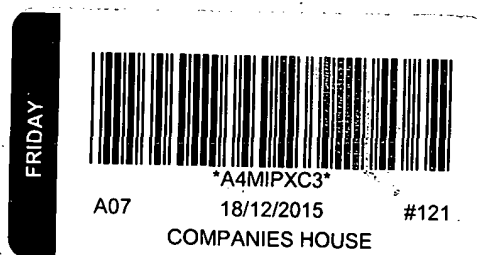


Company Registration Number: 07605059 (England & Wales)

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015



THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 12
Governance Statement	13 - 16
Statement on Regularity, Propriety and Compliance	17
Statement of Trustees' Responsibilities	18
Independent Auditors' Report	19 - 20
Independent Reporting Accountant's Assurance Report on Regularity	21 - 22
Statement of Financial Activities incorporating Income & Expenditure Account	23 - 24
Balance Sheet	25 - 26
Cash Flow Statement	27
Notes to the Financial Statements, incorporating:	28 - 50
 The following pages do not form part of the statutory financial statements:	
Statement of Accounting Policies	
Other Notes to the Financial Statements	

Thomas Mills High School
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2015

Members

Mr J Hibberd MBE
Mrs B Howard
Mr S Lovett
Mr D Stewart
Mrs S Thorne, Chair of Trustees/Governors

Trustees/Governors

Mrs G Christie
Miss R Cresdee Staff Governor (resigned 31 August 2015)
Mr R Hanley Staff Governor
Miss T Hill Staff Governor (resigned 31 October 2015)
Mr B Hinton (resigned 31 August 2015)
Mrs B Howard
Mr P Hurst, Headteacher and Accounting Officer
Mr S Lovett
Ms P Miller-Williams
Mr M Mugliston
Mr S Peters Staff Governor (appointed 28 September 2015)
Mrs S Preston
Mrs M Riley
Mr R Snell (appointed 16 October 2014)
Mr D Stewart
Mrs S Thorne, Chair of Trustees/Governors
Mr M Wright
Ms J Bell (appointed 22 October 2014)
Mr A Maskery (appointed 22 October 2014)

Company Name Thomas Mills High School

Principal and registered office

Thomas Mills High School
Saxtead Road
Framlingham
Suffolk
IP13 9HE

Company registered number

07605059

Thomas Mills High School
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2015

Independent auditors

MHA MacIntyre Hudson LLP
Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

Thomas Mills 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' reports of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 19 serving a catchment area in and around Framlingham, Suffolk. It has a pupil capacity of 1,150 and had a roll of 1,070 in the school census on October 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The trustees of Thomas Mills High School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Thomas Mills High School.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members Liability

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

Trustees' Indemnities

The school has purchased insurance to cover trustees' and officers' from claims arising from negligent acts, errors or omissions occurring whilst on academy business. Details of the costs can be found in note 13 to the accounts.

Method of Recruitment and Appointment or Election of Trustees

The arrangements for recruiting and appointment of trustees are set out in the Academy's Funding Agreement and clauses 46-64 of the Articles of Association. These are as follows:

- Members of the Trust may appoint up to four Governors (Governors are the Trustees for Charity Law and the Company Directors for Company law).
- Members may appoint Staff Governors, the total number of which must not exceed one third of the total number of Governors.
- The Local Authority may appoint the LA Governor.
- The Headteacher shall be treated for all purposes as being an ex officio Governor.
- Parent Governors shall be elected by parents of registered pupils at the School. Parent Governors must be a parent of a pupil at the School at the time when he is elected. If the number of Parent Governors standing for election is less than the number of vacancies, the number of Parent Governors required shall be made up by Parent Governors appointed by the Governing Body. Up to 6 Parent Governors can be appointed.
- Governors may appoint up to three Co-opted Governors.
- Additional Governors may be appointed by the Secretary of State in certain circumstances.

**Thomas Mills High School
(A company limited by guarantee)**

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

Policies and Procedures Adopted for the Induction and Training of Trustees

All Governors receive a welcome pack and a personal briefing from the Chair of Governors and the Headteacher. Documents relating to contemporary developments are circulated, when available, to Governors together with the handbooks for Training and Support offered by the Local Authority, whole Governing Body training sessions tailored to specific requirements are also held when required. Governors are offered and encouraged to take part in training which is arranged to suit individual as well as group requirements.

All Governors are aligned to specific school departments and encouraged to visit regularly to further both the individual Governors knowledge and provide a conduit for Heads of Department.

All members and Governors give their time freely and no remuneration was paid in the period. No expenses were claimed during the period.

Organisational Structure

The organisational structure consists of three levels; the Governors, Governing Body Committees and the Management Team. Committees exist for; Finance, Personnel and Performance Review, Audit, Land and Buildings, Appeals, Pupil Discipline, Staff Determinations and Staff Selection. Committees of the Governing Body have delegated responsibilities.

The Governors delegate the day-to-day running of the school to the Headteacher and Senior Management Team. The Governors are responsible for setting general policy, approving the annual budget, monitoring the use of funding, budgets and making decisions about the direction of the Academy, capital expenditure, senior staff appointments and, lastly, both supporting the work of and holding to account the Headteacher and staff (including for the performance of the school against agreed targets). The Headteacher is the Accounting Officer.

Related Parties and other Connected Charities and Organisations

The School continues to have close links with our local feeder primary schools at Dennington, Easton, Wickham Market, Sir Robert Hitcham in Framlingham, Charsfield and Earl Soham. It also works closely with a number of primary schools outside the designated catchment area as pupils from over 30 separate primary schools attend the school in Year 7.

The School has supported the 'Raising the Bar' programme for Suffolk County Council and contributes to the sharing of good practice. The School also works closely with SNITT (Suffolk and Norfolk Initial Teacher Training) in the training of teachers and the Headteacher chairs the steering group.

Several charities that are independent of the School and report separately to the Charity Commission nevertheless have close connections with our work:

(1) The Friends of Thomas Mills High School (registered charity 298599) provides benefits for the school.

(2) The Mills Educational Foundation (registered charity 310475) provides up to half its income for 'special benefits' for the school and the rest is spent on individual grants to children being educated in or living in the town of Framlingham.

