
ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the academy, its governors and advisers	1 - 2
Governors' report	3 - 10
Governance statement	11 - 13
Statement on regularity, propriety and compliance	14
Governors' responsibilities statement	15
Independent auditors' report	16 - 17
Independent auditors' assurance report on regularity	18 - 19
Statement of financial activities	20 - 21
Balance sheet	22
Cash flow statement	23
Notes to the financial statements	24 - 41

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2013

Governors	Mr F C Stimpson, Chairman Mr M Ronan, Vice Chair Mrs D Donkin, Head Teacher Mr A Stopher Mrs L Durant Mrs J Hetherington Mrs K Wallace Mrs J Patterson Mrs J Watt Mr C Finlay (appointed 1 September 2012) Dr A Macoscar (appointed 1 September 2012) Miss C Edwards Mrs F Stevenson Mrs M Barber Mr N Pearce (appointed 1 September 2012) Mr R Lowery Reverend P Stott Mrs C Jeffrey Mr A Merchant
Company registered number	07844795
Principal and registered office	Lynn Road North Shields Tyne & Wear NE29 8LF
Company secretary	P Breen
Head Teacher	D Donkin
Senior management team	Mrs D Donkin, Head Teacher Mr D Watson, Deputy Head Teacher Miss P Breen, Director of Finance and Company Secretary Mrs K Gammack, Director of Learning Mrs S Bunyan, Assistant Headteacher Mr M Henderson, Assistant Headteacher Mr R Kilkenny, Assistant Headteacher Miss P Ronan, Assistant Headteacher
Independent auditors	UNW LLP Chartered Accountants & Statutory Auditor Citygate St James Boulevard Newcastle upon Tyne NE1 4JE

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2013

Advisers (continued)

Bankers	Lloyds TSB Bank plc 69 Bedford Street North Shields NE29 0AU
Solicitors	Muckle LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2013

The Governors (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of St Thomas More Roman Catholic Academy (the academy) for the year ended 31 August 2013. The Governors confirm that the Annual report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

a. CONSTITUTION

The Academy 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.

The governors act as the trustees for the charitable activities of St Thomas More Roman Catholic Academy and are also the directors of the Charitable Company for the purposes of the company law. The Charitable Company is known as St Thomas Moore Roman Catholic Academy.

During the year under review the Governors held four full governing body meetings. We currently have one Governor vacancy.

The academy is a charitable company limited by guarantee and was set up by a Memorandum of Association on 11 November 2011.

The academy is constituted under a Memorandum of Association dated 11 November 2011.

The principal object of the academy is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing establishing, maintaining, carrying on, managing and developing a Catholic School designated as such which shall offer a broad and balanced curriculum.

b. 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.

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

The term of office for any Governor shall be four years, save that this time limit shall not apply to the Headteacher or any post held ex-officio. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

The make up of the Governing Body is as follows:

10 Foundation Governors- appointed by the Bishop of Hexham and Newcastle and in the majority over all other Governors (there is one vacancy for a foundation governor).

1 Headteacher

4 Parent Governors

3 Staff Governors

1 Governor

d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

The training and induction provided for new Governors depends on their existing experience. Where necessary induction and training is provided on: educational, legal and financial matters. The Academy buys into an annual Service Level Agreement for Governor Training and Support. All new Governors are given a tour of the Academy and the chance to meet with staff and students. All newly appointed Governors are provided with an induction pack which contains copies of policies, procedures, minutes, they are invited to request accounts, budgets, plans and other documents that they will need to undertake in their role as a Governor. As there are normally only one or two new Governors a year, induction is undertaken formally and is tailored to the individual.

The Academy buys into a Service Level Agreement for Governor Services and a training session is provided specifically for the induction of newly appointed governors which is recognised by a certificate at the end of the training. Every year governors receive a personal training planner which highlights training sessions available and governors are encouraged to attend.

e. ORGANISATIONAL STRUCTURE

During the year the Academy has operated a unified leadership structure. The structure consists of two levels: the Governors and the Senior Leadership Team. The Leadership Team work closely with middle leaders through the link strategy, thus ensuring that 'leadership' and 'management' is devolved accordingly within the Academy.

Governors are responsible for setting general policy, adopting the annual 'Development Plan' and agreeing the budget. This also involves monitoring the Academy by the use of budgets, agreeing major decisions about: the direction of the Academy, capital expenditure and senior staff appointments.

The Senior Leadership team consist of the: Headteacher, a Deputy Headteacher, a Director of Finance & Resources, a Director of Learning and four Assistant Headteachers, who provide the strategic leadership for the Academy implementing the policies laid down by the Governors and reporting back to them via the Headteacher and Director of Finance & Resources. The Senior Leadership team is responsible for the day to day running of the Academy, the financial management of the Academy funds and the appointment of staff through interview panels that may contain a Governor(s).

f. RISK MANAGEMENT

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating specifically to teaching, provision of facilities and other operational areas of the Academy and its finances. The Governors have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to, teaching, health and safety, safeguarding, school visits and bullying) and in relation to all areas of financial management. Where significant financial risk is apparent there is appropriate insurance cover in place. The Academy has an effective system of internal financial controls and this is detailed further in the Governance Statement.

