

DEBENHAM HIGH SCHOOL

A Church of England High Performing Specialist Academy



Annual Report and Financial Statements

For year ended 31st August 2016

Debenham High School is an exempt charity with
Company Registration Number: 07467445
England and Wales

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Governors' report	3 - 16
Governance statement	17 - 21
Statement on regularity, propriety and compliance	22
Statement of Governors' responsibilities	23
Independent auditors' report on the financial statements	24 - 25
Independent auditors' assurance report on regularity	26 - 27
Statement of financial activities incorporating income and expenditure account	28
Balance sheet	29
Statement of cash flows	30
Notes to the financial statements	31 - 51

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016

Governors

*Mr Ronald Barker, Parent Governor
*Mr David Carruthers, Chair of Governors - Foundation Governor
Rev Patrick Cotton, Foundation Governor - ex-officio (resigned 4 April 2016)
Mr Paul Debenham, Local Authority Governor
*Mrs Caroline Driver, Parent Governor
Dr David Egan, Co-opted by Governors
*Ms Siobhan Goodrich, Parent Governor (Vice-Chairman)
Mr Timothy Green, Co-opted by Members
Mr Christopher Grover, Foundation Governor
*Mrs Fiona Hotston Moore, Co-opted by Governors
Mrs Sheila Janson, Co-opted by Members
Rev Mary Lamb, Foundation Governor (appointed 1 June 2016)
Dr Hilary Marlow, Foundation Governor
Mr David McMillan, Staff Governor - Teacher
Mrs Jo Newman, Staff Governor - Teacher
*Mr David Ralph, Parent Governor
Mr Robert Stevenson, Parent Governor
*Miss Julia Upton, Head Teacher - Accounting Officer
Mrs Emma Wnukoski, Staff Governor - Support Staff

* Members of the Finance and General Purposes Committee.

The Members of the Academy comprise the signatories to the Memorandum and Articles of Association, a Foundation member appointed by the Diocesan Board of Education and the Chair of Governors.
The following served as Members for the whole or part of the period covered by this report:-

The Rt Rev'd Martin Seeley, Bishop of St Edmundsbury & Ipswich
(Appointed by the Diocesan Board of Education)
Mr D Carruthers (ex officio as Chair of Governors)
Mr Richard Bouiter
Mrs Janet Brown
Mr Robert Grimsey
*Mr Neil Serjeant

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

Advisers (continued)

Company registered number

07467445

Company name

Debenham High School

Principal and registered office

Debenham High School, Gracechurch Street, Debenham, Suffolk, IP14 6BL

Senior Leadership Team (SLT)

Miss Julia Upton, Headteacher
Mr Simon Martin, Deputy Headteacher
Miss Susan McBurney, Assistant Headteacher
Mrs Louise Ramsay, Assistant Headteacher
Mrs Tracy Darby, Business Manager (CFO)

Independent auditors

Larking Gowen, King Street House, 1 Clayton Business Park, Great Blakenham, Ipswich, Suffolk, IP6 0NL

Bankers

Lloyds TSB Commercial, Norwich, Norfolk, Norfolk, NR2 1LZ

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Governors present their annual report together with the financial statements and auditors' report of Debenham High School for the period 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a Governors' report and a directors' report under company law.

The Debenham High School Trust operates a popular outstanding Church of England Academy for students aged 11 to 16 serving a catchment area north west of Ipswich in rural Suffolk. It is oversubscribed with 645 students on role (October census 2014) with a planned capacity of 625.

CONSTITUTION

Debenham High School is a company limited by guarantee and an exempt charity. Debenham High School was established as an Academy on January 1st 2011, converting from Debenham Church of England Voluntary Controlled High School under the Academies Act 2010. The Company's Memorandum and Articles of Association (13th December 2010) are the primary governing documents of the Academy. The Governors act as the Trustees for the charitable activities of Debenham High School and are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Debenham High School.

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

As a Church of England Academy the school has strong links with the Diocese of St Edmundsbury and Ipswich. This relationship spans the whole history of the school since 1964 when it opened as a Voluntary Controlled Church of England school. The Christian ethos of the school is embedded in the governing documentation of the Academy.

MEMBERS' LIABILITY

Each Member 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.

GOVERNORS' INDEMNITIES

The Academy has obtained risk protection under the government Risk Protection Arrangement (RPA) to cover the liability of Members and Governors in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Academy. Limit of Indemnity: £10,000,000.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS AND MEMBERS

Members

The Members of the Academy are:

- the signatories to the Memorandum and Articles of Association;
- Foundation members, comprising one person who may be appointed by the Diocesan Board of Education;
- an additional person appointed by the Diocesan Board of Education provided that the total number of foundation members would not exceed 25% of the total number of Members;
- one person appointed by the Secretary of State in the event the Secretary of State appoints a person for this purpose;
- the Chair of Governors, and
- additional Members may be appointed if Members agree unanimously in writing and obtain written consent from the Diocesan Board of Education.

Additional Members are appointed by Members and serve for 5 years (with the exception of the Chair of Governors who serves ex officio). In order to avoid the term of office of all Members ending at the same time the Members agreed initial terms of office as follows:

Mrs Janet Brown: 31 December 2018
Mr Robert Grimsey: 31 December 2017
Mr Neil Serjeant: 31 December 2016
Mr Richard Boulter: 31 December 2019

Governors

The number of Governors shall not be less than three nor more than 18 except of appointments of any additional Governors made by the Secretary of State. The Academy shall have the following Governors:

- Two Governors appointed by Members
- Four Foundation Governors appointed (Rector Of Debenham and Helmingham Benefice Ex Officio Governors). Members may appoint further Foundation Governors provided the total number of Foundation Governors does not exceed 25% of the total number of Governors.
- One Local Authority Governor
- Three Staff Governors (The number of Staff Governors should not exceed 25% of the total number of Governors).
- Five Parent Governors elected by parents of registered pupils
- Two Co-opted Governors appointed by existing non co-opted Governors.
- The Headteacher

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

All Governors and Members give a written undertaking to uphold the object of the Academy.

All Governors receive a welcome pack and a personal briefing. Documents relating to contemporary developments are circulated, when available, to Governors together with the handbook for training and support offered by the LA. Governors are offered and encouraged to take part in training, which is arranged to suit individual as well as group requirements.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

The membership of the various committee/working parties is shown below:

	Admissions Committee	Appeals Committee	Finance & General Purposes Committee	Hearings & Discipline Committee	Health & Safety Committee	Curriculum Working Party	School Dev. Working Party
Headteacher							
Miss J Upton	*	*	*			*	*
Nominated by Diocesan Board of Education							
Mr D Carruthers	*	*	*	*		*	*
Rev P Cotton (retired March 2016)	*			*		*	*
Mr C Grover	*					*	*
Rev M Lamb (joined June 2016)							
Dr H Marlow				*	*	*	*
Parent Governors							
Mr R Barker (resigned from FGPC Feb 2016)				*		*	*
Mrs C Driver			*		*	*	*
Mr D Ralph			*	*		*	*
Mr R Stevenson		*	*		*	*	*
Mrs S Goodrich	*	*	*	*		*	*
Local Authority							
Mr P Debenham	*	*			*	*	*
Staff							
Mr D McMillan			*	* (exc staff hearings)	*	*	*
Ms J Newman					*	*	*
Mrs E Wnukoski						*	*
Co-opted							
Dr D Egan		*			*	*	*
Mr T Green				*	*	*	*
Mrs F Hotston Moore			*			*	*
Mrs S Janson	*			*		*	*

ORGANISATIONAL STRUCTURE

The Governors delegate the day-to-day running of the school to the Headteacher and Senior Leadership Team. The Governors are responsible for setting general policy, approving the annual budget, monitoring the use of funding, budgets and making decisions about the direction of the academy, capital expenditure, senior staff appointments, and holding the Headteacher and the Senior Leadership Team to account for the performance of the school against agreed targets.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Governing Body notes that the salary ranges for Headteachers, Deputy and Assistant Headteachers are not incremental and do not provide for automatic salary progression. Pay progression is considered on the basis of successful completion of the performance management process. The Finance and General Purposes Committee sets the Individual Salary Ranges (ISR) on the Leadership Pay Scale.