(3) The Michael Sims Memorial Fund (registered charity 297530) provides travel and other grants for pupils of the school and may also make certain grants to the school itself.

Thomas Mills High School
(A company limited by guarantee)

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

(4) Prickett Memorial Awards (registered charity 1075348) provides an annual scholarship to a student who leaves the school to take up a place to study a modern foreign language at university.

(5) Thomas Mills Prizes (registered charity 1075349) provides a number of annual prizes awarded in the school.

(6) Thomas Mills Tercentenary Fund (registered charity 1098741) was originally established by the school with money specifically raised to fund approved projects in the Third World.

Of these, the Headteacher is an ex officio trustee of (1), (3) and (6) and Governors have specific power to appoint one or more Governors of (4), (5) and (6). Currently, Members and teachers also sit as Governors on all of them except (2).

In addition a number of other charities have in recent years (but not in the accounting period this report refers to) given generous support to specific projects for the school, especially the Mills Charity (registered number 207259).

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Academy Trust's principal object is specifically restricted 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.

Its other object is to promote for the benefit of the inhabitants of Framlingham and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Objectives, Strategies and Activities

The Vision, Values, And Philosophy of the School are:

Vision Statement

We, the staff and Governors, aspire to ensure that all our students, irrespective of ability and regardless of anyone's doubts, achieve their potential in full; and we aspire in this way to make Thomas Mills High School the best in the country.

Charter of Values

We, the staff, pupils and Governors of Thomas Mills High School, regard the following twelve values as central to our purpose:

Thomas Mills High School
(A company limited by guarantee)

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

1. A love of learning for its own sake
2. Vigour and optimism in embracing the future
3. The intrinsic virtue of persistent hard work
4. Acceptance of personal responsibility
5. Equal value accorded to all persons
6. Courtesy, self-discipline and respect for others
7. A determination to achieve excellence in all we do
8. Honesty, moral courage and integrity
9. Good fellowship
10. Service to others
11. Leadership and enterprise
12. Respect for the traditions and achievements of the school

We have pursued the Vision Statement by continually striving to improve further the standards of teaching, learning and achievement. This is done by a variety of means, including the monitoring of pupil performance and making appropriate interventions to support underachieving individuals; reviewing the curriculum in light of national changes to provide the widest possible opportunities to pupils to experience success and build self-confidence; providing opportunities for teaching staff to reflect on their practice and so foster effective teaching styles; regular quality assurance lesson observations. This work has been monitored closely both by the Senior Management Team and by the Governors Personnel and Performance Committee throughout the period being reported.

We have continued to exploit the opportunities provided by Academy status to strengthen the work of the school. The Governing Body continues to support the Headteacher who was appointed in January 2013. During the year the School has completed the implementation the major projects for which we received capital funds to refurbish the worst parts of the buildings and we now have new windows and roofing to areas of the oldest part of the school which has both improved the teaching environment and will over time reduce energy bills. Some solar panels have also been installed and commissioned to further reduce energy bills and support the green agenda. The monitoring process will be used as part of a number of relevant lessons.

Governors' policies have been regularly reviewed to ensure they are updated to reflect national developments and new statutory duties.

The School continues to provide a Sports Centre for Framlingham at the school but this is not funded by academy funding.

Public Benefit

In exercising their powers and duties, the Governing Body has due regard at all times to Charity Commission guidance on public benefit and a statement of the legal duties of Governors as charity Governors is included for ease of reference in the Academy's Handbook of Governance. The Academy Trust was established to provide (without fees or charges) high quality education to boys and girls of all abilities and aged 11 – 18 years in the local area for whom a place is available and whose parents opt to send them to the school.

The Governing Body has opted to continue the same admissions policy as that which applied to the maintained school that existed before the Academy Trust was established. It is administered in full co-operation with the Local Authority. The policy is fully compliant with national regulations, thus ensuring fair treatment of all applicants.

**Thomas Mills High School
(A company limited by guarantee)**

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

Governors have robust policies on equality and community cohesion which comply with current legal requirements.

Governors have regard to the environmental impact of the school and are "committed to reducing by all practicable and affordable means those effects of our activities which are potentially harmful to the local, national and global environment".

STRATEGIC REPORT

Our vision statement and Charter of Values drives all we do and places a focus firmly on teaching, learning and achievement. Success is evaluated against it and decisions made by staff and Governors are tested against the question 'what is in the true interests of our pupils?'

Achievements and performance

A strong achievement culture has been successfully fostered in the school and this continues to be assessed in a number of ways through exam results, value added data and quality assessments results. Pupils are proud of their school and its achievements and work hard to be part of the continued success story.

The well established system of Main and Golden targets for pupils of all ages is based upon past pupil performance and is designed to raise aspirations, successfully helping to contribute to the schools achievement culture. This achievement culture is supported by an extensive programme of extra-curricular activities and by a curriculum designed to stretch pupils of all abilities. Both are supported by high staff expectations.

The Governors have contributed in numerous areas in the last year including:

- Reviewed all the Governors' policies and updated them where required to ensure they remain relevant and effective for the running of the School.
- Through the scrutiny of the Finance Committee supported the School in effectively managing a challenging 2014-15 budget and setting an achievable budget for 2015-16 with declining real terms funding.
- Through the work of the Land and Buildings Committee supported the project management of a range of improvement projects, including the installation of solar panels within the agreed budget and with minimal disruption to the smooth running of the School.
- Kept close scrutiny of the progress of all actions within the School Development Plan.
- Being active in helping with strategies to maximise new pupil recruitment in local demographic areas where the numbers of potential pupils are declining.
- Actively explored the potential for increased collaborative working with other local schools.

**Thomas Mills High School
(A company limited by guarantee)**

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

Key Performance Indicators

For pupils to be fully involved in the extra-curricular life of the school

There are a number of opportunities for pupils to participate in extra-curricular activities in a range of areas including sport, drama, music, clubs as well as a number of trips. Internal surveys have shown a very high proportion of pupils are involved in at least one extra-curricular activity. This year a significant number of pupils participated in the Bronze level for the Duke of Edinburgh Award. The Sixth Form take a lead in a number of events including Charity Day and Harvest Festival, for example. Finally, there are a number of activities at lunchtime so that children who travel some distance to school have good opportunities to get involved. This includes drama and music and the rehearsals for the exceptional School Production (Thoroughly Modern Millie) took place during this time. Science Week and Book week were particularly well supported last year with a range of lunchtime activities.

