

Registered number: 09635397

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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS  
FOR THE PERIOD ENDED 31 AUGUST 2016**

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<b>Members</b>	J A Fenwick (appointed 11 June 2015) N T L Thomas (appointed 11 June 2015) B V R Thomas (appointed 11 June 2015) P Bunche (appointed 11 June 2015) R M Dixon (appointed 11 June 2015)
<b>Trustees</b>	J A Fenwick, Chair (appointed 11 June 2015) N T L Thomas, Vice Chair (appointed 11 June 2015) B V R Thomas (appointed 11 June 2015) M Chester, Head Teacher (appointed 11 June 2015) C Tuck (appointed 11 June 2015) C J Clare (appointed 11 June 2015)
<b>Company registered number</b>	09635397
<b>Company name</b>	Thomas's Academy
<b>Principal and registered office</b>	New King's Road Fulham London SW6 4LY
<b>Senior management team</b>	M Chester, Head Teacher C James, Deputy Head Teacher S Kelly, Deputy Head Teacher
<b>Independent auditors</b>	Haslers Chartered Accountants Statutory Auditor Old Station Road Loughton Essex IG10 4PL
<b>Governing Body</b>	J A Fenwick, Chair (appointed 11 June 2015) N T L Thomas, Vice Chair (appointed 11 June 2015) E Abouchouche (appointed 11 June 2015) P Bunche (appointed 11 June 2015) C J Clare (appointed 11 June 2015) M Chester (appointed 11 June 2015) R M Dixon (appointed 11 June 2015) C James (appointed 11 June 2015) C Manson-Bahr (appointed 11 June 2015, resigned 1 November 2016) S Merullo (appointed 11 June 2015) B V R Thomas (appointed 11 June 2015) C Tuck (appointed 11 June 2015) R Zahmoul (appointed 11 June 2015, resigned 5 October 2016)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**Advisers (continued)**

<b>Finance Committee</b>	J A Fenwick, Chair (appointed 11 June 2015) C J Clare (appointed 11 June 2015) M Chester (appointed 11 June 2015) S Merullo (appointed 11 June 2015) N T L Thomas (appointed 11 June 2015) C Tuck (appointed 11 June 2015)
<b>Building &amp; Services Committee</b>	S Merullo, Chair (appointed 11 June 2015) P Andrew (appointed 11 June 2015) C J Clare (appointed 11 June 2015) M Chester (appointed 11 June 2015) N T L Thomas (appointed 11 June 2015) C Tuck (appointed 11 June 2015)
<b>Education Committee</b>	B V R Thomas, Chair (appointed 11 June 2015) E Abouchouche (appointed 11 June 2015) P Bunche (appointed 11 June 2015) M Chester (appointed 11 June 2015) C James (appointed 11 June 2015) C Manson-Bahr (appointed 11 June 2015, resigned 1 November 2016) R Zahmoul (appointed 11 June 2015, resigned 5 October 2016)
<b>Personnel &amp; Policies Committee</b>	C Manson-Bahr, Chair (appointed 11 June 2015, resigned 1 November 2016) J A Fenwick (appointed 11 June 2015) P Bunche (appointed 11 June 2015) C J Clare (appointed 11 June 2015) M Chester (appointed 11 June 2015) C Tuck (appointed 11 June 2015)

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**THOMAS'S ACADEMY**  
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**TRUSTEES' REPORT**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 11 June 2015 to 31 August 2016. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' report under company law.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**a. Constitution**

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The Trustees of Thomas's Academy are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Thomas's Academy.

Details of the Trustees who served during the period are included in the Reference and administrative details on page 1.

**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 Trustees**

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The Articles of Association require that there be a minimum of 3 Trustees. The term is 4 years although the Trustees can resign at any time during this period.