The Academy has fully implemented the requirements of the Safer Recruitment procedures and all staff have received Child Protection training as part of the annual Safeguarding Service Level Agreement.

Objectives and Activities

a. OBJECTS AND AIMS

The principal object and activity of the Company is the operation of St Thomas More Roman Catholic Academy to provide education for students of different abilities between the ages of 11 and 19 conducted in accordance with the principles, practices and tenets of the Catholic Church.

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

In accordance with the articles of association the Academy Trust's object is specifically 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 Catholic school designated as such ("the Academy") which shall offer a broad and balanced curriculum and shall be conducted in accordance with the principles and tenets of the Catholic Church and all Catholic canon law applying thereto including any trust deed governing the use of the land used by the Academy both generally and in particular in relation to arranging for religious education and daily acts of worship and having regard to any advice and following directive issued by the Diocesan Bishop.

The main objectives of the Academy during the year to 31st August 2013 are summarised below:

- To raise the standard of education achievement for all students
- To achieve continuous improvement and effectiveness of the Academy by keeping the organisational structure and curriculum under constant review
- To provide value for money in the expenditure of revenue and capital funds
- To comply with all statutory requirements
- To maintain and develop links and partnerships with other education establishments and professionals
- To conduct Academy business at all times in accordance with probity and integrity

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The Academy's main objectives are encompassed in its mission statement:

Many people, especially staff and governors, have contributed to formulating aims for the Academy, which are given below. Governors and staff are committed to working very hard to make them a reality in the daily working life of the school.

St Thomas More is a Catholic school, and as such we attempt to follow the example of Jesus Christ in our work, worship and relationships.

Our aims are:

- To be a prayerful community based on Christian values, notably Love, Justice, Peace, Truth and Tolerance, and to encourage individuals in their commitment to these ideals.
- To promote awareness of Christian issues and the importance of spiritual growth to the overall development of the individual.
- To promote sensitivity to the needs of others through faith in action.
- To enable students to recognise and to be respectful of the beliefs and opinions of others.
- To provide a secure, welcoming and ordered environment in which individuals learn to value and respect both themselves and others.
- To develop a code of behaviour that balances the interests of the community with those of the individual, and to ensure an understanding of this code.
- To encourage appropriate behaviour at all times, showing courtesy and respect for each member of the community.
- To develop a recognition of, and respect, for the rights and property of others.
- To promote appreciation of, and respect for, cultural diversity.
- To give individuals, the opportunities to develop their full potential as human beings, and to encourage and challenge them to do so.
- To encourage students to define problems, to ask questions, to weigh evidence and to suggest solutions.
- To develop the ability of recognising a stand point different to their own and interpreting their perspective accordingly.
- To promote the development of personal responsibility, skills and attitudes necessary for adapting to a changing world.
- To encourage everyone to strive to do their best and to strive for the highest standards in all areas of activity.
- To develop the skills of listening carefully, of following instructions precisely and of recording accurately.

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

- To develop the skills of literacy and numeracy necessary for the acquisition of all knowledge and information.
- To ensure access for all students to creative, physical, scientific, technological, mathematical and linguistic activities.
- To match what is taught and how it is taught to the students' abilities and aptitudes.
- To motivate, by example and encouragement, all students to do their best.
- To help students grow into confident, open, resourceful young people with a sense of responsibility and of service.

c. ACTIVITIES FOR ACHIEVING OBJECTIVES

Strengthening of school ethos and its expression in our life and work through:

Continuing with weekly Mass (Tuesday) and Service of Word and Communion (Friday) for students and staff; continuing to support students' understanding of the centrality of the chapel in provision for the school community by timetabling visits via RE/Chaplain; continuing to enable/encourage additional acts of worship as appropriate to the Church's liturgical calendar e.g. Rosary Oct/May; Stations of the cross in Lent; Continue to ensure that students take an active leadership role in all acts of collective worship e.g. readers, offertory, Special Minister; devising and implementing an age-appropriate survey of students to better evaluate their experience of collective worship; continuing to develop an assembly rota that includes senior leaders and reflects the liturgical year; establishing a comprehensive chaplaincy programme involving a range of opportunities for students and staff; engaging with Diocesan and national youth events; Extending use of Survey Monkey to Student Voice as well as repeating Parent Voice in Yrs 7-11; extend Survey Monkey to Parent Voice in Yrs 12 and 13 as well as continuing with Student Voice; continuing with ½ termly mail postings to Parents begun in response to Parent Voice 2013; redesigning the School Brochure cover to better promote the school and its ethos; continuing to develop and update School Website; further strengthening partnership with local Catholic primary schools by continuing to host all partnership meetings, providing ICT maintenance and PE Coordination and funding basic level of Educational Psychology provision for students at an early age; engaging with Diocesan Partnership events, both staff and student; continuing to engage with local, regional and national networks.