To maintain 'outstanding' judgements from OFSTED

The last visit from OFSTED in 2012 graded RE provision as outstanding. In recent years, OFSTED have prioritised their visits to schools that are not performing as effectively and we are given to understand that OFSTED 'risk assesses' all schools. The last full inspection was in 2006 and the overall grade of outstanding still holds. The school's self-evaluation using OFSTED criteria confirms this judgement. An independent assessment from the Good Schools Guide stated, "A remarkable school with high academic expectation and achievement, a dazzling array of extra-curricular activities and a dedicated staff. Has enjoyed, and is enjoying outstanding leadership."

To achieve results in line with, or above expectations using prior attainment and external data

Pupils achieved excellent results at all levels in Summer 2015. Such results regularly place Thomas Mills High School as one of the highest performing non-selective, state schools in the county – both in terms of attainment and the progress that young people make.

At GCSE the overall figure of 5 A*-C including English and Mathematics was 72%. This outcome was within the range of expectations. This headline result confirmed the school's position as one of the top performing comprehensives in the county. Progress measures confirm that pupils make excellent progress and these figures are above the national figures. In 2015, one third of GSCE grades were wither A* or A, 82% of pupils made the expected progress in English and 80% in Mathematics.

At A Level there were also some exceptional results. The average points per student of 819 was very good. Just under 50% of all Advanced Level grades were A*-B, and 13% of students achieved 3 or more grade A at A2 level. Four students progressed onto places at Oxbridge, making 18 Oxbridge places in the past four years. Over 40% of University places achieved are Russell Group or 1994 Group Universities. Approximately, some 80% of students proceed to higher education. The school is committed to giving all students an opportunity to study an academic education.

To maintain excellent attendance data demonstrating that pupils want to attend school.

The overall figure of 95%, is excellent, although there are a few specific cases which require external intervention. Data shows that pupils enjoy coming to school and that the curriculum, teaching and wider opportunities have a positive impact on behaviour. The new regulations discouraging Headteachers from granting leave of absence, unless the circumstances were exceptional, were shared with parents.

**Thomas Mills High School
(A company limited by guarantee)**

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

Teaching is at least good and often outstanding.

Quality Assurance data confirms that this is the case. For example, in the Summer Term 2015 teaching was judged to be outstanding in 46% of lessons seen and good in 54%. Independent surveys show that a large majority of pupils and parents consider teaching is a strength of the school. Excellent practice is shared and the Professional Development Days and Teaching and Learning Groups have provided staff with an opportunity to reflect on their teaching. The Quality Assurance process was externally validated during the year with a consultant OFSTED Inspector.

Pupils progress to education, employment or training

Data shows that when pupils leave Thomas Mills they continue in education, employment or training. The vast majority of Year Elevens choose to continue studying into the Sixth form and they are joined by pupils from a range of other schools. Other destinations include employment, apprenticeships and education at Easton & Otley College, for example. Sixth Form students also progress to a range of providers with the majority studying at University.

Going Concern

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

FINANCIAL REVIEW

Most of the Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. These grants received from the Education Funding Agency (EFA) during the year ended 31st August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also has been in receipt of capital grants from the EFA through the bid process for Capital Maintenance Fund. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31st August 2015, total expenditure of £5,750,675 was covered by recurrent grant funding from the EFA together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset and pension funds) was £463,273.

At 31st August 2015 the net book value of fixed assets was £7,774,983 and movements in tangible fixed assets are shown in the note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

In accordance with FRS17, the Academy received an actuarial assessment of pension scheme deficit. The deficit balance is included within the balance sheet as at 31st August 2015 and supporting notes to the accounts 25.

Thomas Mills High School
(A company limited by guarantee)

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

Reserves Policy

The Academy held fund balances at 31st August 2015 of £7,620,681 comprising of restricted funds, of which £7,797,408 relate to the restricted fixed asset fund, £246,271 unrestricted funds, £191,241 restricted GAG funds, £25,761 restricted non-GAG funds and a pension reserve deficit of £624,000.

The Governors do not have a formal reserves policy as a number of financial years experience as a converter Academy was needed as was a number of years experience of the reliability of funding streams from the EFA. The Governors are determined that the setting of realistic budgets and managing within these is of high importance. The Governors have reviewed the level of free reserves it wishes to hold at present and agreed to carry over £246,271. The following points aided this decision:

- The need to spend funds in the year of receipt or subsequently. This entails holding appropriate reserves.
- The need to show a level of prudence and good financial planning to cover the unexpected and unplanned so that the Academy's primary object is preserved under unforeseen circumstances.

The routine financial management of the school includes:

- Where income levels can be exceeded, to balance the need to bring forward planned expenditure, referring to the school development plan and building/maintenance plan, against cash flow and risk of unforeseen events.
- Where income levels fall below budgetary plans, measures will be taken to reduce expenditure.

At 31 August 2015 the total funds comprised:

Unrestricted	£246,271
Restricted: Fixed asset funds	£7,797,408
GAG	£191,241
Pension reserve	(£640,000)
Non – GAG	£25,764
	<u>£7,620,681</u>

Investment Policy

The School manages its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the academy aims to surplus cash funds to optimise returns, but ensuring the investments are such that there is no risk to the loss of these funds.

Thomas Mills High School
(A company limited by guarantee)

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

Principal Risks and Uncertainties

The school has a comprehensive Risk Management Plan which identifies the main risks to the school and the methods and strategies employed to mitigate those risks. The Governors with Senior Managers review the plan and the controls in place on an annual basis.

A key area of risk to the Academy Trust is financial sustainability and compliance with Company and Charity legislation, whilst continuing to achieve the objectives of the School. The School has sought financial support and advice to ensure this risk is minimised.