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**THOMAS'S ACADEMY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**d. Policies and procedures adopted for the induction and training of Trustees**

All Trustees should receive:

- An organisational chart
- Outline the current Board's skills and experience
- A copy of the previous year's annual report and financial report
- A copy of the memorandum and articles of association
- A copy of the previous board meeting minutes (once agreement for appointment has been made by the Trustees)
- A copy of the business plan
- Charity Commission CC3 – The essential trustee: What you need to know
- Charity Commission CC60 – The Hall marks of an Effective Charity
- Copies of all the current up to date policies (once agreement for appointment has been made by the Trustees)

All new Trustees will be invited to attend:

- Safeguarding Children's Training

**e. Pay policy for key management personnel**

Staff reviews are carried out and pay awards are awarded on a performance criteria

**f. Organisational structure**

The organisational structure of Thomas's Academy consists of three levels:

- 1 Members
- 2 Governors
- 3 Senior Management Team

The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

**g. Connected organisations, including related party relationships**

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 the trust 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 are no connected organisations or related party relationships other than those disclosed within the financial statements.

**h. Trustees' indemnities**

The Trust have signed to the RPA scheme for the year to 31st August 2016, and have continued to do so for the following financial year.

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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**OBJECTIVES AND ACTIVITIES**

**a. Objects and aims**

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum

**b. Objectives, strategies and activities**

To create a vibrant and inclusive school community where all children are provided with a broad, skills-based curriculum, and where they can develop as confident, independent, self-aware and thoughtful learners.

**c. Activities for achieving objectives**

At Thomas's Academy, we place a particular focus on the process of learning, believing that it is far more important that children develop as active learners rather than passive recipients of knowledge. Children at the Academy are challenged to develop their learning skills alongside their subject-specific abilities. In this way we prepare children for the next stage in their education, and for the unpredictable challenges of the 21st century workplace.

We ensure that our approaches are informed by the very latest educational research. We know that intelligence is not fixed and that we can help children to become more successful learners and therefore we believe that schools have a key role in developing children's mindsets

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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**d. Main activities undertaken to further the charity's purposes for the public benefit**

Fundamental to our approach at the Academy is the concept of Learning to Learn. We teach children that they can become better learners by developing five specific 'Learning Attitudes':

**Be Reflective**

Children at the Academy are encouraged to spend time reflecting on their successes and on the areas that they need to work on next. We use a consistent approach to providing feedback to children in their books which supports this by providing clear indications of successful work as well as 'next steps' which children are then given time to respond to. The 'Be Reflective' Learning Attitude dovetails into our cornerstone 'Create Beauty', whereby children are encouraged to spend time reflecting on their work and then improving and completing pieces of work that they can be really proud of.

**Be Creative**

Being creative is a fundamental requirement for success today and in the future. We encourage creativity in the broadest sense – from the Art Studio to the Music Room, from the ICT suite to the English lesson – children at the Academy are taught to take risks and to invent creative solutions to problems. We are also keen to point out that you can learn to be more creative – your imagination will never limit your learning!

**Be Collaborative**

We ensure that children are provided with the opportunity to work with a range of partners and groups to help develop their ability to learn collaboratively. Our collaboration with Thomas's London Day Schools is bringing fresh opportunities for this, with joint projects between the Academy and the Preparatory Schools developing across the curriculum.

**Be Inquisitive**

Children are always asking questions, and at the Academy we make sure that these questions are encouraged and used to take children's learning further. Our International Primary Curriculum topics are led by the questions that the children have about that subject. We support children to refine these questions further and to research answers for themselves throughout each topic.

**Be Positive**

We encourage children to embrace the challenge of learning. Making mistakes is a natural part of learning. If you are not making mistakes then you are probably not pushing yourself hard enough. We support children to become more resilient learners by challenging them and by helping them develop a positive mind-set where problems are just solutions waiting to be discovered!



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**THOMAS'S ACADEMY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**ACHIEVEMENTS AND PERFORMANCE**

**a. Key financial performance indicators**

Financial performance is monitored by monthly accounts reported to the Finance and Admissions Committee and Management Accounts presented at full Governing Body meetings.

**b. Review of activities**

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education Funding Agency (EFA).

The trustees review the financial activities of the Academy Trust at Finance committees. Budgets are monitored against expected expenditure and income. Future budgets are reviewed to ensure that the Academy Trust continues to be a going concern.

The Academy has also obtained a 125 year lease for the former New King's school site. In accordance with the Charities' Statement of Recommended Practice, 'Accounting and Reporting by Charities', this donation is shown in the SOFA as restricted income in the fixed asset fund. The restricted asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

**c. Investment policy and performance**

The Academy Trust currently holds no investments. A current account is held with Lloyds bank.

