

DEBENHAM HIGH SCHOOL

A Church of England High Performing Specialist Academy



GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

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DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

Governors (Trustees/Directors)

*Mr Ronald Barker, Parent Governor (appointed 3 February 2015)
*Mr Richard Boulter, Chair - Foundation Governor
(Chair of Governors until 7 October 2014)
*Mr David Carruthers, Vice Chair - Foundation Governor
(Chair of Governors from 7 October 2014)
Rev Patrick Cotton, Foundation Governor - ex-officio
Mr Paul Debenham, Local Authority Governor
*Mrs Caroline Driver, Parent Governor (appointed 3 February 2015)
Dr David Egan, Co-opted by Governors
Mr Christopher Gilgan, Parent Governor (resigned 31 December 2014)
*Ms Siobhan Goodrich, Parent Governor
(Vice-Chair from 7 October 2014)
Mr Timothy Green, Co-opted by Members (appointed 3 February 2015)
Mr Christopher Grover, Foundation Governor
*Mrs Fiona Hotston Moore, Co-opted by Governors
Mrs Sheila Janson, Co-opted by Members
Dr Hilary Marlow, Foundation Governor
Mr David McMillan, Staff Governor - Teacher
Mrs Jo Newman, Staff Governor - Teacher (appointed 3 February 2015)
*Mr Brian Poole, Parent Governor (resigned 31 December 2014)
*Mr David Ralph, Parent Governor
*Mr Robert Stevenson, Parent Governor
*Miss Julia Upton, Head Teacher - Accounting Officer
Mrs Lesley Wilson, Staff Governor - Support Staff (resigned 31 December 2014)
Mrs Emma Wnukoski, Staff Governor - Support Staff (appointed 3 February 2015)
Mr David Yaroslaw, Staff Governor - Teacher (resigned 31 December 2014)

* 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 Dr David Thomson, Acting Bishop of St Edmundsbury & Ipswich
(Appointed by the Diocesan Board of Education) (From 21 October 2013 until 5 April 2015)
The Rt Rev'd Martin Seeley, Bishop of St Edmundsbury & Ipswich
(Appointed by the Diocesan Board of Education) (From 7 May 2015)
Mr Richard Boulter (Chair of Governors until 7 October 2014)
Mr David Carruthers (Chair of Governors from 7 October 2014)
Mrs Janet Brown
Mr Robert Grimsey
*Mr Neil Serjeant

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

Administrative details (continued)

Company registered number

07467445

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, 1 Claydon Business Park, Great Blakenham, Ipswich, Suffolk, IP6 0NL

Bankers

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

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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Governors (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Debenham High School (the academy) for the year ended 31 August 2015. The annual report serves the purposes of both a Governors' report and a directors' report under company law. The Governors confirm that the Annual report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

The 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 646 students on roll (October census 2014) with a planned capacity of 625.

a. CONSTITUTION

Debenham High School is a company limited by guarantee and an exempt charity. Debenham High School was established as an Academy on 1 January 2011, converting from Debenham Church of England Voluntary Controlled High School under the Academies Act 2010. The company's Memorandum and Articles of Association (13 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.

b. MEMBERS' LIABILITY

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

c. GOVERNORS' INDEMNITIES

The academy has obtained indemnity insurance 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. Insurer: Royal Sun Alliance; Limit of Indemnity: £2,000,000.

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

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;

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

- 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 3 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

e. 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.

All Members and Governors give of their time freely and no remuneration connected to their role as governors was paid in the period. (Staff Governors receive remuneration in relation to their employment as members of staff). Miss Upton, Mr Yaroslaw, Mrs Newman and Mrs Wnukoski claimed expenses during the period but only for travel and reimbursement for school materials and only in connection with their roles at the school. Mrs Driver claimed expenses to attend governor training.

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

Broadly:

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

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 Working Party
Headteacher							
Miss J Upton	*	*	*			*	*
Nominated by Diocesan Board of Education							
Mr R Boulter			*	*		*	*
Mr D Carruthers	*	*	*	*		*	*
Rev P Cotton	*			*		*	*
Mr C Grover	*					*	*
Dr H Marlow				*	*	*	*
Parent Governors							
Mr R Barker			*	*		*	*
Mrs C Driver			*		*	*	*
Mr C Gilgan	*			*	*	*	*
Mr D Ralph			*	*		*	*
Mr B Poole		*	*			*	*
Mr R Stevenson		*	*		*	*	*
Mrs S Goodrich	*	*	*	*		*	*
Local Authority							
Mr P Debenham	*	*			*	*	*
Staff							
Mr D McMillan			*	*(exc staff hearings)	*	*	*
Ms J Newman					*	*	*
Mrs L Wilson						*	*
Mrs E Wnukoski						*	*
Mr D Yaroslaw				*(exc staff hearings)		*	*
Co-opted							
Dr D Egan		*			*	*	*
Mr T Green				*	*	*	*
Mrs F Hotston Moore			*			*	*
Mrs S Janson	*			*		*	*

f. 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.