The most significant operational risk facing the School is the impact on future pupil numbers of the demographic dip in potential students over the next two or three years both within the feeder Primary Schools for Thomas Mills and in the out of catchment Primary Schools that provide pupils to the School. This is not unique to Thomas Mills and will have impact in a number of neighbouring High Schools. Senior Managers and Governors are working together to put in place measures to manage this risk, and significant additional efforts are now directed into pupil recruitment.

Reduced pupil numbers have a direct impact on income through the funding formula and this, coupled with the lower income for 6th Form brought about by the 3 year equalisation of national 6th Form funding has had a substantial impact on funding to Thomas Mills High School resulting in a decrease from £5.93m in 2012/2013 to £5.288m in 2015/2016

PLANS FOR FUTURE PERIODS

The Members and Governors will continue to pursue the aims and objects of the school according to the prevailing circumstances. The aims and objects may be modified if circumstances dictate. Governors will continue to focus on:

- Improving teaching and learning as the means to achieve the Vision Statement.
- Developing and updating educational facilities at the school within the constraints of current and predicted funding levels.
- Improving the general management of land, buildings and related matters in order to ensure the best use of public money and the governors' overall policy objectives.
- Securing the future of the school during a period of financial restraint and changes in personnel.
- Managing the Sports Centre as a public benefit for the local community.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy does not hold any funds as custodian trustee on behalf of others

**Thomas Mills High School
(A company limited by guarantee)**

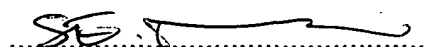
**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015.**

Auditor

In so far as the governors are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 23 November 2015 and signed on the board's behalf by:


.....

Mrs S Thorne

Chair of Trustees

Thomas Mills High School
(A company limited by guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Governors we acknowledge we have overall responsibility for ensuring that Thomas Mills 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 Headteacher as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Thomas Mills 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 Trustees' Report and in the Statement of Trustees Responsibilities. The Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
Mrs G Christie	4	5
Miss R Cresdee	Staff Governor	
	(resigned 31 August 2015)	4
Mr R Hanley	Staff Governor	5
Miss T Hill	Staff Governor	2
Mr B Hinton	(resigned 31 August 2015)	5
Mrs B Howard		5
Mr P Hurst,	Headteacher and Accounting Officer	5
Mr S Lovett		5
Ms P Miller-Williams		5
Mr M Mugliston		4
Mrs S Preston		5
Mrs M Riley		4
Mr R Snell	(appointed 16 October 2014)	4
Mr D Stewart		4
Mrs S Thorne,	Chair of Trustees	5
Mr M Wright		5
Ms J Bell	(appointed 22 October 2014)	4
Mr A Maskery	(appointed 22 October 2014)	4

Mr M Wright was appointed as a Co-opted Governor

Mr B Hinton resigned as a Community Governor

Miss R Cresdee resigned as a Staff Governor

Mr R Snell was appointed as a Community Governor

Mrs A Maskery and Ms J Bell were appointed as Parent Governors

Thomas Mills High School
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

The Finance Committee is a sub-committee of the main Governing Body. Its purpose is to make recommendations to the Governing Body on all financial and budgetary matters which are not delegated and to exercise delegated powers in relation to competitive tendering and authorisation of contracts and also with regard to ensuring compliance with financial regulations, the production of annual accounts, and the revision of the Risk Register.

Attendance at meetings in the period was as follows:

Governor	Meetings attended	Out of a possible
Mr B N Hinton	5	6
Mrs B N Howard	4	6
Mr P Hurst (Headteacher and Accounting Officer)	6	6
Mr S Lovett	6	6
Ms S E Thorne	4	6
Mr M G Wright	6	6
Mr M Mugliston	5	6
Mrs T Hill (Staff Governor)	5	6

The Audit Committee is also a sub-committee of the main Governing Body. Its purpose is to meet with the Auditor, receive the draft audited accounts and to recommend the accounts for approval to the Board of Governors.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mr B N Hinton	1	1
Mr R Snell	1	1
Mr D W Stewart	1	1

REVIEW OF VALUE FOR MONEY

As Accounting Officer the Headteacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcome achieved in return for the taxpayer resources received.

The Accounting Officer considers how the trusts' use of its resources has provided good value for money during each academic year, and reports to the board of governors where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- the Academy Trust continued to employ a range of strategies to ensure educational standards are high and that pupils make excellent progress within school, as well as towards the next stage in their education. The three year Key Stage Four, for example, supports pupils in personalising their curriculum through a range of options. This gives pupils opportunities to study a number of subjects which are increasingly not available to pupils in other schools. The range of teachers and the relatively small class sizes represent good value for money when the excellent educational outcomes of GCSE and A Level are considered.

Thomas Mills High School
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

- I have responsibility for reviewing the effectiveness of financial governance. This is informed by the appointment of external and internal auditors as well as management accounts being prepared and delivered to Senior Managers for discussion. Discussions have included comparisons with benchmarking data and consideration of areas where further cuts can be made. For example, we have used the opportunity to try to reduce expenditure as some contracts have been renewed. However continued cuts do not necessarily lead to value for money if effectiveness is compromised. We continue to seek to reduce costs whilst trying to minimize any educational impact.
- The opportunities to maximise income generation are continually sought.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Thomas Mills High School for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Governors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

Thomas Mills High School
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

The Board of Governors has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However, the Governors have appointed Schools' Choice, to carry out a programme of internal checks

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/bank reconciliations

On a termly basis, the reviewer reports to the Governing Body, through the Finance Committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. Through the reporting no material control issues were identified.

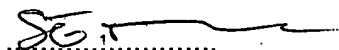
REVIEW OF EFFECTIVENESS

As Accounting Officer, the Headteacher 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 Reviewer;
- the work of the external auditors;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

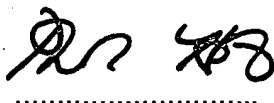
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Governors on 23 November 2015 and signed on its behalf by:



Mrs S Thorne

Chair of Trustees



Mr P Hurst

Accounting Officer

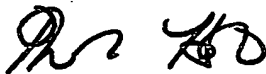
THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Thomas Mills High School I have considered my responsibility to notify the Academy Trust 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 Trust 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 Academy Trust board of trustees are able to identify any material, irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook (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.