The Trustees ensure that return on working capital is optimised whilst ensuring easy access of the funds. In balancing risk against return the Academy policy is clearly geared to avoiding risk rather than maximising income.

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**THOMAS'S ACADEMY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**FINANCIAL REVIEW**

**a. Going concern**

After making appropriate enquiries, the board of trustees 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. Principal risks and uncertainties**

The trustees have identified the following areas of risks and uncertainties:

- Financial risk: The school development plan is followed closely to ensure that continuing maintenance of the site is delivered and that staffing levels are sustainable
- Failure in governance or management risk: Governors continue to review skills and development needs and put in place measures accordingly
- Reputational risk: The success of the school depends on maintaining high educational standards in order to attract sufficient numbers of pupils. Governors are focused on monitoring and reviewing the achievement and success of the children
- Safeguarding and child protection risk: Governors continue to ensure that high standards are maintained in selecting staff. The school has a child protection policy and provides training and support in order to protect the vulnerable young children in its care
- Significant changes in staff: Governors have a policy in place to develop existing staff as well as to continue to monitor arrangements for any new staff which may be required

**c. Reserves policy**

As the Academy has only recently been established, it does not have the benefit of funds in reserve. The Academy is funded to meet the immediate operational needs and it will be some time before the Academy is in a position to generate enough surplus funds to provide reserves or savings for future investment. The academy would expect to be able to carry forward some resources from the General Annual Grant (restricted fund) in the medium term for renewal and replacement by way of major capital projects and to cover any unforeseen contingencies. The amounts to be carried forward as future reserves would be subject to the rules set by the Department for Education.

The Academy generated a surplus in the year of £5,812 excluding the pension deficit of £530,000 inherited on conversion. After including this and charging the current years actuarial adjustment for pension scheme of £353,000, a deficit of £877,188 was created.

Total funds at 31 August 2016 of £16,290,681, comprising Unrestricted Funds of £52,812, Restricted Funds deficit of £930,000 and Fixed Assets Funds of £23,029,878.

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**TRUSTEES' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**PLANS FOR FUTURE PERIODS**

**a. Future developments**

Thomas's Academy will continue to be operated by the Thomas's Academy Trust. There are no plans to significantly change the structure of the trust or the operational structure of the school.

In the medium to long term, there are plans to open a second Academy, expanding the existing trust to a multi-academy trust.

**Disclosure of information to auditors**

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

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee 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 trustees as the company directors, on 20 December 2016 and signed on its behalf by:



**J A Fenwick**  
**Chair of Trustees**

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**THOMAS'S ACADEMY**  
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**GOVERNANCE STATEMENT**

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**Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Thomas's 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 trustees 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's Academy and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
J A Fenwick, Chair	4	4
N T L Thomas, Vice Chair	4	4
B V R Thomas	4	4
M Chester, Head Teacher	4	4
C Tuck	4	4
C J Clare	4	4

The Governing Body is a committee formed of the trustees and other governors. Its purpose is plan and review the strategic direction of the Academy and oversee the financial and educational performance of the school.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
J A Fenwick, Chair	4	4
N T L Thomas, Vice Chair	4	4
B V R Thomas	4	4
M Chester, Headteacher	4	4
R Dixon	1	4
C Tuck	4	4
C J Clare	4	4
R Zahmoul	3	4
C Mason-Behr	4	4
S Merullo	4	4
P Bunche	4	4
E Abouchouche	4	4

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**THOMAS'S ACADEMY**  
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**GOVERNANCE STATEMENT (continued)**

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The Finance and Admissions Committee is a sub-committee of the main board of trustees. Its purpose is to review financial matters and review pupil numbers.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
J A Fenwick, Chair	4	4
N T L Thomas	4	4
S Merullo	4	4
M Chester, Headteacher	4	4
C Tuck	4	4
C J Clare	4	4

**Review of Value for money**

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

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

- **Probity**, it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the academy;
- **Accountability**, the academy is publicly accountable for its expenditure and the conduct of its affairs;
- **Fairness**, that all those dealt with by the academy are dealt with on a fair and equitable basis.