The pay group for the Headteacher is set using national recommendations based on the size and phase of school. On appointment a salary point will be recommended by the Appointments Panel for approval by the Governing Body. Each November the Headteacher will be set objectives as part of his/her performance management review. The Finance and General Purposes Committee will consider the performance review report when reviewing the Headteacher's salary in November and will determine whether any additional points within the agreed ISR are to be awarded and whether those points are to be permanently incorporated into the salary or subject to further review. Any increase in pay will be backdated to the September of that year.

The staffing establishment includes one post of Deputy Headteacher, two posts of Assistant Headteacher and one post of School Business Manager. On appointment their salary will be determined by the Finance and General Purposes Committee. Each September the Headteacher will set objectives for the Deputy, Assistant Headteachers and the School Business Manager as part of their performance management review. The Finance and General Purposes Committee will consider the Headteacher's report of the performance management review when reviewing their salaries in September and determine any temporary or permanent progression within the agreed ISR. Any increase in pay will be backdated to the September of that year.

To review the performance of the Headteacher the school uses the services of an external consultant, who reviews the Headteacher's performance, before making a recommendation to the Governing Body.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

As a Church of England Academy the school has strong links with the diocese of St Edmundsbury and Ipswich. The school has strong links with St Mary's Church in Debenham, using the church for a number of school events throughout the year. The vicar, along with those who work in other local churches, regularly delivers assemblies and supports the development of a Christian ethos within the school.

The Academy has a mutually beneficial arrangement for sharing sporting facilities with Debenham Leisure Centre. This ensures the wider community has access to a flood-lit, multi-purpose, games area, tennis courts and the sports field owned by the Academy and students have access to an indoor sports centre, gym and games area at the adjacent Leisure Centre.

The Academy is the apex of a pyramid of seven primary schools where there is a mutual interest in ensuring the best education and outcomes for all our young people. Regular curriculum meetings are arranged with Pyramid Heads and subject leaders, these and other meetings ensure a smooth transition for the next intake into Debenham High School. For delivery of vocational pathways, the Academy works in partnership with local Further Education providers.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Objectives and Activities

PRINCIPAL ACTIVITIES

The Academy's object is stated in its Memorandum & Articles of Association as, "to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship and in having regards to the advice of the Diocesan Board of Education."

OBJECTIVES AND AIMS

The mission of the academy is:

"To provide a top quality education for pupils of all abilities in a caring, challenging, supportive and attractive environment in which all members of the community are valued and where Christian moral values are encouraged".

The Academy aims:

- To provide a happy and caring environment in which to learn and work where each member of the school community is personally valued and where pupils are able to develop self-respect and self-control.
- To challenge all students to the full realisation of their talents and potential.
- To enable students, through a demanding, broad and balanced curriculum, to achieve as high a level of success as possible in public examinations.
- To help students acquire attitudes and skills relevant to their adult and working life especially those related to independent thinking, and be able to adapt confidently to a changing society.
- To develop physical and social skills, an aesthetic appreciation and an understanding of health, hygiene and environmental issues.
- To encourage moral and Christian values consistent with a Church of England school.
- To engender respect for and tolerance of others - regardless of differences of race, disability, sexuality, gender, culture or religion.
- To encourage students to work together and participate fully in the life of the school and the wider community.
- To help develop an understanding of the world in which we live, the interdependence of individuals, groups and nations and an appreciation of human achievement and aspirations.
- To ensure all staff have access to high quality training and development opportunities.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

STRATEGIES AND ACTIVITIES

The improvement aims of the Academy are set out within the School Development Plan (SDP). This plan makes clear the direction of the Academy over a three-year period and is reviewed with governors termly.

The School Development Plan sets out how, over the next three years, we will:

- Provide outstanding opportunities for our students to learn, achieve, participate and lead
- Be a recognised centre for outstanding educational practice
- Recruit exceptional staff to a place of work that is characterised by innovation, wellbeing, creativity, and rigour
- Develop the expertise of all staff to make them reflective and highly skilled practitioners

We will know that we have achieved this because we will:

- Achieve results that place us in the top 10% of schools nationally
- Be consistently over-subscribed
- Be frequently quoted for our good work in the local and national press
- Have higher than average numbers of staff wishing to come and work here
- Offer a range of Continuous Professional Development (CPD) opportunities

Our School Development Plan is split into three themes:

- Teaching and Learning
- Strategic Planning
- Partnership

Whilst these are three separate areas we know that there are aspects that pervade every theme and that ultimately they all work towards improving the quality and standards within the school. The SLT reviews progress and reports on this to Governors each term. The SDP links in turn with individual performance management targets and departmental development plans.

The Academy provides tuition and learning opportunities for students to fulfil their academic potential along with opportunities for students to develop those wider skills needed for them to succeed. This includes spiritual and moral development alongside academic and extra-curricular breadth.

The Academy runs a review process to monitor standards of teaching and learning and each faculty is reviewed annually. This sits alongside regular review processes as part of the academic cycle. Some of these reviews address whole school development themes, some departmental improvement priorities and some individual teacher improvements. The Academy regularly seeks the views of all stakeholders, including students, parents and carers, and as such amends practice where appropriate.

In March 2016 the academy was designated the lead school of a Teaching School Alliance. Through this role the school will lead and co-ordinate others in the three core areas of Initial Teacher Training, Continuous Professional Development and School to School Support.

In the next three years the school will look at ways that it might formalise working with other strategic partners. This may be in the form of formal school to school support or collaborations such as a Multi-Academy Trust (MAT).

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

PUBLIC BENEFIT

The Governors recognise their charitable responsibilities for the advancement of education as described in the Charity Commission's Statement of Recommended Practice. They have also considered public benefit guidance issued by the Charity Commission. The Governors have recorded in this report the activities carried out by the school in furtherance of the charitable purposes for the public benefit.

Strategic Report

ACHIEVEMENTS AND PERFORMANCE

The Academy has a predominantly rural catchment area with 49% students travelling via bus. It places high importance on knowing every individual, making sure all students feel valued, developing their spiritual and emotional self and irrespective of background ensuring that each student has the highest aspirations of achievement. Alongside high academic expectations, extra-curricular involvement is expected and leadership opportunities are exploited across the school to allow students to demonstrate responsibility. We have seven feeder catchment schools but around a third of students come to us from beyond our catchment area.

We are over-subscribed in every year group (with a Planned Admission Number (PAN) of 125 in every year group). Our numbers on roll in September 2016 stand at 679.

In August 2016 we had another exceptional set of GCSE examinations results. The headline figure of 80% students gaining 5A* C grades including Mathematics and English was very pleasing, matching the best raw score headline figure attained in the last five years. We were very above our target for the proportion of students achieving this benchmark as set by Fischer Family Trust (FFT) D data.

	2016	2015	2014
FFT D Target	76%	72%	79%
5A*-C including Maths and English	80%	68%	70%
A*/A grades	32%	34%	34%

The proportion of students attaining 8 or more A*/A grades was exceptional, with 28 students from a cohort of 126 achieving this benchmark.

This year we had to report for the first time the % of students gaining a C grade or better in Mathematics and English (rather than the 5A*-C of old). We also collated, for the first time, the Attainment 8 and Progress 8 figures for the cohort. Comparison to last year's shadow data is shown. It should be noted that the Progress 8 figure remains unvalidated until the DfE final release of the national progression in the Autumn Term of 2016.

	2016	2015
Attainment 8	58.6	56.7
Progress 8 (estimate based on 2015 figures)	0.37	0.62
% achieving A*-C in English and Mathematics	68%	80%

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

We continue to set ambitious targets and use the Fischer Family Trust database to set minimum benchmark performance at Key Stage 4.