.....
P Hurst
Accounting Officer

Date: 23 November 2015

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

The Trustees (who act as governors of Thomas Mills 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 Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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;
- 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 members of the board of trustees on 23 November 2015 and signed on its behalf by:


.....
S Thorne
Chair of Trustees

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THOMAS MILLS HIGH SCHOOL

We have audited the financial statements of Thomas Mills 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 Trust'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 Trust'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 Trust 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 Trust 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 Trust'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 Trust'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.

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THOMAS MILLS 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.

James Gare ACA (Senior statutory auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Boundary House
4 County Place
Chelmsford
Essex

CM2 0RE

~~23 November 2015~~

17 December 2015

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THOMAS MILLS HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 3 August 2015 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 Thomas Mills 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 Thomas Mills High School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Thomas Mills 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 Thomas Mills High School and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF THOMAS MILLS HIGH SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Thomas Mills High School's funding agreement with the Secretary of State for Education dated 27 May 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 Trust's income and expenditure.

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THOMAS MILLS HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)

The work undertaken to draw our conclusions includes:

- reviewing the Minutes of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Accounting Officer.

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.

MHA MacIntyre Hudson

Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

~~23 November 2015~~

17 December 2015

THOMAS MILLS 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

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	580	-	-	580	43,010
Activities for generating funds	3	128,257	-	-	128,257	41,625
Investment income	4	2,150	-	-	2,150	2,030
Incoming resources from charitable activities	5	-	5,033,716	24,093	5,057,809	5,808,079
Other incoming resources from educational activities	6	88	221,571	-	221,659	301,903
TOTAL INCOMING RESOURCES		131,075	5,255,287	24,093	5,410,455	6,196,647
RESOURCES EXPENDED						
Costs of generating funds:						
Fundraising trading		67,212	-	-	67,212	-
Charitable activities	8	38,398	5,333,326	300,075	5,671,799	6,278,366
Governance costs	9	-	11,664	-	11,664	13,911
TOTAL RESOURCES EXPENDED	7	105,610	5,344,990	300,075	5,750,675	6,292,277
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		25,465	(89,703)	(275,982)	(340,220)	(95,630)

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	19	-	8,942	(8,942)	-	-
NET EXPENDITURE FOR THE YEAR		25,465	(80,761)	(284,924)	(340,220)	(95,630)
Actuarial gains and losses on defined benefit pension schemes		-	11,000	-	11,000	(312,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		25,465	(69,761)	(284,924)	(329,220)	(407,630)
<i>Total funds at 1 September 2014</i>		<i>220,806</i>	<i>(353,237)</i>	<i>8,082,332</i>	<i>7,949,901</i>	<i>8,357,531</i>
TOTAL FUNDS AT 31 AUGUST 2015		246,271	(422,998)	7,797,408	7,620,681	7,949,901

All activities relate to continuing operations.

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

The notes on pages 28 to 50 form part of these financial statements.

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07605059 (ENGLAND & WALES)


BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	14		7,774,983		7,935,643
CURRENT ASSETS					
Stocks	15	856		1,134	
Debtors	16	175,584		137,978	
Cash at bank and in hand		690,895		678,551	
			<u>867,335</u>	<u>817,663</u>	
CREDITORS: amounts falling due within one year	17	(365,244)		(146,581)	
NET CURRENT ASSETS			<u>502,091</u>		<u>671,082</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,277,074</u>		<u>8,606,725</u>
CREDITORS: amounts falling due after more than one year	18		<u>(16,393)</u>		<u>(32,824)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>8,260,681</u>		<u>8,573,901</u>
Defined benefit pension scheme liability	25	(640,000)		(624,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>7,620,681</u>		<u>7,949,901</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	19	217,002		270,763	
Restricted fixed asset funds	19	7,797,408		8,082,332	
Restricted funds excluding pension liability		8,014,410		8,353,095	
Pension reserve		(640,000)		(624,000)	
Total restricted funds			<u>7,374,410</u>		<u>7,729,095</u>
Unrestricted funds	19		<u>246,271</u>		<u>220,806</u>
TOTAL FUNDS			<u>7,620,681</u>		<u>7,949,901</u>

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2015

The financial statements were approved by the Trustees, and authorised for issue, on 23 November 2015 and are signed on their behalf, by:


.....
S Thorne
Chair of Trustees

The notes on pages 28 to 50 form part of these financial statements.

THOMAS MILLS 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	21	63,298	(780,082)
Returns on investments and servicing of finance	22	2,121	2,030
Capital expenditure and financial investment	22	(36,644)	478,962
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		28,775	(299,090)
Financing	22	(16,431)	(16,430)
INCREASE/(DECREASE) IN CASH IN THE YEAR		12,344	(315,520)

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

	2015 £	2014 £
Increase/(Decrease) in cash in the year	12,344	(315,520)
Cash outflow from decrease in debt and lease financing	16,431	16,430
MOVEMENT IN NET FUNDS IN THE YEAR	28,775	(299,090)
Net funds at 1 September 2014	629,314	928,404
NET FUNDS AT 31 AUGUST 2015	658,089	629,314

The notes on pages 28 to 50 form part of these financial statements.

THOMAS MILLS 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 in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by EFA, and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 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 Trust 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.

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the Academy Trust 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.

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust 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 Trust's policies.

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

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.

THOMAS MILLS 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.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 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 Trust's depreciation policy.

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

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:

Long-term leasehold property	-	50 years straight line
Plant and machinery	-	5 years straight line
Motor vehicles	-	5 years straight line
Fixtures and fittings	-	5 years straight line
Computer equipment	-	3 years straight line

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

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 Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.9 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 25, the TPS is a multi-employer scheme and the Academy Trust 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 Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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.

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.10 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

Investment income, gains and losses are allocated to the appropriate fund.