**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 Thomas's Academy for the period 11 June 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the period 11 June 2015 to 31 August 2016 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'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.

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**THOMAS'S ACADEMY**  
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**GOVERNANCE STATEMENT (continued)**

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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 Admissions 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 trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed J A Fenwick, a Trustee, as Responsible Officer (RO).

The RO'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 RO reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

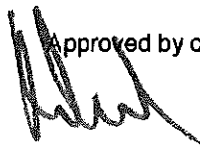
**Review of Effectiveness**

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

- the work of the Responsible Officer;
- 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 Admissions 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 trustees on 20 December 2016 and signed on their behalf, by:



**J A Fenwick**  
**Chair of Trustees**



**M Chester**  
**Accounting Officer**

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**THOMAS'S ACADEMY**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Thomas's Academy 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

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 2015.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and EFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and EFA:

- The process as stated in the academy's Financial Regulation Manual for tender approval requires two authorities. Currently M Chester holds two of these roles (as Head Teacher and Budget Holder) thus there is a lack of segregation of control.
- In one instance during the year the process as stated in the academy's Financial Regulation Manual of undertaking a full tendering process for purchases over £10,000 was not adhered too. This was a one off and the expenditure was authorised by the trustees.
- No internal scrutiny in year. The academy appointed an RO during the year but there were no RO checks / inspections carried out during the year. Thus the review process within the finance team was not to the extent required by the EFA.



**M Chester**  
**Accounting Officer**

Date: 20/12/16

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**THOMAS'S ACADEMY**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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The Trustees (who act as governors of Thomas's Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' 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 2015 and the Academies' Accounts Direction 2015 to 2016;
- 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 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 the 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 20 December 2016 and signed on its behalf by:



**J A Fenwick**  
**Chair of Trustees**



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**THOMAS'S ACADEMY**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
THOMAS'S ACADEMY**

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We have audited the financial statements of Thomas's Academy for the period ended 31 August 2016 which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company 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 Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

**Scope of the audit of the financial statements**

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

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the period 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, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
THOMAS'S ACADEMY**

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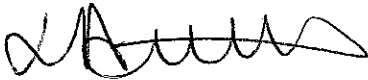
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report, incorporating the Strategic Report, for the financial period for which the financial statements are prepared is consistent with the financial statements.

**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.



Laura A Ambrose (Senior Statutory Auditor)

for and on behalf of

**Haslers**

Chartered Accountants  
Statutory Auditor

Old Station Road  
Loughton  
Essex  
IG10 4PL  
20 December 2016

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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THOMAS'S  
ACADEMY AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 1 November 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Thomas's Academy during the period 11 June 2015 to 31 August 2016 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's Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Thomas's 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 Thomas's Academy and the EFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Thomas's Academy's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Thomas's Academy's funding agreement with the Secretary of State for Education dated 1 September 2015, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 11 June 2015 to 31 August 2016 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 2015 to 2016 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.

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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THOMAS'S  
ACADEMY AND THE EDUCATION FUNDING AGENCY (continued)**

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**Conclusion**

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 11 June 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

- The process as stated in the academy's Financial Regulation Manual for tender approval requires two authorities. Currently M Chester holds two of these roles (as Head Teacher and Budget Holder) thus there is a lack of segregation of control.
- In one instance during the year the process as stated in the academy's Financial Regulation Manual of undertaking a full tendering process for purchases over £10,000 was not adhered too. This was a one off and the expenditure was authorised by the trustees.
- No internal scrutiny in year. The academy appointed an RO during the year but there were no RO checks / inspections carried out during the year. Thus the review process within the finance team was not to the extent required by the EFA.