The school monitors performance of students by a continuous evaluation of achievements against expectations using nationally published data and the knowledge the teachers have about individual students and their capabilities. Faculty and departmental reviews not only evaluate past performance but use data to plan for the future. The school recognises the diverse way students learn and develop and takes steps to ensure students achieve their potential. Students' backgrounds and needs are considered when looking at progress and teachers are aware of, and plan for, students with different needs. This includes groups recognised by OFSTED as underperforming nationally (Special Educational Needs (SEN), Free School Meals (FSM) ever, Looked After Children (LAC), Services Children). Considerable work has taken place in 2015-16 on preparing for a new assessment framework in Life without Levels. This framework will be implemented in September 2016, alongside the new GCSE grading for most subjects in Year 10 (following the introduction of this in September 2015 for English and Mathematics).

This year the school has focused on building resilience in young people, working with our pyramid schools, parents and students in explicitly thinking about what can help us to build in our learning and have a growth mind-set that we can improve. This long-term work it is hoped will have an impact on attainment and on the attendance of all students, but in particular our most vulnerable.

Attendance

The school places considerable importance on attendance as a support to learning. The figures of improvement over the last three years show the increased expectation on 95% attendance for all students.

Group	Authorised	Unauthorised	%Attend (+AEA)
Whole School year 2015 – 16	3.9	0.3	95.8
Whole School year 2014 – 15	4.3	0.2	95.5
Whole school year 2013-14	4.6	0.3	95.1
Whole School year 2012-13	5.4	0.2	94.4
Whole School year 2011-12	6.0	0.2	93.8

Behaviour for learning and participation

Standards of behaviour are very high and the threshold for poor behaviour is low. Students are reminded of expectations with even the lowest level of disruption. As a result instances of external exclusion, internal isolation and pupil discipline referral have all decreased in the last three years.

80% of students attend at least one extra-curricular activity. This does not include the many curricula based lunchtime and after-school opportunities.

The Academy offers a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England. The achievement of the GOLD quality mark for RE provision in the school was a pleasing endorsement of the importance of spiritual development for all young people at Debenham High School.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

External verification

School Improvement Partner

The school has continued to work with a School Improvement Partner. He also conducts work with key middle leaders.

OFSTED

Whilst we have not received a full inspection in this academic year we were visited by a senior HMI as part of a case study of best practice in 2015. We were one of only eleven schools nationally identified for the attainment and progress made by those students from disadvantaged backgrounds (as categorised by the FSM ever data). The senior HMI spent a whole day in the school, viewing the work within classrooms, intervention activities and talking with senior leaders about how we track and measure the impact of the work with this particular cohort of students. The HMI took a number of key points from the day that she felt influenced the positive achievements of these students. They were:

- A whole school ethos of expectations sets the tone for learning and does not allow any child to fall behind
- The rigorous monitoring and tracking of all students lends itself to timely and appropriate interventions for students
- Interventions are bespoke and suit the needs of individuals

Quality of teaching, staff training and development

Significantly, this year, the school was awarded Teaching School status. Following an application in October the school received its endorsement in April 2016 and held its first strategic meeting with alliance partners in June 2016. The alliance includes local primary and secondary partners as well as the Diocese and links with a local private school. The three areas of work as a teaching school are Continuous Professional Development, Initial Teacher Training and School to School Support. The alliance is working across primary and secondary phases in all these areas and, whilst only in its infancy, has already engaged in support with other schools through the alliance.

The school remains fully staffed though the depth of field for teaching posts is becoming more of a challenge. The quality of teaching is consistently good or better, with much that is outstanding. This is evidenced through regular faculty and departmental reviews, performance management observations and learning walks. The view of students and parents endorses the belief that the quality of education at the school is outstanding. Teachers plan lessons very well, use a range of strategies to engage and motivate students, give careful consideration for the range and needs of students within each class and use sharply focused and timely support and intervention to ensure that students make high rates of progress. Students feel strongly that they get an outstanding education at Debenham High School (at least 97% in every year group) and parents concur.

Teachers are responsible for their own professional development. A greater focus on the teacher standards in performance management and more opportunities through a number of forums to share pedagogy and practice have created a culture of reflective practice. In the past two years we have used teaching trios to allow greater personalisation to professional development, formalised peer observations and have allowed staff to develop their chosen theme from the SDP. Feedback from the value of these trios was very positive. In the year ahead teachers will take part in the Suffolk Festival of Learning or undertake a personal research project in order further to develop their practice.

Land and Buildings

In this academic year the school was successful in obtaining Capital Improvement Fund (CIF) grant funding for phase two of roof refurbishment £369,713 and a project to build much needed additional classroom and performance space £995,147. Phase two of roof refurbishment is expected to be completed in November 2016. The building project is expected to be completed Spring 2018. During this year the £1.2 million biomass boiler project and £328,592 Phase 1 of roof refurbishment were completed.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

KEY FINANCIAL PERFORMANCE INDICATORS

The budget is set to ensure that the objectives of the School Development Plan, as well as the overarching objectives of the Academy, can be met. The financial performance of the school is judged on its ability to deliver in this regard.

Having considered benchmarking data from across the academies in Norfolk and Suffolk the Governors consider that a ratio of between 85 - 90% total staff costs as a percentage of General Annual Grant (GAG) income is acceptable given that we do not contract out either cleaning or catering in school.

Debenham High School is a school that has low staff turnover with many experienced staff at the top of their respective pay scales. The level of staff required to deliver the top quality education the school prides itself on is reviewed regularly in light of projected pupil numbers and likely income levels. The budgetary ratio of pupil to teachers, including teaching members of the SLT, is predicted to be 16.11 for the year 2016-17. The aim of 85% total staff costs as a percentage of GAG is becoming increasingly hard to achieve with the budget for 2016-17 predicting staff costs of 90% to GAG income.

The Governors and SLT are acutely aware of the need for prudent financial management and budget planning to ensure the future sustainability of the Academy. With so much of the recent increase in staff costs wholly out of the control of the Academy it is inevitable that hard decisions will need to be made. However, the school is determined to achieve essential cost savings in a measured and carefully considered manner with the aim of ensuring the top quality education that Debenham High School prides itself upon is not compromised in any way.

GOING CONCERN

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

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

FINANCIAL REVIEW

The school roll was 667 students in October 2015, but with an anticipated increase in roll to of 679 for the October census in 2016. The funding for the financial year to 31 August 2016 was based on the pupil numbers at October 2014, which were 645. Most of the Academy's income is obtained from the Educational Funding Agency (EFA), in the form of recurrent grants based on pupil numbers, the use of some of which is restricted for a particular purpose. Any restricted income received during the year ended 31st August 2016 and the associated expenditure is shown as restricted funds in the statement of financial activities.

The Academy also receives a small annual grant for building maintenance from the EFA and has benefitted from additional grant funding as the result of a bidding process for capital projects (Condition Improvement Fund - CIF). It was announced in April 2016 that the school had obtained grant funding via the CIF as part of a phased approach to the refurbishment of much of the school roofs. This work is expected to be completed in November 2016. At the same time it was announced that the school was to receive CIF funding allowing the construction of an extension to the building to provide much needed classroom and congregation space. It is anticipated that this work will not complete until Spring 2018. Funding received to date is reflected in the balance of the restricted fixed asset fund.

In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (2015), such grants are shown in the statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31st August 2016 total revenue expenditure (excluding Local Government Pension Scheme and depreciation expenses) of £3,507,815 was covered by recurrent grant funding from the EFA together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds and Local Government Pension Scheme deficit) was £36,838. Combined with the brought forward from 2014-15 of £641,002 gives a revenue carry forward figure of £677,838 which is greater than the level of planned unrestricted reserves as detailed in the Reserves Policy. It should be noted, however, that £78,254 is restricted for a specific purpose (£54,432 Teaching School grant). The Governors have also earmarked £200,000 to support CIF projects. The remainder represents a prudent and necessary level of reserves given the uncertainty of future funding levels, the medium term budget plan forecast and the potential impact of the National Funding Formula (NFF). The remaining level of reserves will support the school through a period of transition and change to adapt our curriculum structures and reduce our staff costs appropriately to a sustainable level given anticipated future funding challenges.