1.11 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 Bursary Funds from the EFA. Payments received from the EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. Where funds have not been fully applied in the accounting period then an amount will be included as amounts due to the EFA.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	580	-	580	43,010

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Hire of facilities	30,556	-	30,556	19,406
Other self generated income	97,701	-	97,701	22,219
	<u>128,257</u>	<u>-</u>	<u>128,257</u>	<u>41,625</u>

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest receivable	2,150	-	2,150	2,030

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
General Annual Grant (GAG)	-	4,880,310	4,880,310	5,060,107
Pupil Premium	-	78,635	78,635	97,308
DfE/EFA Capital Grants	-	24,093	24,093	564,890
Other EFA/DfE grants	-	11,700	11,700	85,774
Local Authority Grants	-	12,667	12,667	-
	-	5,007,405	5,007,405	5,808,079
Other government grants				
Other Government Grants	-	50,404	50,404	-
	-	50,404	50,404	-
	-	5,057,809	5,057,809	5,808,079

6. OTHER INCOMING RESOURCES FROM EDUCATIONAL ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Educational visits	88	221,571	221,659	301,903

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

7. RESOURCES EXPENDED

	Staff costs	Non Pay	Expenditure	Total	Total
	2015	Premises	Other costs	2015	2014
	£	2015	2015	£	£
		£	£		
Costs of activities for generating funds	-	-	67,212	67,212	-
Costs of generating funds	-	-	67,212	67,212	-
Direct costs - Educational Operations	3,876,217	-	643,904	4,520,121	4,487,980
Support costs - Educational Operations	382,470	687,338	81,870	1,151,678	1,668,703
Charitable activities	4,258,687	687,338	725,774	5,671,799	6,156,683
Governance costs including allocated support costs	-	-	11,664	11,664	13,911
	4,258,687	687,338	804,650	5,750,675	6,170,594

The Academy Trust has regard to the propriety and regularity of the use of public funds, and has a policy for gifts and hospitality. Gifts made by the Trust from public funds are rare and did not exceed £15 per member of staff in the year.

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

8. CHARITABLE ACTIVITIES

	Total funds 2015 £	<i>Total funds 2014 £</i>
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Teaching and educational support staff costs	3,876,217	3,886,712
Technology Costs	30,468	6,154
Educational Supplies	311,832	341,000
Examination Fees	148,179	131,489
Staff Development and Training	7,963	13,084
Educational Consultancy	86,736	74,517
Other Direct Costs	58,726	35,024
	<u>4,520,121</u>	<u>4,487,980</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Support staff costs	379,470	371,328
Depreciation	221,397	227,114
FRS17 pension finance costs	3,000	2,000
Technology Costs	6,758	36,762
Recruitment and Support	-	39,661
Maintenance of Premises and Equipment	186,440	670,928
Cleaning	105,025	104,963
Rent and Rates	36,051	33,596
Energy Costs	76,724	89,246
Insurance	61,701	63,742
Security and Transport	3,140	8,071
Catering	41,513	38,686
Bank Interest and Charges	529	301
Other Support Costs	29,930	103,988
	<u>1,151,678</u>	<u>1,790,386</u>
	<u><u>5,671,799</u></u>	<u><u>6,278,366</u></u>

9. GOVERNANCE COSTS

	Total funds 2015 £	<i>Total funds 2014 £</i>
Auditor's remuneration - Other services	2,014	4,283
Auditor's remuneration - Audit of the financial statements	9,650	9,500
Trustee's reimbursed expenses	-	128
	<u>11,664</u>	<u>13,911</u>

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	221,397	227,114
Auditors' remuneration	9,650	9,500
Auditors' remuneration - non-audit	2,014	4,283
Operating lease rentals:		
- plant and machinery	34,865	6,056
	<u>221,397</u>	<u>227,114</u>

11. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	3,475,070	3,444,061
Social security costs	261,044	260,689
Other pension costs (Note 25)	516,207	493,923
	<u>4,252,321</u>	<u>4,198,673</u>
Supply staff costs	3,366	45,962
Staff restructuring costs	-	13,405
FRS17 pension finance costs	3,000	2,000
	<u>4,258,687</u>	<u>4,260,040</u>

b. Staff numbers

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

	2015 No.	2014 No.
Teachers	67	69
Administration and support	26	26
Management	5	5
	<u>98</u>	<u>100</u>

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

11. STAFF (continued)

c. Higher paid staff

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

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

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £18,911 (2014: £20,403).

12. RELATED PARTY TRANSACTIONS - 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 Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other 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:

	2015	2014
	£	£
P Hurst (Headteacher and Accounting Officer)	95,000-100,000	95,000-100,000
R Cresdee (Staff Trustee)	35,000-40,000	20,000-25,000
T Hill (Staff Trustee)	20,000-25,000	20,000-25,000
R Hanley (Staff Trustee)	50,000-55,000	50,000-55,000

During the year, no Trustees received any reimbursement of expenses (2014 - £128).

The value of Trustees' remuneration includes gross salary and employer pension contributions made during the year.

Remuneration disclosures for Trustees who resigned prior to 1 September 2014 are not reflected in the table above.

P Hurst is accruing retirement benefits under the Teachers' Pension Scheme and contributions in the year fell within the band £10,000-£15,000 (2014: £10,000-£15,000).

R Cresdee is accruing retirement benefits under the Teachers' Pension Scheme and contributions in the year fell within the band £0-£5,000 (2014: £0-£5,000).

T Hill is accruing retirement benefits under the Local Government Pension Scheme and contributions in the year fell within the band £0-£5,000 (2014: £0-£5,000).

R Hanley is accruing retirement benefits under the Teachers' Pension Scheme and contributions in the year fell within the band £5,000-£10,000 (2014: £5,000-£10,000).

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £880 (2014 - £350). The cost of this insurance is included in the total insurance cost.

14. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2014	8,350,001	68,286	172,204	25,095	8,615,586
Additions	-	14,242	46,495	-	60,737
At 31 August 2015	8,350,001	82,528	218,699	25,095	8,676,323
Depreciation					
At 1 September 2014	534,062	18,939	115,649	11,293	679,943
Charge for the year	164,660	15,644	36,074	5,019	221,397
At 31 August 2015	698,722	34,583	151,723	16,312	901,340
Net book value					
At 31 August 2015	7,651,279	47,945	66,976	8,783	7,774,983
At 31 August 2014	7,815,939	49,347	56,555	13,802	7,935,643

Included in land and buildings is freehold land at valuation of £117,000 (2014 - £117,000) which is not depreciated.

The leasehold property was valued on 30 November 2011 by S C H Wright FRICS MCI Arb, a RICS Registered Valuer using the Depreciated Replacement Cost method.

