.1	24.9
Females	27.6	27.4

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £
Defined benefit obligation	(2,746,000)	(2,443,000)	(2,350,000)
Scheme assets	1,265,000	999,000	752,000
Deficit	(1,481,000)	(1,444,000)	(1,598,000)
Experience adjustments on scheme assets	(5,000)	46,000	63,000

**23. OPERATING LEASE COMMITMENTS**

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
<b>Expiry date:</b>		
Within 1 year	-	15,000
Between 2 and 5 years	9,744	9,744
	9,744	9,744

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**24. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee 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.

Any transactions where the Trustee has a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

During the year the company made payments of £Nil (2014 £6,133) to D W Micklewright, a foundation governor.

No amount was due to them at the year end.

The Academy operates from land and buildings provided rent free by the Diocese of Brentwood. Under an agreement between the Dioceses, the Academy and the Secretary of State the Diocese would be required to give 24 months notice from the year end if it wished to terminate this agreement. No such notice had been given at the year end and the Diocese is therefore committed to providing the land and buildings rent free for a further 36 months from the year end. The trustees estimate that the cost of renting equivalent buildings would be £407,000 per annum, on this basis a donation from the Diocese of £407,000 is shown in the accounts together with a notional expense of the same amount. In addition, included within debtors is a donation in kind receivable of £1,220,000 representing the commitment by the Diocese to provide the land and buildings rent free for a further 36 months.

**25. CONTROLLING PARTY**

The academy is under the control of the Brentwood Diocesan Bishop.