Improving standards and raising achievement through:

Continuing to focus on raising achievement especially in the including E&M performance measures, vulnerable groups, gender performance differences, GCSE Business Studies; working with departments to develop a whole-school approach to improving literacy; reviewing and further development of inclusion of T&L PM objective; continuing to widen use of IRIS system of lesson recording and review to improve practice; further developing and implementing a programme of whole-school monitoring involving LT and departmental TLR staff; bespoke CPD programmes for individuals and departments; developing use of VLE to enhance and support T&L; target-setting and assessment based on expected levels of progress; better preparing students for linear exam arrangements; more effective setting for MFL/Maths in Years 8 and 9 to produce a more personalised curriculum; continuing to work in partnership with universities and other educational bodies in research; formalising a small budget for Vocational group to further develop school allotment; further developing Careers Guidance in the light of new responsibilities for schools; continuing to raise awareness and support pursuit of careers in STEM related areas; reviewing post 16 curriculum offer and arrangements in light of new funding regulations (2014).

Further develop existing leadership and emerging leaders to impact on school improvement and succession planning through:

Supporting staff in new leadership roles including the fully merged ICT/Business Studies Department, acting Head of Art, new office structure, the independent Network Management; supporting and encouraging staff to engage with leadership development opportunities; continued involvement in delivery of leadership development programmes; continuing to invest in site/facility development to meet provision needs including procurement of electronic CPD/PM tracking system, refurbishment of DT staff facilities, refurbishment all student toilet facilities, updating identified essential ICT network hard ware and software, essential external painting; prudent financial management to allow some capitalisation of funds for future site development; exploration of emerging capital funding possibilities to further develop facilities and address specialist capacity shortfall.

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

d. PUBLIC BENEFIT

The Company's aims and objectives are set out within this report. The activities set out in this report have been undertaken to further the Company's charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charities Commission and the Trustees have paid due regard to this guidance in deciding what activities the charity should undertake.

Achievements and performance

a. GOING CONCERN

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

b. REVIEW OF ACTIVITIES

Given the profile of the staff still on incremental salaries, a slight dip in student numbers and the funding cuts, staffing costs had risen for the first time to above 80%. During the year a comprehensive staffing restructure was undertaken, implementation commenced in April 2013 and was completed by 31st August 2013.

We submitted bids to the Academies Capital Maintenance Fund for a much needed electricity supply and an additional teaching block. On this occasion the bids were unsuccessful.

All of the student toilet facilities have been refurbished during the year.

In 2013 the academy enjoyed the best A Level outcomes to date with a 100% pass rate, for the fourth year running, 50% of all grades being A*-B and 24% of all entries were graded as A*/A.

Similarly, at GCSE the best student outcomes to date were achieved with 78% of students achieving 5+ A*-C inc E&M.

There was a significant increase in A*/A grades with 28% of all grades being A*/A (compared to 25%, 21%, and 19% in previous 3 years)

39% of students achieved A*-C grades in the EBacc. subjects.

99% of students achieved 5+A*-G grades.

The Ofsted Raiseonline report for 2012 student outcomes shows that progress is outstanding for students generally and for most groups of students including students with SEN.

SCITT placements during the year are as follows – Maths 4, Eng 2, Art 2, Science 2, MFL 2, Art 2, Geog 1, ICT 1.

GTP placements during the year are as follows – RE 1, PE 1.

We have supported other schools within North Tyneside and further afield by:

Delivery of CPD to NQTs from across North Tyneside.

Specialist support for Catholic Primary schools in English, Maths and PE.

Providing ICT Network support for our Catholic Primary Schools.

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

Mentoring newly appointed Headteachers in Diocesan secondary Schools.
Providing placements for trainee Headteachers (via NCSL).

c. INVESTMENT POLICY AND PERFORMANCE

There were no investments during the year as it was identified there would be redundancy costs associated with the restructure. The Academy's level of free reserves (total funds less the amount held in the restricted fixed asset fund and the pension reserve) are in surplus by £639,693 comprising of £30,808 of restricted funds and £608,885 of unrestricted funds. The surplus of the free reserves as at the 31st August 2013 consists of £855,489 carried forward from the previous year, and £215,796 net deficit across both funds between 1st September 2012 and 31st August 2013. The Academy will invest surplus funds through money market accounts using termed deposits. Interest rates will be reviewed prior to each investment. This will maximise investment return whilst minimising risks to the principal sum.

Financial review

a. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The Academy is subject to a number of risks and uncertainties in common with other Academies. St Thomas More has in place procedures to identify and mitigate financial risks. These are discussed further in the Risk Management section of this report, and in the Governance Statement.

b. PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties are centred around the changes in the level of funding from the EFA. In addition the Academy is a member of the Tyne & Wear Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the Academy balance sheet.

c. RESERVES POLICY

The Governors review the reserves level of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that an appropriate level of free reserves should be equivalent to one months operating costs, equivalent to between 7%-9% of total incoming resources (approximately £715,000). The reason for this is to provide sufficient working capital to cover delays between expenditure and receipt of grant income and to provide the ability to deal with potential unexpected but urgent expenditure e.g. maintenance.

d. PRINCIPAL FUNDING

Most of the Academy's income is obtained from the Department for Education (DFE) via the Education Funding Agency (EFA) formerly the Young People's Learning Agency (YPLA), in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/EFA during the year and the associated expenditure are shown as restricted funds in the Statement of Financial Activities (SOFA).