The freehold land and buildings is owned by Suffolk County Council. The Academy holds a 125 year leasehold on a peppercorn rent from 1 July 2011.

15. STOCKS

	2015 £	2014 £
Clothing / uniform	856	1,134

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

16. DEBTORS

	2015	2014
	£	£
VAT recoverable	45,019	53,668
Other debtors	3,074	3,471
Prepayments and accrued income	127,491	80,839
	<u>175,584</u>	<u>137,978</u>

17. CREDITORS:
Amounts falling due within one year

	2015	2014
	£	£
Loans	16,413	16,413
Trade creditors	134,158	27,522
Other taxation and social security	77,322	-
Pension contributions payable	52,916	-
Amounts repayable to the EFA	1,289	-
Accruals and deferred income	83,146	102,646
	<u>365,244</u>	<u>146,581</u>

	£
Deferred income	
Deferred income at 1 September 2014	40,485
Resources deferred during the year	52,150
Amounts released from previous years	(40,485)
	<u>52,150</u>
Deferred income at 31 August 2015	<u>52,150</u>

At the balance sheet date the Academy Trust was holding funds received in advance for;

- Funding from the EFA in advance of the 2015-16 academic year;
- Income for school trips taking place in the 2015-16 academic year;

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

18. CREDITORS:

Amounts falling due after more than one year

	2015	2014
	£	£
Loans	16,393	32,824

Included within the above are amounts falling due as follows:

	2015	2014
	£	£
Between two and five years		
Other loans	16,393	32,824

Included within loans is a £114,959 Salix Energy Efficiency loan repayable over seven years via seven annual payments of £16,413. £16,413 of payments were made during 2015, leaving £16,393 (2014: £23,877) outstanding at the balance sheet date. £16,413 is included within creditors in "creditors: amounts falling due within one year." No interest is payable on the loan.

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

19. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds	220,806	131,075	(105,610)	-	-	246,271
Restricted funds						
General Annual Grant (GAG)	249,268	4,880,310	(4,947,279)	8,942	-	191,241
Pupil Premium	-	78,635	(78,635)	-	-	-
Other EFA Grants	-	11,700	(11,700)	-	-	-
Local Authority Grants	962	12,667	(13,072)	-	-	557
Other Government Grants	-	50,404	(50,404)	-	-	-
Other activities	20,533	221,571	(216,900)	-	-	25,204
Pension reserve	(624,000)	-	(27,000)	-	11,000	(640,000)
	(353,237)	5,255,287	(5,344,990)	8,942	11,000	(422,998)
Restricted fixed asset funds						
EFA Capital Grants	146,689	24,093	(78,678)	(69,679)	-	22,425
NBV of fixed assets	7,935,643	-	(221,397)	60,737	-	7,774,983
	8,082,332	24,093	(300,075)	(8,942)	-	7,797,408
Total restricted funds	7,729,095	5,279,380	(5,645,065)	-	11,000	7,374,410
Total of funds	7,949,901	5,410,455	(5,750,675)	-	11,000	7,620,681

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

The General fund has been created to recognise the incoming and outgoing resources in respect of activities undertaken by the Academy Trust which fall outside the scope of its core activities

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Academy Trust via the EFA by the DfE. The GAG fund has been established because the GAG must be used for the normal running costs of the Academy Trust.

The Pupil Premium fund has been established to recognise the restricted funding received from the Education Funding Agency to raise the attainment of disadvantaged pupils and close the gap between them and their peers.

The Other EFA Grants fund has been created to recognise the restricted funding received from the DfE/EFA which fall outside the scope of core funding.

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

19. STATEMENT OF FUNDS (continued)

The Local Authority Grants fund has been set up to recognise the income received from Suffolk County Council as a contribution towards the cost of the Academy Trust's revenue expenditure. Funding received for Special Educational Needs is also recognised within Local Authority Grants. These funds are to assist with the costs incurred providing disadvantaged students with the additional educational resources that they require.

The Pension Reserve has been created to separately identify the pension deficit inherited from the Local Authority upon conversion to Academy status, and through which all the pension scheme movements are recognised.

The NBV of Fixed Assets fund has been set up to recognise the tangible assets held by the Academy Trust and is equivalent to the NBV of tangible fixed assets. Depreciation of tangible fixed assets is allocated to this fund.

The EFA Capital Grants fund has been created to recognise capital grants received for the purpose of the acquisition of tangible fixed assets. As tangible fixed assets are purchased, a transfer is made to the NBV of Fixed Asset funds.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	220,806	131,075	(105,610)	-	-	246,271
Restricted funds	(353,237)	5,255,287	(5,344,990)	8,942	11,000	(422,998)
Restricted fixed asset funds	8,082,332	24,093	(300,075)	(8,942)	-	7,797,408
	<u>7,949,901</u>	<u>5,410,455</u>	<u>(5,750,675)</u>	<u>-</u>	<u>11,000</u>	<u>7,620,681</u>

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

20. 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	-	-	7,774,983	7,774,983	7,935,643
Current assets	246,271	598,639	22,425	867,335	817,663
Creditors due within one year	-	(365,244)	-	(365,244)	(146,581)
Creditors due in more than one year	-	(16,393)	-	(16,393)	(32,824)
Pension scheme liability	-	(640,000)	-	(640,000)	(624,000)
	<u>246,271</u>	<u>(422,998)</u>	<u>7,797,408</u>	<u>7,620,681</u>	<u>7,949,901</u>

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources	(340,220)	(95,630)
Returns on investments and servicing of finance	(2,121)	(2,030)
Depreciation of tangible fixed assets	221,397	227,114
Capital grants from DfE	(24,093)	(564,890)
Decrease/(increase) in stocks	278	(41)
(Increase)/decrease in debtors	(37,606)	14,690
Increase/(decrease) in creditors	218,663	(363,295)
FRS 17 adjustments	27,000	4,000
Net cash inflow/(outflow) from operations	<u>63,298</u>	<u>(780,082)</u>

22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	<u>2,121</u>	<u>2,030</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(60,737)	(85,928)
Capital grants from DfE	<u>24,093</u>	<u>564,890</u>
Net cash (outflow)/inflow capital expenditure	<u>(36,644)</u>	<u>478,962</u>