**Haslers**

Chartered Accountants  
Statutory Auditor

Old Station Road  
Loughton  
Essex  
IG10 4PL

20 December 2016

**THOMAS'S ACADEMY**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE PERIOD ENDED 31 AUGUST 2016**

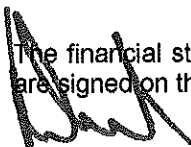
	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
<b>INCOME FROM:</b>					
Donations and capital grants	2	291,675	(530,000)	23,049,000	22,810,675
Charitable activities:	3				
Funding for the Academy					
Trust's educational operations		-	1,279,793	-	1,279,793
Other trading activities	4	154,658	4,914	-	159,572
Investments	5	201	-	-	201
<b>TOTAL INCOME</b>		<u>446,534</u>	<u>754,707</u>	<u>23,049,000</u>	<u>24,250,241</u>
<b>EXPENDITURE ON:</b>					
Academy Trust's educational operations		-	1,725,429	19,122	1,744,551
<b>TOTAL EXPENDITURE</b>	7	<u>-</u>	<u>1,725,429</u>	<u>19,122</u>	<u>1,744,551</u>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>					
Transfers between Funds	15	446,534 (393,722)	(970,722) 393,722	23,029,878 -	22,505,690 -
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>					
		52,812	(577,000)	23,029,878	22,505,690
Actuarial losses on defined benefit pension schemes	20	-	(353,000)	-	(353,000)
<b>NET MOVEMENT IN FUNDS</b>		<u>52,812</u>	<u>(930,000)</u>	<u>23,029,878</u>	<u>22,152,690</u>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		-	-	-	-
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>52,812</u>	<u>(930,000)</u>	<u>23,029,878</u>	<u>22,152,690</u>

**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**  
**09635397**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2016**

	Note	£	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	12		23,052,286
<b>CURRENT ASSETS</b>			
Debtors	13	355,936	
Cash at bank and in hand		150	
		356,086	
<b>CREDITORS: amounts falling due within one year</b>	14	(325,682)	
<b>NET CURRENT ASSETS</b>			30,404
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
Defined benefit pension scheme liability	20		23,082,690
			(930,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			22,152,690
<b>FUNDS OF THE ACADEMY</b>			
Restricted income funds:			
Restricted income funds excluding pension liability		23,029,878	
Pension reserve		(930,000)	
Total restricted income funds		22,099,878	
Unrestricted income funds	15		52,812
<b>TOTAL FUNDS</b>			22,152,690

The financial statements were approved by the Trustees, and authorised for issue, on 20 December 2016 and are signed on their behalf, by:



**J A Fenwick, Chair**  
**Chair of Trustees**

The notes on pages 22 to 40 form part of these financial statements.

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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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	Note	2016 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	17	<u>(254,318)</u>
<b>Cash flows from investing activities:</b>		
Bank interest		201
Purchase of tangible fixed assets		(22,408)
Budget surplus on conversion to an academy trust		276,675
<b>Net cash provided by investing activities</b>		<u>254,468</u>
<b>Change in cash and cash equivalents in the period</b>		150
Cash and cash equivalents brought forward		-
<b>Cash and cash equivalents carried forward</b>	18	<u><u>150</u></u>

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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES**

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Thomas's Academy constitutes a public benefit entity as defined by FRS 102.

**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 to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.



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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.3 INCOME**

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities Incorporating Income and Expenditure Account 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 Statement of Financial Activities Incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement 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.

Donated services are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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.

**1.4 EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

Charitable activities and Governance costs are costs incurred on the academy's educational operations, including support costs and costs relating to the governance of the academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities Incorporating Income and Expenditure Account and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities Incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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 Incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	1% Straight Line
Fixtures and fittings	-	20% Reducing Balance

**1.6 INTEREST RECEIVABLE**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

**1.7 LEASED ASSETS**

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

**1.8 DEBTORS**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.9 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.10 LIABILITIES AND PROVISIONS**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.11 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.

**1.12 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 quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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 credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.13 FUND ACCOUNTING**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 with restrictions imposed by the funder and include grants from the Department for Education.

**1.14 CONVERSION TO AN ACADEMY TRUST**

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration.

The assets and liabilities transferred on conversion from New King's Primary School to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of Financial Activities Incorporating Income and Expenditure Account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 19.