In line with the fixed asset policy £60,879 was transferred to fixed assets from revenue during 2015/16 of which £17,028 represented Salix loan repayments.

During the year ended 31st August 2016 the school received total capital income of £284,036 made up of £16,003 of the grant awarded by the Capital Improvement Fund for Phase 1 of the roofing project and £203,341 for the roof Phase 2 project grant, £49,757 for the build project both from the CIF and £14,935 from the Devolved Formula Capital (DFC) allocation for 2016-17. The excess of income over expenditure for capital was £219,972 with the vast majority of this sum committed to current projects.

At 31st August 2016 the net book value of fixed assets was £6,818,395. Movement in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

RESERVES POLICY

Reasons for Reserves

The Governors aim to demonstrate prudence and good financial planning to cover the unexpected and unplanned in order to protect delivery of the Academy's primary objectives under unforeseen circumstances. Governors may also set aside reserves for investment in future years (e.g.: to improve or expand facilities).

The level of reserves at 31st August 2016 was as follows:

Revenue reserves: £673,838. NB: £78,253 restricted for specific use

Capital Cash reserves: £219,972. NB: Committed to capital projects

Restricted fixed asset fund: £6,831,498

Pension deficit: £1,126,000 (see note 25 for further details).

Risk Assessment

The key financial risks for Debenham High School are a reduction to future income due to Government funding changes and/or falling pupil roll or delays in receipt of grant funding.

Other financial risks include emergencies such as urgent maintenance issues, the cost of early teacher retirement due to ill health, changes in pension liabilities, and redundancies due to a fall in income.

The financial risks and uncertainties facing Debenham High School continue to change, and Governors keep these under review. Governors mitigate those risks by maintaining an appropriate level of reserves. The Governors and the SLT are acutely aware of the need to balance financial prudence with maintaining the top quality education that Debenham High School prides itself upon. The five-year strategic budget plan has been drawn up with predictions for future funding levels and reserves are a critical part of the plan to ensure the future sustainability of the school.

Reserves Policy

To mitigate the risk of delayed funding the Governors feel it prudent to maintain a free reserve equivalent at minimum to at least one month's payroll expenditure.

To mitigate the risk of future income reduction and to provide a fund for building development, the Governors may provide further reserves determined on an annual basis in the Spring Term. Reserves are determined with reference to the in-year financial performance of the school and an assessment of the key risks and future investment requirements.

Investment Policy

The school aims to manage its cash balances to provide for the day to day financial management of the Academy. Where surplus cash funds exist the school seeks to optimise returns at minimal risk. Surplus funds are defined as funds in excess of those deemed to be needed to meet the day to day cash flow requirements for the financial management of the school taking into account the agreed minimum reserves level. The Business Manager will maximise investment return by investing surplus funds for up to 6 months in interest-bearing accounts with High Street Banks or Building Societies. Investments for longer periods or in riskier vehicles require the approval in advance of the Finance and General Purposes Committee (FGPC). The school received £7,224 in interest in the year 2015-16.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

PLANS FOR FUTURE PERIODS

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

Governors will continue to focus on:

- Developing educational facilities at the school within the constraints of current and predicted funding levels
- Establishment of the newly formed Teaching School Alliance. This will work across the local area and has partners at primary and secondary level, as well as the Diocese.
- Develop more formal partnerships with other schools such as through the creation of a Multi-Academy Trust or school to school support
- The school aims to continue to refurbish the school as funding and grant opportunities allow. The Building Development Plan informs future spending and grant application decisions.

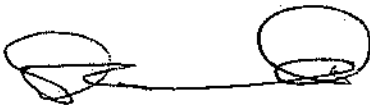
This is underpinned by the School Development Plan.

DISCLOSURE OF INFORMATION TO AUDITORS

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

- so far as that the Governors are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governors has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report, incorporating a strategic report, was approved by order of the Governors of the Academy as the company directors, on 6 December 2016 and signed on its behalf by:



Mr David Carruthers
Chair of Governors

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Governing Body 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 Debenham High School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 Statement of Governors' responsibilities. The Governing Body has formally met 5 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
*Mr Ronald Barker, Parent Governor	5	5
*Mr David Carruthers, Chair of Governors - Foundation Governor	5	5
Rev Patrick Cotton, Foundation Governor - ex- officio	2	3
Mr Paul Debenham, Local Authority Governor	5	5
*Mrs Caroline Driver, Parent Governor	5	5
Dr David Egan, Co-opted by Governors	0	5
*Ms Siobhan Goodrich, Parent Governor (Vice- Chairman)	3	5
Mr Timothy Green, Co-opted by Members	5	5
Mr Christopher Grover, Foundation Governor	3	5
*Mrs Fiona Hotston Moore, Co-opted by Governors	3	5
Mrs Sheila Janson, Co-opted by Members	4	5
Rev Mary Lamb, Foundation Governor	1	1
Dr Hilary Marlow, Foundation Governor	4	5
Mr David McMillan, Staff Governor - Teacher	4	5
Mrs Jo Newman, Staff Governor - Teacher	4	5
*Mr David Ralph, Parent Governor	1	5
Mr Robert Stevenson, Parent Governor	5	5
*Miss Julia Upton, Head Teacher - Accounting Officer	4	5
Mrs Emma Wnukoski, Staff Governor - Support Staff	5	5

* Members of the Finance and General Purposes Committee.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The Finance and General Purposes Committee (FGPC) is a sub-committee of the main Governing Body and incorporates the function of an audit committee within its terms of reference. Its purpose is to scrutinise the school's finances and have financial oversight of the financial management of the school.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mr Ronald Barker (resigned February 2016)	1	2
Mr David Carruthers	4	4
Mrs Caroline Driver	4	4
Ms Siobhan Goodrich	2	4
Mrs Fiona Hotston Moore	3	4
Mr David McMillan	4	4
Mr David Ralph	2	4
Miss Julia Upton	3	4

GOVERNANCE REVIEW

The Governing Body and the Trust of the Academy are ambitious for the school and remain forward-looking. In 2015-16 they were involved in the strategic decision to become a Teaching School and considered in depth the benefits and downfalls of this for the school. The Governing Body remains cautious and considered about the future direction of the school and has made initial enquiries and attended training about growth as a trust, through meetings with the diocese, other local governing bodies and the LA.

The Governing Body use an external consultant who works with a number of stand-alone and sizeable Academy trusts to hold the performance of the Headteacher to account. The model for this performance review has been adapted in the last year, to be even more robust and to utilise performance data for the school in the context of the national picture. The consultant is able to share his experience from other settings to allow Governors to compare the performance of the school.

The Governing Body use financial benchmarking data to set targets for the probity of the school and to scrutinize and challenge the economic plan for the school for the next five years.

The Chair of the Governing Body has completed the Chair of Governors' Leadership Development Programme with the National College for Teaching and Leadership.

The Governing Body visit the school regularly, observe and engage in the review process. This includes observing the process of lesson reviews, pupil perception interviews and meetings with middle leaders to review data and performance of students and staff. These visits are then shared at the Governing Body meeting for the awareness of all.

The Governing Body has taken time in the last twelve months to understand the new Key Stage 4 assessment system and the changes that the school has made to adapt to life without levels. They have also spoken with key leaders of the core curriculum in school to be informed about the demands of new specification and their views on the leadership of the school in supporting their adapting to these.

An annual audit of Governor skills is undertaken and should gaps in knowledge or experience be identified appropriate Governor training through the LA is completed.

The Trust intends to carry out a review in the year 2016-17 in accordance with the requirements of the National College for Teaching and Leadership guidelines.