The Academy also receives grants for fixed assets from the DfE/EFA. In accordance with the charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the SOFA 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 to 31st August 2013, total restricted fund expenditure of £8,596,556 exceeded recurrent grant funding from the DfE/EFA together with other incoming resources. The excess of expenditure over income for

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

the period (before transfers and actuarial gains, and excluding restricted fixed asset funds and unrestricted funds) was £352,840.

All of the expenditure shown in the SOFA is in furtherance of the Academy's objectives.

At 31st August 2013 the net book value of fixed assets was £7,210,855 and movements in tangible fixed assets are shown in the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy.

The provisions of Financial Reporting Standard No. 17 'Retirement Benefits' (FRS17) have been applied in full, resulting in a deficit of £906,000 recognised on the balance sheet.

The Academy held free reserve fund balances at 31st August 2013 of £639,693 comprising of £30,808 of restricted funds and £608,885 of unrestricted funds. Unrestricted funds consist of £510,841 from the previous year and £98,044 of unrestricted general funds net surplus.

Plans for the future

a. FUTURE DEVELOPMENTS

The Academy will need to replace the mains electricity supply to the building which at present is almost at maximum capacity and results in frequent power cuts. We still operate within four mobile classrooms and are under capacity by a further three and therefore require an additional teaching block. Bids will continue to be submitted to the Academies Capital Maintenance Funding for both of these items.

The Academy will continue to strive to provide outstanding secondary education for the Catholic community of North Tyneside through its focus on the development of the whole person, both students and staff. It will continue with a relentless focus on improving achievement for students and support for the development of those staff new to the teaching profession and those seeking leadership positions.

The Academy will support the development of other Catholic Secondary Schools in the Diocese and other schools generally in the North East region, through its participation in the Diocesan Partnership of Schools and its role as a strategic partner of the Sacred Heart Teaching Alliance. This will include Leadership Development, Initial Teacher Training, work via LLE and SLE programmes and informal response to direct enquiries for support. Support will continue to be given to the North Tyneside Catholic family of primary schools in the areas of English, Maths, PE, SEN and ICT technical support.

We will continue to host ITTs through SCITT and Schools Direct programmes linked to our partnerships with local universities and Teaching Alliances.

We will continue to remain open to the possibility of becoming a Sponsor Academy should the need become apparent within the Diocese.

The Academy will continue with a planned maximum number of 1740 students on roll (inc post 16).

FUNDS HELD AS CUSTODIAN

St Thomas More Roman Catholic Academy does not hold any funds as a Custodian Trustee on behalf of others.

DISCLOSURE OF INFORMATION TO AUDITORS

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

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

- so far as that Governor is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by order of the board of governors on 13 December 2013 and signed on its behalf by:

Chair of Trustees

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Governors' report and in the Governors' responsibilities statement. The board of governors has formally met 4 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governor	Meetings attended	Out of a possible
Mr F C Stimpson, Chairman	4	4
Mr M Ronan, Vice Chair	4	4
Mrs D Donkin, Head Teacher	4	4
Mr A Stopher	3	4
Mrs L Durant	0	4
Mrs J Hetherington	4	4
Mrs K Wallace	3	4
Mrs J Patterson	2	4
Mrs J Watt	3	4
Mr C Finlay	4	4
Dr A Macoscar	4	4
Miss C Edwards	4	4
Mrs F Stevenson	4	4
Mrs M Barber	2	4
Mr N Pearce	4	4
Mr R Lowery	4	4
Reverend P Stott	2	4
Mrs C Jeffrey	4	4
Mr A Merchant	4	4

There have been no changes in the composition of the board of trustees. The main challenge that has arisen for the board was the staffing restructure.

The Finance Premises, Health & safety Committee is a sub-committee of the main board of trustees. Its purpose is to consider all matters related to financial planning, management and control, site and premises management and development, and matters specifically related to Health & Safety, including receiving and annual Governors Health & Safety report. There have been no changes to this committee within the last 12 months.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
F Stimpson	3	3
D Donkin	3	3
L Durant	0	3

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

J Hetherington	2	2
C Jeffrey	3	3
R Lowery	2	3
M Ronan	2	3
N Pearce	2	3
A C Stopher	3	3

The Audit Committee is an integrated part of the Finance, Premises and Health & Safety Committee.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Thomas More Roman Catholic Academy for the year to 31 August 2013 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

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

The board of governors has considered the need for a specific internal audit function and has decided to appoint Evolution LLP to carry out the duties of a Responsible Officer looking at matters of internal auditor 3 times per annum.