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

g. 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 support 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 sports field owned by the academy and pupils 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.

Objectives and Activities

a. 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."

b. 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 pupils to the full realisation of their talents and potential.
- To enable pupils, through a demanding, broad and balanced curriculum, to achieve as high a level of success as possible in public examinations.
- To help pupils 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.

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- To engender respect for and tolerance of others - regardless of differences of race, disability, sexuality, gender, culture or religion.
- To encourage pupils 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.

c. STRATEGIES AND ACTIVITIES

The improvement aims of the Academy are set out within the School Development Plan. 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 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. We review progress and report it 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 the wider skills needed to be successful citizens. 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, 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 pupils, parents and carers, and as such amends practice where appropriate.

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 MAT.

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

d. 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

a. REVIEW OF ACTIVITIES

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 35% of students come to us from beyond our catchment area.

We are over-subscribed in every year group (with a PAN of 125 in every year group). Our numbers on roll in September 2015 stand at 668. For September 2015 we had the most applicants that the school has received for entry in the last five years.

In August 2015 we had another exceptional set of GCSE examinations results. The headline figure of 68% students gaining 5A*-C grades including Mathematics and English was very pleasing, especially given the prior attainment profile of the year group in comparison to the year before. We were very close to our ambitious target for the proportion of students achieving this benchmark as set by Fisher Family Trust D data.

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

Despite the lower number of students in the upper ability band based on KS2 data the number of A* and A grades was our highest in the last five years at 34% of all grades awarded at this level.

	APS	National APS	U (%)	M (%)	L (%)
Year 11 2014-15	28.1	27.6	33.6	52	14.4
Year 11 2013-14	28.8	27.9	44.4	46	9.5

Improvements in progress measures for each subject (using FFTD estimates as a benchmark) show that a large proportion of subjects improved on 2014. Twenty subjects improved upon 2014 in progress terms.

The overall comparison for FFTD for all subjects and grades was 0.44 (in comparison to 0.01 in 2014 and -0.21 in 2013). Hence, we fully expect the Value Added score in Raise in 2014 of 1019 to be even higher when it is published in December.

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FOR THE YEAR ENDED 31 AUGUST 2015

The school monitors performance of pupils by a continuous evaluation of achievements against expectations using nationally published data and the knowledge the teachers have about individual pupils 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 pupils learn and develop and takes steps to ensure pupils 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 (SEN, FSM ever, LAC, Services Children). Considerable work has taken place in 2014-15 on preparing for a new assessment framework in Life without Levels. There is a clear plan for this work over the year ahead.

Work on closing the gaps between able boys and girls has had a visible impact with the residual for Upper Boys at 0.75 and Upper girls at 0.27 (the first time in the last five years where boys have been higher). SEN students had a positive residual of 0.4. Whilst a cohort of only 7 and small numbers must be treated with due caution this represents an excellent achievement and a positive approach to closing the gaps from the previous year.

Progress in the core subjects of English and Mathematics continued to be strong in comparison to national averages.

Levels progress	DHS 2014	National 2014
English 3+ levels	84%	70%
English 4+ levels	48%	32%
Mathematics 3+ levels	76%	65%
Mathematics 4+ levels	55%	29%

With a consistent GCSE diet this represents an improvement in attainment through improved teaching and learning rather than by modification of the curriculum. The KS4 offer is changed every year to adapt to each cohort. There are a small number of students who access a vocational provision at Otley College as part of their GCSE studies. All students on these courses gained at least one level 2 qualification worth at least a C grade at GCSE. All pathways are considered with a mind to the next step in students' career and progression to further education.

The whole school focus on literacy, specifically, talk to text and then decoding language and reading, has seen an improvement in the attainment of literacy based subjects. This has been especially true in History and Geography.

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			
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

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

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.

External verification

School Improvement Partner

Staff and Governors continue to work with a School Improvement Partner who 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. 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

The school reviewed the new Pay Policy linked to Performance Management with clear expectations for progression as set in the previous academic year. The school remains fully staffed though the depth of field for teaching posts is becoming more of a challenge. The first year of the Graduate Intern programme was a success with all four employees securing places on teacher training courses and having a marked impact on the quality of teaching and learning (as evidenced in the SEND Faculty Review) as well as improving the diversity of the Support Staff team at the school.