In 2015-16 the Governing Body utilized the support of the LA Governor training services. This has included attendance at termly briefings and other training.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

In 2015-16 the Governing Body used an external consultant to conduct a review of the Safeguarding practices and procedures within the school, this included a review of the role of Governors in this process.

REVIEW OF VALUE FOR MONEY

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

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

Improving Education Outcomes

As clarified in the Strategic report: Achievements and Performance Debenham High School continues to meet the highest educational outcomes for students. The school is over-subscribed and continues to be popular beyond our catchment.

Attainment and progress measures, as recognised earlier, are significantly above national averages and place the school in the top 10% of 11-16 state-funded schools.

The school continues to examine its practice using external consultants, local authority advisors and colleagues from other schools in order to benchmark our performance and continually evaluate its improvement.

Staffing

As a Church of England School, Debenham High School has close links with a number of local Christian places of worship. This includes the St Mary Magdalen Church of England in Debenham.

The school is committed to staff development and training of all staff. It benefits from an experienced team of staff and low turnover of staff. In September 2014 a one-year Graduate Intern role was introduced to further develop opportunities for the next generation of teachers. All four employees in these posts have progressed onto teacher training courses. The scheme has been continued with a new cohort in 2016-17.

Financial Oversight and Governance

The school has benchmarked its financial performance against other Suffolk Academy schools. The school financial performance is broadly in line with schools of similar size and environment. The Governors have set financial performance targets and the budget has been set accordingly but with a clear focus on enabling the delivery of the School Improvement Plan (SIP).

Strategic budget plans are drawn up to ensure successful delivery of aims and goals of the School Improvement Plan (SIP) together with an awareness of future changes in funding streams and changes in employment related costs. Careful consideration has been given to the changes in national insurance and employer pension contributions and the direct impact that this will have on spending without an increase in income. A balance is struck between providing top quality education whilst planning and ensuring financial sustainability for existing and future cohorts. The Governing Body approves the budget each year and considers the need to balance expenditure against income to ensure that the Academy remains a 'going concern'.

The FGPC plays an active and robust role in their oversight of the school's financial wellbeing. The school continually ensures the financial health of the school with prudent financial management by a combination of

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

regular Governor meetings, visits from internal audit, now provided by an independent auditor, regular management account reports and strategic budget planning. Internal audit have consistently graded the financial management, governance and control as outstanding.

The school maintains an up to date risk register that is reviewed and updated at least once a year.

Purchasing, ensuring best value

The school financial regulations govern the procurement methods to be used within and above certain financial boundaries. The best price is sought at the discretion of the finance team for smaller value purchases and bulk discounts are obtained where individual department orders can be combined. Best value is considered to be a balance of price, quality of service and efficiency.

Future plans

The school continues to seek funding through the CIF to support our success and to improve and maintain the buildings. The school looks forward to when the extension is completed providing us with much needed teaching and congregation space.

Following the school's successful designation as a Teaching School in March 2016 the school will develop this leading educational role in collaboration with other local educational providers.

The school has started to consider the expansion of the Academy Trust to work more formally with other schools in the future.

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 Debenham High School for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Governing Body 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 Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 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 Governing Body.

The school uses a comprehensive Risk Management Plan which identifies the main risks to the school and the methods and strategies employed to mitigate those risks. A group of Governors from the FGPC and the Business Manager review the plan and the controls in place formally once a year in the Summer Term but risks are considered every time a decision is taken.

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:

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

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

Since September 2014, the Governors have appointed Miller Wash Associates as internal auditors who report direct to the Finance and General Purposes Committee and visit the school to carry out 2 internal audits per year - one in the spring term and one in the summer term. The Risk Management Plan drives the focus of internal audit and enables the Governors and the Accounting Officer to discharge their duty to ensure internal controls are robust and appropriate.

In the year under review internal audit have reviewed journals including, fixed asset journals and systems and controls with cash and bank. The controls in place were assessed as reasonably robust. The Governing Body no longer appoints an individual to the role of Responsible Officer.

REVIEW OF EFFECTIVENESS

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

- the work of the Internal Auditor;
- the work of the External Auditor;
- the work of the School Business Manager and Bursar who have the 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 Purposes Committee and a plan to address any identified weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Governors of the Academy on 6 December 2016 and signed on their behalf, by:



Mr David Carruthers
Chair of Governors



Miss Julia Upton
Accounting Officer

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

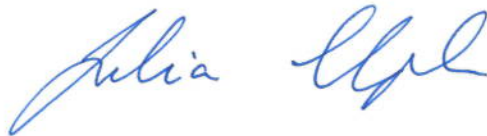
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Debenham High School I have considered my responsibility to notify the academy governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with the 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.

I confirm that I and the academy governing body 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.

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

Miss Julia Upton
Accounting Officer



DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The governors, (who act as trustees for charitable activities of Debenham High School and are also the directors of the charitable company for the purposes of company law), are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts 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 provide 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:

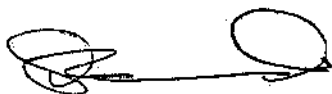
- select suitable accounting policies and then apply them consistently
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform to 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 Governors of the Academy on 6 December 2016 and signed on its behalf by:



Mr David Carruthers
Chair of Governors

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DEBENHAM HIGH SCHOOL**

We have audited the financial statements of Debenham High School for the year 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 GOVERNORS AND AUDITORS

As explained more fully in the Statement of Governors' responsibilities, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 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, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 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, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

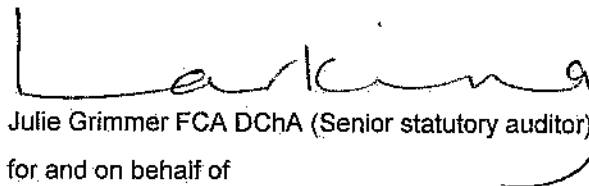
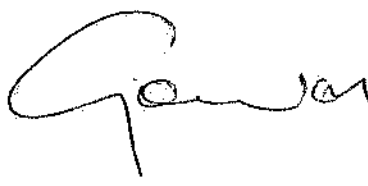
DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DEBENHAM HIGH SCHOOL**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

 
Julie Grimmer FCA DChA (Senior statutory auditor)

for and on behalf of

Larking Gowen

Chartered Accountants
Statutory Auditors

Ipswich
9 December 2016

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 29 September 2015 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 Debenham High School during the year 1 September 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 Debenham High School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Debenham High School and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Debenham High School and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF DEBENHAM HIGH SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING AUDITORS

The accounting officer is responsible, under the requirements of Debenham High School's funding agreement with the Secretary of State for Education dated 31 December 2010, 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 year 1 September 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.

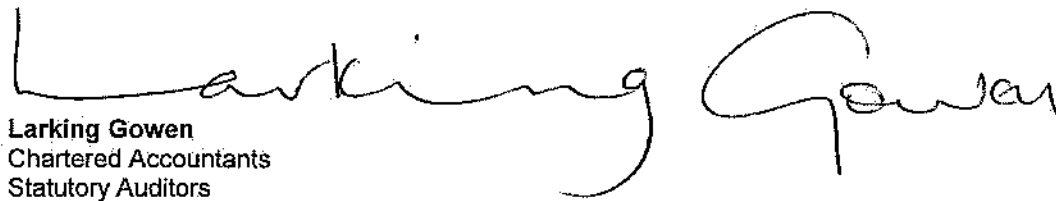
In planning and conducting our work we had due regard to professional guidance, including the Academies Accounts Direction 2015 to 2016 and the ICAEW Assurance Sourcebook. The work undertaken to draw to our conclusion, includes, but is not limited to:

APPROACH (CONTINUED)

- Enquiry of senior management and the Academy's Governors.
- Inspection and review of the accounting records, meeting minutes, prior year regularity report, internal control procedures, management representations and declarations of interest.
- Observation and re-performance of the financial controls.
- Review of the results of the Academy's process of independent checking of financial controls, systems, transactions and risks.