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

Evolution provide a report after each of these audits to be presented to the board of trustees on the operation of the systems of control and on the discharge of the board of trustee's financial responsibilities. The reports highlight any matters of low, medium or high risk and review the work of the previous period. During the year to

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

31st August 2013 no material control issues were identified.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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

Approved by order of the members of the board of governors on 13 December 2013 and signed on their behalf, by:

Chair of Trustees

Accounting Officer

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

Accounting Officer

Date: 13 December 2013

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

GOVERNORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2013

The Governors (who act as governors of St Thomas More Roman Catholic Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Annual Accounts 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 Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of governors on 13 December 2013 and signed on its behalf by:

Chair of Trustees

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST THOMAS MORE ROMAN CATHOLIC ACADEMY

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

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST THOMAS MORE ROMAN CATHOLIC
ACADEMY**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Michael Morris ACA FCCA (Senior statutory auditor)
for and on behalf of
UNW LLP
Chartered Accountants
& Statutory Auditor
Citygate
St James Boulevard
Newcastle upon Tyne
NE1 4JE
13 December 2013

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO ST THOMAS MORE
ROMAN CATHOLIC ACADEMY AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 19 April 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Thomas More Roman Catholic Academy during the year 1 September 2012 to 31 August 2013 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to St Thomas More Roman Catholic Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Thomas More Roman Catholic Academy and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St Thomas More Roman Catholic Academy and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF ST THOMAS MORE ROMAN CATHOLIC ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING AUDITORS

The accounting officer is responsible, under the requirements of St Thomas More Roman Catholic Academy's funding agreement with the Secretary of State for Education dated 28 November 2011, and the Academies Financial Handbook extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

govern them.

Michael Morris ACA FCCA (Senior statutory auditor)
for and on behalf of
UNW LLP
Chartered Accountants
& Statutory Auditor
Citygate
St James Boulevard
Newcastle upon Tyne
NE1 4JE

13 December 2013

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2013

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	<i>Total funds 2012 (9 month period)</i>	
Note	2013 £	2013 £	2013 £	2013 £	£	
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	337,612	33,023	-	370,635	7,318,509
Activities for generating funds	3	52,117	-	-	52,117	40,656
Investment income	4	1,508	-	-	1,508	924
Incoming resources from charitable activities	5	-	8,210,693	32,181	8,242,874	6,500,759
TOTAL INCOMING RESOURCES		391,237	8,243,716	32,181	8,667,134	13,860,848
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary income	6	279,236	-	-	279,236	-
Charitable activities		3,297	8,585,984	169,860	8,759,141	6,307,161
Governance costs	8	-	10,572	-	10,572	11,629
TOTAL RESOURCES EXPENDED		282,533	8,596,556	169,860	9,048,949	6,318,790
NET INCOMING RESOURCES BEFORE TRANSFERS		108,704	(352,840)	(137,679)	(381,815)	7,542,058

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2013

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £	Total funds 2012 (9 month period) £
Transfers between Funds	18	(10,660)	-	10,660	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		98,044	(352,840)	(127,019)	(381,815)	7,542,058
Actuarial gains and losses on defined benefit pension schemes		-	54,000	-	54,000	(256,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		98,044	(298,840)	(127,019)	(327,815)	7,286,058
<i>Total funds at 1 September 2012</i>		510,841	(576,352)	7,351,569	7,286,058	-
TOTAL FUNDS AT 31 AUGUST 2013		608,885	(875,192)	7,224,550	6,958,243	7,286,058

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The reporting period for the 2012 comparatives were for the period 11 November 2012 to 31 August 2012, although the Academy did not commence to operate until the conversion date of 1 December 2012.

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

The notes on pages 24 to 41 form part of these financial statements.

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 07844795

BALANCE SHEET
AS AT 31 AUGUST 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	13		7,210,855		7,373,352
CURRENT ASSETS					
Debtors	14	76,539		155,895	
Cash at bank and in hand		882,925		952,744	
		<u>959,464</u>		<u>1,108,639</u>	
CREDITORS: amounts falling due within one year	15	<u>(306,076)</u>		<u>(274,933)</u>	
NET CURRENT ASSETS			<u>653,388</u>		<u>833,706</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,864,243</u>		<u>8,207,058</u>
Defined benefit pension scheme liability	16		<u>(906,000)</u>		<u>(921,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>6,958,243</u>		<u>7,286,058</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	18	30,808		344,648	
Restricted fixed asset funds	18	7,224,550		7,351,569	
		<u>7,255,358</u>		<u>7,696,217</u>	
Restricted funds excluding pension liability				7,696,217	
Pension reserve		<u>(906,000)</u>		<u>(921,000)</u>	
Total restricted funds			<u>6,349,358</u>		<u>6,775,217</u>
Unrestricted funds	18		<u>608,885</u>		<u>510,841</u>
TOTAL FUNDS			<u>6,958,243</u>		<u>7,286,058</u>

The financial statements were approved by the Governors, and authorised for issue, on 13 December 2013 and are signed on their behalf, by:

Chair of Trustees

The notes on pages 24 to 41 form part of these financial statements.

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2013

	Note	2013 £	2012 (9 month period) £
Net cash flow from operating activities	21	(60,666)	980,363
Returns on investments and servicing of finance	22	1,508	924
Capital expenditure and financial investment	22	(10,661)	(28,543)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(69,819)	952,744

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

	2013 £	2012 (9 month period) £
(Decrease)/Increase in cash in the year	(69,819)	952,744
MOVEMENT IN NET FUNDS IN THE YEAR	(69,819)	952,744
Net funds at 1 September 2012	952,744	-
NET FUNDS AT 31 AUGUST 2013	882,925	952,744

The notes on pages 24 to 41 form part of these financial statements.