**1.15 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Donations	15,000	15,000	-	30,000
Fixed asset transfer from local authority on conversion (Note 19)	-	-	23,049,000	23,049,000
Transfer from local authority on conversion (Note 19)	276,675	(545,000)	-	(268,325)
<b>Total donations and capital grants</b>	<b>291,675</b>	<b>(530,000)</b>	<b>23,049,000</b>	<b>22,810,675</b>

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

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
<b>DfE/EFA grants</b>			
General Annual Grant (GAG)	-	955,361	955,361
Other DfE/EFA grants	-	146,538	146,538
	-	1,101,899	1,101,899
<b>Other government grants</b>			
Local authority grants	-	177,894	177,894
	-	177,894	177,894
	-	1,279,793	1,279,793

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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**4. OTHER TRADING ACTIVITIES**

	<b>Unrestricted funds 2016 £</b>	<b>Restricted funds 2016 £</b>	<b>Total funds 2016 £</b>
Hire of facilities	70,791	-	70,791
Catering income	20,623	2,814	23,437
Trip income	2,226	2,100	4,326
Club income	7,151	-	7,151
Other income	53,867	-	53,867
	<u>154,658</u>	<u>4,914</u>	<u>159,572</u>

**5. INVESTMENT INCOME**

	<b>Unrestricted funds 2016 £</b>	<b>Restricted funds 2016 £</b>	<b>Total funds 2016 £</b>
Bank interest	<u>201</u>	<u>-</u>	<u>201</u>

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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**6. CHARITABLE ACTIVITIES**

	<b>Total funds 2016 £</b>
<b>DIRECT COSTS - EDUCATIONAL OPERATIONS</b>	
Wages and salaries	922,006
National insurance	64,678
Pension cost	86,253
Depreciation	4,482
Educational supplies	36,840
Staff development	22,218
Recruitment & support	13,627
	<hr/> 1,150,104
<b>SUPPORT COSTS - EDUCATIONAL OPERATIONS</b>	
Wages and salaries	89,567
National insurance	4,252
Pension cost	72,000
Depreciation	14,640
Pension finance expense	21,000
Printing and stationary	11,492
Repairs & maintenance	84,779
Cleaning	44,174
Rent & rates	30,912
Energy costs	30,221
Insurances	23,845
IT equipment and consumables	33,764
Bank interest & charges	359
Other support costs	14,759
Legal & professional fees	30,541
Auditors remuneration	6,750
Catering	64,027
Photocopier costs	17,365
	<hr/> 594,447
	<hr/> <hr/> 1,744,551

**THOMAS'S ACADEMY**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2016**

**7. EXPENDITURE**

	<b>Staff costs</b>	<b>Premises</b>	<b>Other costs</b>	<b>Total</b>
	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Expenditure on raising funds				
Academy's Educational operations:				
Direct costs	1,072,937	4,482	72,685	1,150,104
Support costs	165,819	14,640	413,988	594,447
	<u>1,238,756</u>	<u>19,122</u>	<u>486,673</u>	<u>1,744,551</u>

**8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

This is stated after charging:

	<b>2016</b>
	<b>£</b>
Depreciation of tangible fixed assets:	
- owned by the charity	19,122
Auditors' remuneration - audit	6,750
Auditors' remuneration - other services	6,500
Operating lease rentals	6,775
	<u>35,147</u>



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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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**9. STAFF COSTS**

Staff costs were as follows:

	<b>2016</b>
	<b>£</b>
Wages and salaries	<b>1,011,573</b>
Social security costs	<b>68,930</b>
Operating costs of defined benefit pension schemes	<b>158,253</b>
	<hr/>
	<b>1,238,756</b>
	<hr/> <hr/>

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

	<b>2016</b>
	<b>No.</b>
Teachers	<b>8</b>
Teaching support	<b>12</b>
Administration	<b>4</b>
Management	<b>3</b>
	<hr/>
	<b>27</b>
	<hr/> <hr/>

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

	<b>2016</b>
	<b>No.</b>
In the band £90,001 - £100,000	<b>1</b>

All of the above participated in the Teacher's Pension Scheme.

One staff severance payment was made during the period totalling £1,922.

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £219,928.

**THOMAS'S ACADEMY**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2016**

**10. 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:

		2016 £
Miles Chester (Headteacher)	Remuneration	90,000-95,000
	Pension contributions paid	15,000-20,000

During the period, no Trustees received any benefits in kind.  
During the period, no Trustees received any reimbursement of expenses.