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 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.



Larking Gowen
Chartered Accountants
Statutory Auditors
Ipswich

9 December 2016

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations	2	2,846	1,365	-	4,211	4,002
Charitable activities	5	1,300	3,179,409	284,036	3,464,745	4,423,182
Other trading activities	3	413,390	-	-	413,390	302,115
Investments	4	7,224	-	-	7,224	4,936
TOTAL INCOME		424,760	3,180,774	284,036	3,889,570	4,734,235
EXPENDITURE ON:						
Charitable activities		368,970	3,179,579	200,733	3,749,282	3,580,957
Other expenditure	9	22,269	-	-	22,269	22,701
TOTAL EXPENDITURE	6	391,239	3,179,579	200,733	3,771,551	3,603,658
NET INCOME BEFORE TRANSFERS						
Transfers between Funds	20	33,521 (43,851)	1,195 (17,028)	83,303 60,879	118,019 -	1,130,577 -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		(10,330)	(15,833)	144,182	118,019	1,130,577
Actuarial gains/(losses) on defined benefit pension schemes	20,25	-	(481,000)	-	(481,000)	13,000
NET MOVEMENT IN FUNDS		(10,330)	(496,833)	144,182	(362,981)	1,143,577
RECONCILIATION OF FUNDS:						
Total funds brought forward		609,916	(550,914)	6,687,316	6,746,318	5,602,741
TOTAL FUNDS CARRIED FORWARD		599,586	(1,047,747)	6,831,498	6,383,337	6,746,318

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07467445

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	15		6,818,395		6,001,322
CURRENT ASSETS					
Stocks	16	5,383		3,028	
Debtors	17	38,481		154,863	
Cash at bank and in hand		962,036		1,857,873	
			1,005,900	2,015,764	
CREDITORS: amounts falling due within one year	18	(165,715)		(522,499)	
NET CURRENT ASSETS			840,185		1,493,265
TOTAL ASSETS LESS CURRENT LIABILITIES			7,658,580		7,494,587
CREDITORS: amounts falling due after more than one year	19		(149,243)		(166,269)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			7,509,337		7,328,318
Defined benefit pension scheme liability	25		(1,126,000)		(582,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			6,383,337		6,746,318
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	20	78,253		31,086	
Restricted fixed asset funds	20	6,831,498		6,687,316	
Restricted income funds excluding pension liability		6,909,751		6,718,402	
Pension reserve		(1,126,000)		(582,000)	
Total restricted income funds			5,783,751		6,136,402
Unrestricted income funds	20		599,586		609,916
TOTAL FUNDS:			6,383,337		6,746,318

The financial statements were approved by the Governors, and authorised for issue, on 6 December 2016 and are signed on their behalf, by:



Mr David Carruthers
Chair of Governors

The notes on pages 31 to 51 form part of these financial statements.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	22	<u>(152,266)</u>	<u>581,550</u>
Cash flows from investing activities:			
Interest from investments		7,224	4,936
Purchase of tangible fixed assets		(1,017,806)	(629,349)
Capital grants from DfE/EFA		284,036	1,186,613
Net cash (used in)/provided by investing activities		<u>(726,546)</u>	<u>562,200</u>
Cash flows from financing activities:			
Repayments of borrowings		(17,025)	(6,728)
Cash inflows from new borrowing		-	164,800
Net cash (used in)/provided by financing activities		<u>(17,025)</u>	<u>158,072</u>
Change in cash and cash equivalents in the year		<u>(895,837)</u>	<u>1,301,822</u>
Cash and cash equivalents brought forward		<u>1,857,873</u>	<u>556,051</u>
Cash and cash equivalents carried forward		<u><u>962,036</u></u>	<u><u>1,857,873</u></u>

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

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.

Debenham High School constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Debenham High School prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Debenham High School for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

There have been no transition adjustments as shown by the reconciliation to previous UK GAAP included in note 29.

1.2 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 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.

1.3 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 Education Funding Agency 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 Education Funding Agency.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.4 Income

All income is recognised in the Statement of Financial Activities 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 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.

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

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.

Income related to Pupil Premium is recognised in the Statement of Financial Activities of the Academy once it has entitlement to the income. Amounts accrued are included in income and recognised as an asset.

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable 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.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.5 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. Depreciation charges are allocated on the portion of the asset's use.

Charitable activities

These are costs incurred on the Academy Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

Expenditure on Raising Funds

This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets and depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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 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. 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.

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

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

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:

Leasehold land	-	0.8% (125 years) straight line
Long leasehold buildings and building extensions	-	2% (50 years) straight line
Building enhancements	-	5% (20 years) straight line with nil residual value
Plant and machinery	-	20% (5 years) straight line with nil residual value
Fixtures, fittings & equipment	-	10% (10 years) straight line with nil residual value
ICT equipment & software	-	33% (3 years) straight line with nil residual value
Motor vehicles	-	20% (5 years) straight line with nil residual value

1.7 Liabilities

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 trust 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.

1.8 Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

1.9 Leased Assets

Rentals under operating leases are charged on a straight line basis over the lease term.

1.10 Stock

Liquid Propane Gas, Wood Pellet and Catering stock is valued at the lower of cost or net realisable value.

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.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.12 Pensions Benefits

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 trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 25, 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 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.

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 Governors.

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education Funding Agency and the Department for Education.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.14 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.

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 25, 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.

1.15 Financial Instruments

The academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.16 Governor and Officer Insurance

The school has joined the Risk Protection Arrangement to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The limit of indemnity for this cover is £10,000,000. The cost of this insurance is included in the total insurance cost.

1.17 General Annual Grant

Under the funding agreement with the Secretary of State the academy was subject to limits at 31 August 2016 on the amount of GAG that should be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes:

The academy trust has not exceeded these limits during the year ended 31 August 2016.

It should be noted the school has been advised by the EFA these limits no longer apply since the school moved to census funding in accordance with its funding agreement.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

2. INCOME FROM DONATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	2,846	1,365	-	4,211	4,002

In 2015, of the total income from donations, £3,862 was to unrestricted funds and £ 140 was to restricted funds

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Items sold	39,471	-	39,471	31,157
Income from services provided	34,604	-	34,604	28,658
Hire of facilities	4,566	-	4,566	3,735
Catering income	153,677	-	153,677	133,305
Academy trips	181,072	-	181,072	105,260
	<u>413,390</u>	<u>-</u>	<u>413,390</u>	<u>302,115</u>

In 2015, of the total income from other trading activities, £302,115 was to unrestricted funds and £ NIL was to restricted funds.

4. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment income	7,224	-	7,224	4,936

In 2015, of the total investment income, £4,936 was to unrestricted funds and £ NIL was to restricted funds.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant	-	2,996,736	2,996,736	3,070,346
Pupil Premium	-	99,423	99,423	96,840
Other DfE/EFA Grants	-	60,000	60,000	24,000
LA Pupil Premium and Support	-	-	-	14,700
LA Capital Grants	-	-	-	51,021
DfE/EFA Capital Grants	-	284,036	284,036	1,135,592
LA Grants	1,300	23,250	24,550	30,683
	<u>1,300</u>	<u>3,463,445</u>	<u>3,464,745</u>	<u>4,423,182</u>

In 2015, of the total income from charitable activities, £24,600 was to unrestricted funds and £4,398,582 was to restricted funds.