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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.

1.3 Incoming resources

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

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

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

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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

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's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing £2,500 or more are capitalised as tangible fixed assets.

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

A review for impairment of a tangible fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any tangible 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.

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

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:

Freehold property	-	2% straight line
Motor vehicles	-	15% straight line
Fixtures and fittings	-	33% straight line
Office equipment	-	33% straight line

1.7 Operating leases

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

1.8 Taxation

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

1.9 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 16, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

2. VOLUNTARY INCOME

	Unrestricted funds	Restricted funds	Total funds	<i>Total funds 2012 (9 month period)</i>
	2013 £	2013 £	2013 £	£
Transfer on conversion	-	-	-	7,281,209
Non-government grants	2,170	-	2,170	1,300
Government grants	-	33,023	33,023	36,000
School Fund incoming resources	335,442	-	335,442	-
	<u>337,612</u>	<u>33,023</u>	<u>370,635</u>	<u>7,318,509</u>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds	Restricted funds	Total funds	<i>Total funds 2012 (9 month period)</i>
	2013 £	2013 £	2013 £	£
Staff income	2,609	-	2,609	15,032
Supply income	1,434	-	1,434	3,526
Miscellaneous income	48,074	-	48,074	21,623
Hire of equipment	-	-	-	475
	<u>52,117</u>	<u>-</u>	<u>52,117</u>	<u>40,656</u>

4. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	Total funds	<i>Total funds 2012 (9 month period)</i>
	2013 £	2013 £	2013 £	£
Bank interest received	1,508	-	1,508	924

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	Total funds	<i>Total funds 2012 (9 month period)</i>
	2013 £	2013 £	2013 £	2012 £
DfE/EFA grants				
General Annual Grant (GAG)	-	7,917,509	7,917,509	6,337,212
Start-up grants	-	-	-	25,000
Other DfE/EFA grants	-	325,365	325,365	138,547
	-	8,242,874	8,242,874	6,500,759

6. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted funds	Restricted funds	Total funds	<i>Total funds 2012 (9 month period)</i>
	2013 £	2013 £	2013 £	2012 £
School Fund outgoing resources	279,236	-	279,236	-

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	Total funds	<i>Total funds 2012 (9 month period)</i>
	2013 £	2013 £	2013 £	£
DIRECT COSTS				
Wages and salaries	-	5,085,430	5,085,430	3,815,990
National insurance	-	409,315	409,315	307,923
Pension cost	-	785,468	785,468	543,341
LGPS Pension costs	-	8,000	8,000	9,000
Educational supplies	-	323,935	323,935	234,994
Examination fees	-	281,660	281,660	253,346
Staff development	-	15,399	15,399	11,158
Educational consultancy	-	3,500	3,500	3,150
Net finance cost in respect of defined benefit pension scheme	-	4,880	4,880	5,130
Redundancy costs	-	196,642	196,642	-
Supply teacher costs	-	12,645	12,645	10,214
	<u>-</u>	<u>7,126,874</u>	<u>7,126,874</u>	<u>5,194,246</u>
SUPPORT COSTS				
Wages and salaries	-	513,254	513,254	362,629
National insurance	-	30,944	30,944	20,985
Pension cost	-	94,380	94,380	57,190
Depreciation	3,280	169,879	173,159	122,233
Maintenance of premises and equipment	-	172,945	172,945	61,510
Cleaning	-	144,333	144,333	111,529
Rates, water, light and heat	-	142,427	142,427	107,597
Insurance	-	63,026	63,026	63,985
Catering	-	64,100	64,100	51,470
Legal and professional fees	-	17,708	17,708	25,101
IT related costs	-	124,927	124,927	44,910
Other support costs	-	82,439	82,439	82,297
Supply teacher costs	-	8,625	8,625	1,479
	<u>3,280</u>	<u>1,628,987</u>	<u>1,632,267</u>	<u>1,112,915</u>
	<u><u>3,280</u></u>	<u><u>8,755,861</u></u>	<u><u>8,759,141</u></u>	<u><u>6,307,161</u></u>

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

8. GOVERNANCE COSTS

	Unrestricted funds	Restricted funds	Total funds	<i>Total funds 2012 (9 month period)</i>
	2013 £	2013 £	2013 £	2012 £
Audit fees	-	5,000	5,000	5,000
Accountancy fees	-	4,685	4,685	5,802
Governor advice, support and training	-	775	775	827
Bad debts written off	-	112	112	-
	<u>-</u>	<u>10,572</u>	<u>10,572</u>	<u>11,629</u>

9. NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging:

	2013 £	<i>2012 (9 month period)</i> £
Depreciation of tangible fixed assets:		
- owned by the charity	173,158	122,233
Auditors' remuneration	5,000	5,000
	<u>178,158</u>	<u>127,233</u>

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

10. STAFF COSTS

Staff costs were as follows:

	2013	<i>2012 (9 month period)</i>
	£	£
Wages and salaries	5,598,684	4,178,619
Social security costs	440,260	328,908
Other pension costs (Note 16)	879,848	600,531
	<u>6,918,792</u>	<u>5,108,058</u>
Supply teacher costs	21,270	11,693
Compensation payments	196,642	-
	<u>7,136,704</u>	<u>5,119,751</u>

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

	2013	<i>2012</i>
	No.	No.
Teaching staff	118	116
Administration and support staff	48	49
Management staff	8	9
	<u>174</u>	<u>174</u>

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

	2013	<i>2012</i>
	No.	No.
In the band £60,001 - £70,000	2	2
In the band £90,001 - £100,000	1	1
	<u>3</u>	<u>3</u>

Two of the above employees participated in the Teachers' Pension Scheme and one in the Local Government Pension Scheme. During the year ended 31st August 2013, pension contributions for these employees amounted to £20,432 (2012: £9,515) and £13,760 (2012: £4,571) respectively.

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

11. GOVERNORS' REMUNERATION AND EXPENSES

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

	2013 £	2012 £
Principal	95,000-100,000	95,000-100,000
Other staff governor	50,000-55,000	50,000-55,000
Other staff governor	35,000-40,000	35,000-40,000
Other staff governor	25,000-30,000	25,000-30,000

During the year, no Governors received any benefits in kind (2012: £Nil) or any reimbursement of expenses (2012: £Nil)

12. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2013 was £1,364 (2012 - £2,234).

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

13. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £
Cost				
At 1 September 2012	7,361,942	21,989	6,554	105,100
Additions	-	-	10,661	-
At 31 August 2013	<u>7,361,942</u>	<u>21,989</u>	<u>17,215</u>	<u>105,100</u>
Depreciation				
At 1 September 2012	97,679	206	236	24,112
Charge for the year	130,239	3,298	4,588	35,033
At 31 August 2013	<u>227,918</u>	<u>3,504</u>	<u>4,824</u>	<u>59,145</u>
Net book value				
At 31 August 2013	<u><u>7,134,024</u></u>	<u><u>18,485</u></u>	<u><u>12,391</u></u>	<u><u>45,955</u></u>
At 31 August 2012	<u><u>7,264,263</u></u>	<u><u>21,783</u></u>	<u><u>6,318</u></u>	<u><u>80,988</u></u>

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

13. TANGIBLE FIXED ASSETS (continued)

	Total £
Cost	
At 1 September 2012	7,495,585
Additions	10,661
	7,506,246
At 31 August 2013	7,506,246
Depreciation	
At 1 September 2012	122,233
Charge for the year	173,158
	295,391
At 31 August 2013	295,391
Net book value	
At 31 August 2013	7,210,855
<i>At 31 August 2012</i>	7,373,352

Included in freehold property is freehold land at valuation of £850,000 (2012 - £850,000), which is not depreciated.

14. DEBTORS

	2013 £	2012 £
Trade debtors	340	36,815
Other debtors	3,819	24,272
Prepayments and accrued income	72,380	94,808
	76,539	155,895

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

15. CREDITORS:
Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	709	1,834
Other taxation and social security	138,267	139,559
Other creditors	108,267	101,572
Accruals and deferred income	58,833	31,968
	306,076	274,933

16. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the Tyne & Wear Pension Fund. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

Contributions amounting to £108,051 were payable to the scheme at 31 August 2013 (2012 - £101,156) 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). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

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

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

16. PENSION COMMITMENTS (continued)

return.

Valuation of the Teachers' Pension Scheme

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

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

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

Teachers' Pension Scheme Changes

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

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

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

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

16. PENSION COMMITMENTS (continued)

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2013 was £265,000, of which employer's contributions totalled £211,000 and employees' contributions totalled £54,000. The agreed contribution rates for future years are 14.1% for employers and 6.4% for employees.

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

The amounts recognised in the Balance sheet are as follows:

	2013 £	<i>2012</i> £
Present value of funded obligations	(2,674,000)	<i>(2,312,000)</i>
Fair value of scheme assets	1,768,000	<i>1,391,000</i>
Net liability	(906,000)	<i>(921,000)</i>

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

	2013 £	<i>2012 (9 month period)</i> £
Current service cost	(220,000)	<i>(133,000)</i>
Interest on obligation	(102,000)	<i>(68,000)</i>
Expected return on scheme assets	94,000	<i>59,000</i>
Past service cost	(22,000)	<i>-</i>
Total	(250,000)	<i>(142,000)</i>
Actual return on scheme assets	(170,000)	<i>(85,000)</i>

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

16. PENSION COMMITMENTS (continued)

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

	2013 £	2012 £
Opening defined benefit obligation	2,312,000	1,793,000
Current service cost	220,000	133,000
Interest cost	102,000	68,000
Contributions by scheme participants	54,000	38,000
Actuarial Losses	22,000	282,000
Past service costs	22,000	-
Benefits paid	(58,000)	(2,000)
	<u>2,674,000</u>	<u>2,312,000</u>

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

	2013 £	2012 £
Opening fair value of scheme assets	1,391,000	1,139,000
Expected return on assets	94,000	59,000
Actuarial gains and (losses)	76,000	26,000
Contributions by employer	211,000	131,000
Contributions by employees	54,000	38,000
Benefits paid	(58,000)	(2,000)
	<u>1,768,000</u>	<u>1,391,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £54,000 (2012 - £(256,000)).