**11. TRUSTEES' AND OFFICERS' INSURANCE**

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

**12. TANGIBLE FIXED ASSETS**

	Leashold Land and Buildings £	Fixtures and fittings £	Total £
<b>COST</b>			
Additions	-	22,408	22,408
Transferred on conversion	23,049,000	-	23,049,000
At 31 August 2016	23,049,000	22,408	23,071,408
<b>DEPRECIATION</b>			
Charge for the period	14,640	4,482	19,122
At 31 August 2016	14,640	4,482	19,122
<b>NET BOOK VALUE</b>			
At 31 August 2016	23,034,360	17,926	23,052,286

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**THOMAS'S ACADEMY**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2016**

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

Included in land and buildings is freehold land at valuation of £21,585,000 which is not depreciated.

The academy's transactions relating to land and buildings included:

The land and buildings inherited on conversion represents the school building and associated land acquired from the Local Authority on a long lease and was valued by professional valuers, Mouchel, on 31 March 2016 for the purposes of inclusion in these financial statements.

The leasehold land and building is regarding the former New King's Primary School site and is leased for 125 years

**13. DEBTORS**

	2016 £
VAT Recoverable	70,158
Other debtors	270,144
Prepayments and accrued income	15,634
	<hr/>
	355,936
	<hr/> <hr/>

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £
Trade creditors	199,689
Other taxation and social security	22,950
Other creditors	18,715
Accruals and deferred income	84,328
	<hr/>
	325,682
	<hr/> <hr/>
	£
<b>DEFERRED INCOME</b>	
Deferred income at 11 June 2015	-
Resources deferred during the year	51,564
	<hr/> <hr/>

At the balance sheet date the academy was holding funds received in advance in relation to free schools meal funding and Local Authority funding for Early Years for the 2016/17 academic year, along with rental income paid in advance for the letting of facilities.

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**15. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>UNRESTRICTED FUNDS</b>						
General Funds	-	446,534	-	(393,722)	-	52,812
<b>RESTRICTED FUNDS</b>						
General Annual Grant (GAG)	-	955,361	(1,349,083)	393,722	-	-
Local authority grants	-	177,894	(177,894)	-	-	-
Other DfE/EFA grants	-	146,538	(146,538)	-	-	-
Donated services	-	15,000	(15,000)	-	-	-
Other restricted funds	-	4,914	(4,914)	-	-	-
Pension reserve	-	(545,000)	(32,000)	-	(353,000)	(930,000)
	-	754,707	(1,725,429)	393,722	(353,000)	(930,000)
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Assets donated on conversion	-	23,049,000	(19,122)	-	-	23,029,878
Total restricted funds	-	23,803,707	(1,744,551)	393,722	(353,000)	22,099,878
Total of funds	-	24,250,241	(1,744,551)	-	(353,000)	22,152,690

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

General Annual Grant (GAG) grant fund - Funds received from the EFA under the General Annual Grant arrangements for the recurrent expenditure of the school as defined in the Funding Agreement.

Local authority grants - Funds received from the local authority for early years education, SEN funding and free school meals

Other DfE/ EFA grants - Other government grants received for restricted educational purposes not forming part of General Annual Grant.

Donated services - Services provided by Thomas's London Day Schools free of charge.

Other restricted funds - General monies received for restricted educational purposes not forming part of the General Annual Grant, Local authority grants or other DfE/EFA grants.

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

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	23,052,286	23,052,286
Current assets	77,812	278,273	-	356,085
Creditors due within one year	(25,000)	(278,273)	(22,408)	(325,681)
Provisions for liabilities and charges	-	(930,000)	-	(930,000)
	<u>52,812</u>	<u>(930,000)</u>	<u>23,029,878</u>	<u>22,152,690</u>

**17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2016 £
Net income for the year (as per Statement of financial activities)	22,505,690
<b>Adjustment for:</b>	
Depreciation charges	19,122
Bank interest	(201)
Increase in debtors	(355,936)
Increase in creditors	325,682
Pension deficit transferred on conversion	545,000
Defined benefit pension scheme cost less contributions payable	11,000
Defined benefit pension scheme finance cost	21,000
Budget surplus on Local Authority funds	(276,675)
Assets transferred on conversion to an academy trust	(23,049,000)
<b>Net cash used in operating activities</b>	<u>(254,318)</u>