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Staff Costs:					
Direct costs	2,501,682	-	-	2,501,682	2,460,750
Support costs	351,692	-	-	351,692	344,899
Premises: Support costs	-	-	303,735	303,735	252,365
Other Costs:					
Direct costs	-	-	460,650	460,650	384,218
Support costs	-	-	123,681	123,681	132,160
	<u>2,853,374</u>	<u>-</u>	<u>888,066</u>	<u>3,741,440</u>	<u>3,574,392</u>

In 2016, of the total expenditure, £391,239 (2015 - £229,153) was to unrestricted funds and £3,380,312 (2015 - £3,374,505) was to restricted funds.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

7. DIRECT COSTS

	Staff Costs £	Other Costs £	Total 2016 £	Total 2015 £
Net pension finance expense	-	23,000	23,000	2,000
Depreciation	-	45,955	45,955	36,824
Technology costs	-	16,277	16,277	39,114
Educational supplies	-	119,906	119,906	129,079
Examination fees	-	51,768	51,768	51,448
Educational consultancy	-	4,253	4,253	5,620
Other direct costs	-	186,118	186,118	112,578
Pupil recruitment and support	-	13,373	13,373	9,555
Wages and salaries	2,461,682	-	2,461,682	2,408,750
Pension cost	40,000	-	40,000	50,000
	<u>2,501,682</u>	<u>460,650</u>	<u>2,962,332</u>	<u>2,844,968</u>

In 2015, the academy incurred £2,460,750 in respect of direct staff costs and £384,218 in respect of other direct costs.

8. SUPPORT COSTS

	Governance £	Staff Costs £	Premises £	Other Costs £	Total 2016 £	Total 2015 £
Depreciation	-	-	154,777	-	154,777	117,306
Technology costs	-	-	-	10,187	10,187	16,461
Staff development and indirect costs	-	22,824	-	-	22,824	20,411
Maintenance of premises and equipment	-	-	56,947	-	56,947	40,433
Cleaning	-	-	2,528	-	2,528	2,289
Rent and rates	-	-	36,385	-	36,385	35,726
Utilities/energy costs	-	-	31,694	-	31,694	33,429
Insurance	-	-	21,404	-	21,404	23,182
Catering	-	-	-	75,593	75,593	71,337
Other support costs	2,067	-	-	37,901	39,968	45,692
Audit Fee	5,775	-	-	-	5,775	5,235
Wages and salaries	-	328,868	-	-	328,868	324,488
	<u>7,842</u>	<u>351,692</u>	<u>303,735</u>	<u>123,681</u>	<u>786,950</u>	<u>735,989</u>

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

8. SUPPORT COSTS (continued)

During the year ended 31 August 2016, the academy incurred the following governance costs:

£5,775 (2015 - £5,235) in respect of auditors' remuneration.

£2,067 (2015 - £1,330) in respect of other governance costs.

In 2015, the academy incurred £344,899 in respect of staff costs, £252,365 in respect of premises costs and £132,160 in respect of other costs.

9. OTHER RESOURCES EXPENDED

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Items for resale	22,269	-	22,269	22,701

10. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2016 £	Support costs 2016 £	Total 2016 £	Total 2015 £
Staff Costs	2,501,682	351,692	2,853,374	2,805,649
Premises	-	303,735	303,735	252,365
Other Costs	460,650	123,681	584,331	522,943
Total	2,962,332	779,108	3,741,440	3,580,957

11. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the school	200,733	154,128
Auditors' remuneration	2,950	2,850
Auditors' remuneration - non-audit	2,825	2,385

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

12. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries (see breakdown below)	2,790,550	2,733,238
Operating costs of defined benefit pension schemes	40,000	50,000
	<u>2,830,550</u>	<u>2,783,238</u>
Indirect employee costs	14,171	9,862
Staff development expenses	8,653	10,549
	<u>2,853,374</u>	<u>2,803,649</u>

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

	2016 No.	2015 No.
Teachers	46	41
Admin & Support	48	50
Management	5	5
	<u>99</u>	<u>96</u>

Average headcount expressed as a full time equivalent:

	2016 No.	2015 No.
Teachers	36	39
Admin & Support	28	29
Management	5	5
	<u>69</u>	<u>73</u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0

Both of the above employees participated in the Teachers' Pension Scheme.

Key management personnel consists of the Headteacher, Deputy Headteacher, Assistant Headteachers and staff governors. The total remuneration payable to these 8 staff members (2015 - 10) was £449,917 (2015- £507,098).

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

Wages and salaries breakdown

	2016 £	2015 £
Wages and salaries	2,263,805	2,263,220
Social security costs	180,932	158,727
Pension costs	345,813	311,291
Total	2,790,550	2,733,238

	£	£
of which supply teacher costs	9,511	6,473

13. GOVERNORS' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 2 Governors (2015 - 2) in respect of defined contribution pension schemes.

During the year retirement benefits were accruing to 4 Governors (2015 - 4) in respect of defined benefit pension schemes.

The Headteacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher 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 staff members. The value of Governors' remuneration and employers pension contributions, fell within the following bands:

	2016 Remuneration £'000	2016 Pension Contributions £'000	2015 Remuneration £'000	2015 Pension Contributions £'000
Miss J Upton, Headteacher	80-85	10-15	75-80	10-15
Mr D Yaroslaw, Staff Governor	0	0	45-50	5-10
Mr D Macmillan, Staff Governor	40-45	5-10	35-40	5-10
Mrs L Wilson, Staff Governor	0	0	20-25	0-5
Mrs J Newman, Staff Governor	40-45	5-10	40-45	5-10
Mrs E Wnukoski, Staff Governor	5-10	0-5	10-15	0-5

During the year, Mrs C Driver claimed £Nil (2015: £16) for travel to attend governor training. No other expenses were paid to Governors (2015 - £Nil).

14. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 any one claim. The premium paid for the year ended 31 August 2016 could not be separated from the single general insurance premium (in which this insurance was included). The cost for the year ended 31 August 2015 was £158.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

15. TANGIBLE FIXED ASSETS

	Leasehold land & buildings £	Plant & machinery £	Furniture & equipment £	Computer equipment & software £	Assets under construction £	Total £
Cost						
At 1 September 2015	5,726,020	31,782	182,686	144,443	587,405	6,672,336
Additions	991,519	-	787	25,500	-	1,017,806
Transfer between classes	587,405	-	-	-	(587,405)	-
At 31 August 2016	<u>7,304,944</u>	<u>31,782</u>	<u>183,473</u>	<u>169,943</u>	<u>-</u>	<u>7,690,142</u>
Depreciation						
At 1 September 2015	479,513	18,276	59,783	113,442	-	671,014
Charge for the year	154,099	6,357	18,288	21,989	-	200,733
At 31 August 2016	<u>633,612</u>	<u>24,633</u>	<u>78,071</u>	<u>135,431</u>	<u>-</u>	<u>871,747</u>
Net book value						
At 31 August 2016	<u>6,671,332</u>	<u>7,149</u>	<u>105,402</u>	<u>34,512</u>	<u>-</u>	<u>6,818,395</u>
At 31 August 2015	<u>5,246,507</u>	<u>13,506</u>	<u>122,903</u>	<u>31,001</u>	<u>587,405</u>	<u>6,001,322</u>

16. STOCKS

	2016 £	2015 £
Finished goods and goods for resale	<u>5,383</u>	<u>3,028</u>

17. DEBTORS

	2016 £	2015 £
Other debtors	221	-
Prepayments and accrued income	25,605	49,375
Tax recoverable	12,655	105,488
	<u>38,481</u>	<u>154,863</u>

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

18. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Other loans	27,328	27,328
Trade creditors	20,757	75,828
Other taxation and social security	18,067	48,348
Other creditors	68,961	48,714
Accruals and deferred income	30,602	322,281
	165,715	522,499

At the balance sheet date the academy trust was holding funds received in advance for school meals, school trips and rates relating to the next academic year. At 31 August 2015, accruals included amounts in respect of capital projects which had been completed but not invoiced by the year end. There were no such amounts at 31 August 2016.