The academy expects to contribute £195,000 to its Defined benefit pension scheme in 2014.

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

	2013	2012
European equities	66.60 %	65.90 %
European bonds	15.20 %	19.40 %
Property	8.90 %	9.00 %
Cash	2.30 %	1.90 %
Other	7.00 %	3.80 %

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

16. PENSION COMMITMENTS (continued)

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

	2013	2012
Discount rate for scheme liabilities	4.50 %	4.20 %
Rate of increase in salaries	4.70 %	4.70 %
Rate of increase for pensions in payment / inflation	2.20 %	2.20 %
Inflation assumption (CPI)	2.80 %	2.20 %
Inflation assumption (RPI)	3.70 %	3.20 %
Rate of increase to deferred pensions	2.80 %	2.20 %

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

	2013	2012
Retiring today		
Males	21.7	21.6
Females	23.9	23.8
Retiring in 20 years		
Males	23.5	23.4
Females	25.8	25.7

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2013	2012
	£	£
Defined benefit obligation	(2,674,000)	(2,312,000)
Scheme assets	1,768,000	1,391,000
Deficit	(906,000)	(921,000)
Experience adjustments on scheme liabilities	(22,000)	(282,000)
Experience adjustments on scheme assets	76,000	26,000

17. OPERATING LEASE COMMITMENTS

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

	2013	2012
	£	£
Expiry date:		
Within 1 year	8,667	-
Between 2 and 5 years	-	12,403

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

18. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	510,841	391,237	(282,533)	(10,660)	-	608,885
Restricted funds						
Restricted Funds - all funds	344,648	8,243,716	(8,557,556)	-	-	30,808
Pension reserve	(921,000)	-	(39,000)	-	54,000	(906,000)
	<u>(576,352)</u>	<u>8,243,716</u>	<u>(8,596,556)</u>	<u>-</u>	<u>54,000</u>	<u>(875,192)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	7,351,569	32,181	(169,860)	10,660	-	7,224,550
Total restricted funds	<u>6,775,217</u>	<u>8,275,897</u>	<u>(8,766,416)</u>	<u>10,660</u>	<u>54,000</u>	<u>6,349,358</u>
Total of funds	<u><u>7,286,058</u></u>	<u><u>8,667,134</u></u>	<u><u>(9,048,949)</u></u>	<u><u>-</u></u>	<u><u>54,000</u></u>	<u><u>6,958,243</u></u>

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

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 governors. Unrestricted income funds also include the School Fund which is used to administer other commercial activities such as end of year party funds and school holiday / trip funds.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the relevant 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 Education Funding Agency and Department for Education.

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

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	510,841	391,237	(282,533)	(10,660)	-	608,885
Restricted funds	(576,352)	8,243,716	(8,596,556)	-	54,000	(875,192)
Restricted fixed asset funds	7,351,569	32,181	(169,860)	10,660	-	7,224,550
	<u>7,286,058</u>	<u>8,667,134</u>	<u>(9,048,949)</u>	<u>-</u>	<u>54,000</u>	<u>6,958,243</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	<i>Total funds 2012 (9 month period)</i> £
	2013 £	2013 £	2013 £	2013 £	
Tangible fixed assets	18,486	-	7,192,369	7,210,855	7,373,352
Current assets	591,042	336,241	32,181	959,464	1,108,639
Creditors due within one year	-	(306,076)	-	(306,076)	(274,933)
Provisions for liabilities and charges	(643)	(905,357)	-	(906,000)	(921,000)
	<u>608,885</u>	<u>(875,192)</u>	<u>7,224,550</u>	<u>6,958,243</u>	<u>7,286,058</u>

20. RELATED PARTY TRANSACTIONS

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

There were no transactions with governors in the year other than those disclosed in the governors' remuneration, expenses and insurance note (notes 10 and 11).

ST THOMAS MORE ROMAN CATHOLIC ACADEMY
(A company limited by guarantee)

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

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	2013	<i>2012 (9 month period)</i>
	£	£
Net incoming / (outgoing) resources before revaluations	(381,815)	7,542,058
Returns on investments and servicing of finance	(1,508)	(924)
Less fixed assets transferred on conversion	-	(7,467,042)
Depreciation of tangible fixed assets	173,158	122,233
Decrease/(increase) in debtors	79,355	(155,895)
Increase in creditors	31,144	274,933
FRS 17 adjustments	39,000	665,000
Net cash (outflow)/inflow from operations	(60,666)	980,363

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

	2013	<i>2012 (9 month period)</i>
	£	£
Returns on investments and servicing of finance		
Interest received	1,508	924
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(10,661)	(28,543)

23. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2012	Cash flow	Other non-cash changes	31 August 2013
	£	£	£	£
Cash at bank and in hand:	952,744	(69,819)	-	882,925
Net funds	952,744	(69,819)	-	882,925