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. The introduction of teaching trios in 2014-15 allowed greater personalisation to professional development, formalised peer observations and allowed staff to develop their chosen theme from the SDP. Feedback from the value of these trios was very positive. In the year ahead

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FOR THE YEAR ENDED 31 AUGUST 2015

teachers will be expected to work with those from other subject areas, therefore sharing practice across teams.

Land and Buildings

In this academic year the school received a sum of £51,021 as a Section 106 agreement due to an historical housing development in the village of Debenham. This funding was granted to improve the facilities of students at Debenham High School. The monies were used to completely refurbish the PE changing rooms, increasing capacity and making them health and safety and safeguarding compliant and fit for purpose.

At present the school is seeking opportunities to address the significant lack of accessibility in certain areas of the school, significant shortfall in float space for teaching and improve the flow of student movement. Building work would link areas together and create much needed multi-purpose teaching spaces. Increased numbers have created greater pressure on the health and safety of students as they move around the school.

In 2014-15 the school was successful in obtaining a £1.1 million capital fund to renew all the heating pipework in the school and to replace the boiler with biomass. Not only will this improve the heating throughout the school, it should also create a more sustainable solution.

After appeal the school was awarded a CIF, Condition Improvement Fund, grant to replace a proportion of the roofs in the worst condition. This project will commence in October 2015 and is due for completion during March 2016. The school will also seek to create more classroom space and to refurbish roofing and aged windows through capital projects in 2016-17.

b. 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 approximately 85% total staff costs as a percentage of GAG income is acceptable given that we do not contract out either cleaning or catering in school. We are 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 SLT, is 16.17 for the year 2015-16. The aim of 85% total staff costs as a percentage of GAG is becoming increasingly hard to achieve with the budget for 2015-16 predicting staff costs of 90% to GAG income. The governors and management team 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 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 prides itself on is not compromised in any way.

c. 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.

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GOVERNORS' REPORT (continued)
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Financial review

a. REVIEW

The school roll increased from 645 in October 2013 to 646 in October 2014 with an anticipated roll of 668 in October 2015. Most of the academy's income is obtained from the 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 the 31st August 2015 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 in the past has benefited from additional grant funding as the result of a bidding process for capital projects. It was announced, after an appeal in July 2014, that the school had obtained grant funding and a salix loan via the Academies Capital Maintenance Fund to replace our boilers and heating infrastructure. This work will be complete in November 2015. In July 2015 it was announced, again after an appeal, that the school had been awarded a grant from the Condition Improvement Fund (CIF) to replace/refurbish a proportion of the roofs. This project begins in October 2015 and is due to complete in March 2016. 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' (SORP 2005), such grants are shown in the statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31st August 2015 total revenue expenditure of £3,427,479 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) was £120,143. Combined with the brought forward from 13-14 of £520,859 gives a revenue carry forward figure of £641,002 which is greater than the level of planned unrestricted reserves as detailed in the Reserves Policy. However, with the uncertainty of future funding levels, and the impact of the removal of the employers NI rebate and the increase in employer pension contributions for both teachers and support staff, this is a prudent and necessary level of revenue reserves. The Governors have set aside £50,000 to support a current Condition Improvement Fund (CIF) project and have also earmarked £250,000 to support future bids through the CIF grant process. 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 future funding challenges.

The fixed asset policy was amended for this accounting period where the threshold to convert to fixed assets was raised to £5,000. £29,949 was transferred to fixed assets from revenue during 2014/15. Fixed Assets under construction totalled £587,405 which will be depreciated during the 15-16 year once brought into use in accordance with the school fixed asset policy.

During the year ended 31st August 2015 the school received total capital income of £1,351,413 made up of £981,450 of the grant awarded by the academies capital maintenance fund (ACMF) for the boiler and heating project and £304,058 for the roof project grant from the condition improvement fund (CIF), £14,884 from the devolved formula capital (DFC) allocation for 2015-16 and £51,021 from a historical S106 fund allocated for improving facilities at the school from a local housing developer. The excess of income over expenditure for capital was £879,590 with the vast majority of this sum committed to current projects.

At 31st August 2015 the net book value of fixed assets was £6,001,322. 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 pupils of the academy.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

b. 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 (eg: to improve or expand facilities).

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 drop 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 management are acutely aware of the need to balance financial prudence with maintaining the top quality education Debenham prides itself on. 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 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 than 6 months or in riskier vehicles require the approval in advance of the Finance and General Purposes Committee (FGPC).