	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	42,934	12,215
Resources deferred during the year	13,994	42,934
Amounts released from previous years	(42,934)	(12,215)
Deferred income at 31 August 2016	13,994	42,934

**19. CREDITORS:
Amounts falling due after more than one year**

	2016 £	2015 £
Other loans	149,243	166,269

The school took advantage of a lighting replacement scheme offered by the Local Authority during 2011-12. This took the form of the Local Authority replacing obsolete, costly to run, lights with efficient, effective modern 'eco' lighting in a significant proportion of the school. The school has entered into an agreement to pay back the Local Authority over seven years with four years still remaining. The amount to repay is broadly equivalent to the anticipated cost saving in electricity. This arrangement has the approval of the Secretary of State.

In 2014 the EFA awarded a Condition Improvement Fund Grant (CIF) of £1,090,500 to replace the boilers and heating infrastructure. As part of this agreement the school was awarded a Salix loan for £164,800 to be repaid over 8 years interest free. This liability is accounted for within note 19 but it should be noted that repayments did not commence until April 2016.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

20. STATEMENT OF FUNDS

	Brought forward £	Income £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
Unrestricted funds						
General funds	609,916	424,760	(391,239)	(43,851)	-	599,586
Restricted funds						
Restricted general funds						
General Annual Grant	29,913	3,096,158	(2,992,396)	(111,028)	-	22,647
Other restricted reserves	1,173	84,616	(30,183)	-	-	55,606
Pension reserve	(582,000)	-	(157,000)	94,000	(481,000)	(1,126,000)
	<u>(550,914)</u>	<u>3,180,774</u>	<u>(3,179,579)</u>	<u>(17,028)</u>	<u>(481,000)</u>	<u>(1,047,747)</u>
Restricted fixed asset funds						
DfE/EFA capital grants	1,886,566	284,036	(72,968)	-	-	2,097,634
Other government capital grants	51,021	-	-	-	-	51,021
Capital expenditure from GAG	33,561	-	(19,279)	17,028	-	31,310
Capital expenditure from other funds	4,716,168	-	(108,486)	43,851	-	4,651,533
	<u>6,687,316</u>	<u>284,036</u>	<u>(200,733)</u>	<u>60,879</u>	<u>-</u>	<u>6,831,498</u>
Total restricted funds	<u>6,136,402</u>	<u>3,464,810</u>	<u>(3,380,312)</u>	<u>43,851</u>	<u>(481,000)</u>	<u>5,783,751</u>
Total of funds	<u><u>6,746,318</u></u>	<u><u>3,889,570</u></u>	<u><u>(3,771,551)</u></u>	<u><u>-</u></u>	<u><u>(481,000)</u></u>	<u><u>6,383,337</u></u>

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

The General Annual Grant is used for the normal running costs of the Academy and does include Pupil premium which this year amounted to £99,423 of which £5,500 Year 7 Catch Up Premium. Details of the use and impact of the pupil premium grant are reported, as expected by OFSTED, on the school website.

The school also received, from the Local Authority, High Needs Top up Funding of £23,250 which was expended on education support staff costs and other interventions to support those identified students.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

20. STATEMENT OF FUNDS (continued)

Capital grants received in the year relate to maintenance and improvement of the existing infrastructure of the school.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	6,818,395	6,818,395	6,001,322
Current assets	622,606	163,303	219,991	1,005,900	2,015,764
Creditors due within one year	(23,020)	(85,050)	(57,645)	(165,715)	(522,499)
Creditors due in more than one year	-	-	(149,243)	(149,243)	(166,269)
Provisions for liabilities and charges	-	(1,126,000)	-	(1,126,000)	(582,000)
	<u>599,586</u>	<u>(1,047,747)</u>	<u>6,831,498</u>	<u>6,383,337</u>	<u>6,746,318</u>

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

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	118,019	1,130,577
Adjustment for:		
Returns on investments and servicing of finance	(7,224)	(4,936)
Depreciation of tangible fixed assets	200,733	154,128
Capital grants	(284,036)	(1,186,613)
Decrease in stocks	(2,355)	4,967
Increase in debtors	116,382	(21,088)
Increase in creditors	(356,785)	504,515
LGPS movements (note 26)	63,000	-
Net cash (used in)/provided by operating activities	<u>(152,266)</u>	<u>581,550</u>

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016	2015
	£	£
Cash in hand	456,586	1,106,501
Notice deposits (less than 3 months)	505,450	751,372
Total	962,036	1,857,873

24. CAPITAL COMMITMENTS

At 31 August 2016 the academy had capital commitments as follows:

	2016	2015
	£	£
Contracted for but not provided in these financial statements	247,096	873,988

25. 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 Suffolk County Council. Both are Multi-employer defined benefit pension schemes.

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 £43,218 were payable to the schemes at 31 August 2016 (2015 - £39,404) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

25. PENSION COMMITMENTS (continued)

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 £251k (2015 - £221k).

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).

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.

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 2016 was £238,000 (2015 - £230,000), of which employer's contributions totalled £94,000 (2015 - £90,000) and employees' contributions totalled £134,000 (2015 - £140,000). The agreed contribution rates for future years are 18.8% for employers and variable% 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 at the balance sheet date (expressed as weighted averages):

	2016	2015
Discount rate for scheme liabilities	2.10 %	3.80 %
Rate of increase in salaries	4.10 %	4.60 %
Rate of increase for pensions in payment / inflation	2.10 %	2.70 %

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

25. PENSION COMMITMENTS (continued)

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

	2016	2015
Retiring today		
Males	22.4 years	22.4 years
Females	24.4 years	24.4 years
Retiring in 20 years		
Males	24.3 years	24.3 years
Females	26.9 years	26.9 years

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	1,003	762
Debt instruments	291	239
Property	145	125
Cash	14	11
Total market value of assets	<u>1,453</u>	<u>1,137</u>

The actual return on scheme assets was £208,000 (2015 - £2,000).

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

	2016 £	2015 £
Current service cost (net of employee contributions)	(134,000)	(140,000)
Net interest cost	(23,000)	(2,000)
Total	<u>(157,000)</u>	<u>(142,000)</u>

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

25. PENSION COMMITMENTS (continued)

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

	2016 £	2015 £
Opening defined benefit obligation	1,719,000	1,535,000
Current service cost	134,000	140,000
Interest cost	68,000	60,000
Contributions by scheme participants	29,000	29,000
Actuarial (gains)/losses	644,000	(30,000)
Benefits paid	(15,000)	(15,000)
	<u>2,579,000</u>	<u>1,719,000</u>

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

	2016 £	2015 £
Opening fair value of scheme assets	1,137,000	992,000
Return on plan assets (excluding net interest on the net defined pension liability)	45,000	58,000
Actuarial gains and (losses)	163,000	(17,000)
Contributions by employer	94,000	90,000
Contributions by employees	29,000	29,000
Benefits paid	(15,000)	(15,000)
	<u>1,453,000</u>	<u>1,137,000</u>

26. 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 £	2015 £
Amounts payable:		
Within 1 year	5,895	6,246
Between 1 and 5 years	16,213	22,108
Total	<u>22,108</u>	<u>28,354</u>

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

27. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy's operations and the composition of the Governing Body 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.

Mrs Sarah Carruthers is the wife of Mr David Carruthers. Mrs Sarah Carruthers was employed as a Casual Exam Invigilator on a contract approved by the governors. The remuneration package provided is in line with the standard payscale for this role and her employment contract is subject to normal terms and conditions. Her employment is authorised by the Articles.

No other transactions have taken place during the period of account.

28. 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.

29. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

RECONCILIATION OF TOTAL FUNDS	Notes	<i>1 September 2014</i>	<i>31 August 2015</i>
		£	£
Total funds under previous UK GAAP		5,602,741	6,746,316
Total funds reported under FRS 102		<u>5,602,741</u>	<u>6,746,316</u>

There have been no changes to the previously stated net funds as a result of the impact of implementing FRS 102 and SORP 2015.

Reconciliation of net income	Notes	<i>31 August 2015</i>
		£
Net income previously reported under UK GAAP		1,130,577
Net movement in funds reported under FRS 102		<u>1,130,577</u>

There have been no changes to the previously stated net income as a result of the impact of implementing FRS 102 and SORP 2015.