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2015 £	2014 £
Financing		
Repayment of loans	<u>(16,431)</u>	<u>(16,430)</u>

23. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	678,551	12,344	-	690,895
Debt:				
Debts due within one year	(16,413)	-	-	(16,413)
Debts falling due after more than one year	(32,824)	16,431	-	(16,393)
Net funds	<u>629,314</u>	<u>28,775</u>	<u>-</u>	<u>658,089</u>

24. MEMBERS' LIABILITY

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

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

25. PENSION COMMITMENTS

The Academy Trust'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 Suffolk 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 £52,916 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:

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

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

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

25. PENSION COMMITMENTS (continued)

The total contributions made to the Teachers Pension Scheme (TPS) for the year ended 31 August 2015 was £651,340 (2014: £640,480), of which employer's contributions totalled £380,224 and employees' contributions totalled £271,116.

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £139,000, of which employer's contributions totalled £112,000 and employees' contributions totalled £27,000. The agreed contribution rates for future years are 29.1% for employers and 5.5% to 12.5% for employees.

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

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

25. PENSION COMMITMENTS (continued)

The Academy Trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	3.80	856,000	6.40	746,000
Bonds	3.80	269,000	3.40	231,000
Property	3.80	141,000	4.50	110,000
Cash	3.80	13,000	3.30	11,000
Total market value of assets		<u>1,279,000</u>		<u>1,098,000</u>
Present value of scheme liabilities		<u>(1,919,000)</u>		<u>(1,722,000)</u>
Deficit in the scheme		<u>(640,000)</u>		<u>(624,000)</u>

For accounting years beginning on or after 1 January 2015, the expected return and the interest cost will be replaced with a single net interest cost, which will effectively set the expected return equal to the discount rate, as per the forthcoming FRS102 disclosure requirements.

Therefore the Actuary has not disclosed an expected return assumption for the year to 31 August 2016. For the year to 31 August 2015, the expected return was 3.8% per annum, which has been used to determine the charge to the Statement of Financial Activities.

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(1,919,000)	(1,722,000)
Fair value of scheme assets	<u>1,279,000</u>	<u>1,098,000</u>
Net liability	<u>(640,000)</u>	<u>(624,000)</u>

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

	2015 £	2014 £
Current service cost	(136,000)	(112,000)
Interest on obligation	(67,000)	(55,000)
Expected return on scheme assets	<u>64,000</u>	<u>53,000</u>
Total	<u>(139,000)</u>	<u>(114,000)</u>
Actual return on scheme assets	<u>46,000</u>	<u>105,000</u>

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

25. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	1,722,000	1,135,000
Current service cost	136,000	112,000
Interest cost	67,000	55,000
Contributions by scheme participants	27,000	27,000
Actuarial (Gains)/losses	(29,000)	397,000
Benefits paid	(4,000)	(4,000)
	<u>1,919,000</u>	<u>1,722,000</u>
Closing defined benefit obligation	1,919,000	1,722,000

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

	2015 £	2014 £
Opening fair value of scheme assets	1,098,000	827,000
Expected return on assets	64,000	53,000
Actuarial gains and (losses)	(18,000)	85,000
Contributions by employer	112,000	110,000
Contributions by employees	27,000	27,000
Benefits paid	(4,000)	(4,000)
	<u>1,279,000</u>	<u>1,098,000</u>

the estimated value of employers contributions for the year ended 31 August 2016 is £109,000.

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £372,000 loss (2014 - £383,000 loss).

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	5.50 %
Rate of increase in salaries	4.60 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

25. 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	22.4	22.4
Females	24.4	24.4
Retiring in 20 years		
Males	24.3	24.3
Females	26.9	26.9

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(1,919,000)	(1,722,000)	(1,135,000)	(937,000)
Scheme assets	1,279,000	1,098,000	827,000	600,000
Deficit	(640,000)	(624,000)	(308,000)	(337,000)
Experience adjustments on scheme liabilities	29,000	(397,000)	(25,000)	(74,000)
Experience adjustments on scheme assets	(18,000)	85,000	59,000	(31,000)

26. OPERATING LEASE COMMITMENTS

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

	2015 £	2014 £
Expiry date:		
Within 1 year	824	2,197
Between 2 and 5 years	10,276	3,589
After more than 5 years	27,398	-

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

27. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust'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 Trust's financial regulations and normal procurement procedures.

The following related party transactions took place in the period of account;

The Friends of Thomas Mills High School

- The Academy Trust received a donation of £156 (2014: £nil) from The Friends of Thomas Mills High School. The balance consisted of the reimbursement of printing of £69 and refreshments at an open evening of £87.

The Michael Sims Memorial Fund

- The Academy Trust received a donation of £1,100 (2014: £650) from The Michael Sims Memorial Fund. The balance consisted of £100 for the Michael Sims Memorial Prize of 2015 and £1,000 to subsidise the cost of the Peru school trip.

Prickett Memorial Awards

- The Academy Trust received a donation of £nil (2014: £180) from Prickett Memorial Awards.

Thomas Mills Prizes

- The Academy Trust received a donation of £301 (2014: £298) from Thomas Mills Prizes to be used for the awards evening prizes.

The Mills Education Foundation

- The Academy Trust received a donation of £nil (2014: £41,130) from The Mills Education Foundation.

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

28. CONTROLLING PARTY

There is no ultimate controlling party.

29. COMPANY LIMITED BY GUARANTEE

The Academy Trust is a company limited by guarantee and does not have share capital.

THOMAS MILLS HIGH SCHOOL
(A company limited by guarantee)

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

30. AGENCY ARRANGEMENTS

The Academy Trust administers the distributions of the new discretionary support for learners, 16-19 Bursary Funds, on behalf of the EFA. During the year the Academy Trust received £14,893 (2014: £16,219) and disbursed £14,550 (2014: £15,973). £nil (2014: £nil) was retained to cover administration expenses and therefore a balance of £1,289 (2014: £946) was owed to the EFA as at the balance sheet date and is included within other creditors. The income and expenditure is excluded from the Statement of Financial Activities.