**18. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £
Cash in hand	150
<b>Total</b>	<u>150</u>

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**19. CONVERSION TO AN ACADEMY TRUST**

On 1 September 2015 New King's Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Thomas's Academy from The London Borough of Hammersmith and Fulham for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities Incorporating Income and Expenditure Account as Donations - transfer from local authority on conversion

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities Incorporating Income and Expenditure Account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Leasehold land and buildings	-	-	23,049,000	23,049,000
Budget surplus on LA funds	276,675	-	-	276,675
LGPS pension deficit	-	(545,000)	-	(545,000)
Net assets/(liabilities)	<u>276,675</u>	<u>(545,000)</u>	<u>23,049,000</u>	<u>22,780,675</u>

The above net assets include £196,263 that were transferred as cash post year end.

**20. PENSION COMMITMENTS**

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Hammersmith and Fulham. Both are Multi-Employer Defined Benefit Pension Schemes.

As described in note 19 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period to 31 August 2016. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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 £18,482 were payable to the schemes at 31 August 2016 and are included within creditors.

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**20. PENSION COMMITMENTS (continued)**

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

The employer's pension costs paid to TPS in the period amounted to £86,253.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

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**20. PENSION COMMITMENTS (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2016 was £76,000., of which employer's contributions totalled £61,000. and employees' contributions totalled £15,000. The agreed contribution rates for future years are 12% for employers and 5.5 - 7.5% for employees.

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

Principal actuarial assumptions:

	<b>2016</b>
Discount rate for scheme liabilities	2.20 %
Rate of increase in salaries	4.10 %
Rate of increase for pensions in payment / inflation	2.30 %
Inflation assumption (CPI)	2.30 %
Inflation assumption (RPI)	3.20 %

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

	<b>2016</b>
Retiring today	
Males	22.9
Females	25.3
Retiring in 20 years	
Males	25.2
Females	27.7

The academy's share of the assets in the scheme was:

	<b>Fair value at 31 August 2016 £</b>
Equities	181,000
Absolute Return Portfolio	64,000
Property	20,000
Cash	21,000
Inflation Opportunities Fund	35,000
Multi Asset Credit Funds	41,000
<b>Total market value of assets</b>	<b>362,000</b>

The actual return on scheme assets was £25,000.



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**20. PENSION COMMITMENTS (continued)**

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2016 £
Current service cost (net of employee contributions)	(72,000)
Net interest cost	(21,000)
	<hr/>
Total	(93,000)
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Movements in the present value of the defined benefit obligation were as follows:

	2016 £
Opening defined benefit obligation	806,000
Current service cost	72,000
Interest cost	33,000
Contributions by employees	15,000
Actuarial losses	366,000
	<hr/>
Closing defined benefit obligation	1,292,000
	<hr/> <hr/>

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

	2016 £
Opening fair value of scheme assets	261,000
Return on plan assets (excluding net interest on the net defined pension liability)	12,000
Actuarial gains and (losses)	13,000
Contributions by employer	61,000
Contributions by employees	15,000
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Closing fair value of scheme assets	362,000
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**21. OPERATING LEASE COMMITMENTS**

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £
<b>AMOUNTS PAYABLE:</b>	
Within 1 year	7,896

**22. MEMBERS' LIABILITY**

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

**23. 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 the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

During the period there were transactions with the following related parties:

Fenwick Ltd - A Limited Company in which John Andrew Fenwick was a director  
Thomas's London Day Schools - An unlimited company in which Nicholas Tobyn Leckie Thomas and Benjamin Victor Robert Thomas are directors

Transactions with related parties:

	2016 £
Donation from Fenwick Ltd	5,000
Expenses paid by Thomas's London Day Schools on behalf of Thomas's Academy and recharged at a later date	4,830
Balance due to Thomas's London Day School for recharged expenses	1,548
Donation from Thomas's London Day Schools	10,000
Rent paid in advance from Thomas's London Day Schools	25,000
Donated services from Thomas's London Day Schools	15,000