The school received £4,936 in interest in the year 2014-15.

c. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The school has a comprehensive Risk Management Plan which identifies the main risks to the school and the methods and strategies employed to mitigate those risks. A group of governors from the Finance and General Purposes Committee together with the Business Manager review the plan and the controls in place on a regular basis. The Risk Management Plan categorises risk into the following categories: Compliance; Operational; Financial; Strategic and Reputational.

DEBENHAM HIGH SCHOOL
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

The financial risks and uncertainties facing Debenham High School have increased this year as the Government and Education Funding Agency (EFA) begin the transition to the implementation of the new national funding formula. The trend for Government funding is downwards and this will impact greatly on rural high schools such as ourselves. Add to this the removal of the employers' NI rebate and the increase in employers' pension contributions for the Local Government Pension Scheme (LGPS) and Teachers' Pension Scheme (TPS), the Governors and management team are acutely aware of the need to balance financial prudence with maintaining the top quality education provision Debenham prides itself on. The 5-year 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. The school continues to be oversubscribed which bodes well for pupil number driven funding. The school performance and reputation are key areas instrumental to the current and future financial well-being of the school.

The day-to-day impact of cash flow on the bank balance and the school's level of creditors is monitored on a weekly and monthly basis. The level of debtors is minimal.

The academy is obliged to reflect, as a contingent liability, the actuarial deficit of the existing defined benefit pension obligations for support staff in the LGPS. The actuary calculated the fund attributable to Debenham to be a deficit of £582,000.

The Governors are aware that the LGPS Pension Fund is in deficit. In line with the risk management plan the Governors consider the annual Actuary Report and as an aid to prudent financial management to ensure future staff costs are assessed in the light of the likely need to increase future employer's contributions. Employer's contributions have increased to 18.8 % from April 2015 and will continue to increase annually reaching 19.8% from April 2016. This was determined from the LGPS triennial actuary report produced in 2013. The governing body anticipate the announcement of further increases in employer contributions during 2016 once the actuaries have completed the triennial actuarial review in spring 2016.

Plans for future periods

a. FUTURE DEVELOPMENTS

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
- Develop more formal partnerships with other schools such as through the creation of a Multi-Academy Trust or school to school support
- In the 2015-16 academic year the school will seek to apply for teaching school status in order to further develop the work done with initial teacher training, continuing professional development and school to school support.
- The school aims to continue to refurbish the school including replacing roofs, windows and infrastructure. The school also aims to expand to incorporate a new teaching block and link to further ease the congestion in the school. These projects are incorporated into the School Building and Premises Development and Maintenance Plan and are dependent upon the award of grant funding.

This is underpinned by the School Improvement & Development Plan.

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

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

This report, incorporating the Strategic report, was approved by order of the Governors of the Academy, as the company directors, on 8 December 2015 and signed on the board's behalf by:



Mr David Carruthers
Member and 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 board of governors has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Debenham High School and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' report and in the Governors' responsibilities statement. The board of governors has formally met 5 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governor	Meetings attended	Out of a possible
*Mr Ronald Barker (joined Feb 15)	3	3
*Mr Richard Boulter (Chair until Oct 14)	2	2
*Mr David Carruthers (Vice Chair, Chair from Oct 14)	5	5
Rev Patrick Cotton	3	5
Mr Paul Debenham	5	5
*Mrs Caroline Driver (joined Feb 15)	3	3
Dr David Egan	1	5
Mr Christopher Gilgan (resigned Dec 14)	0	2
*Ms Siobhan Goodrich (Vice Chair from Oct 14)	3	5
Mr Timothy Green (joined Feb 15)	3	3
Mr Christopher Grover	2	5
*Mrs Fiona Hotston Moore	4	5
Mrs Sheila Janson	4	5
Dr Hilary Marlow	5	5
Mr David McMillan	3	5
Mrs Jo Newman (joined Feb 15)	3	3
*Mr Brian Poole (resigned Nov 14)	1	1
*Mr David Ralph	0	5
*Mr Robert Stevenson	5	5
*Miss Julia Upton, Head Teacher - Accounting Officer	5	5
Mrs Lesley Wilson(resigned Dec 14)	2	2
Mrs Emma Wnukoski (joined Feb 15)	2	3
Mr David Yaroslaw (resigned Dec 14)	2	2

* Members of the Finance and General Purposes Committee.

During the 2014-15 financial year Mr Boulter stepped down from his position as Chair of Governors and subsequently resigned as a governor and director of the charitable company having served as a governor of Debenham High school for some 24 years. Mr Boulter has remained a member of the charitable company. Mr David Carruthers was elected Chair from October 2015.

DEBENHAM HIGH SCHOOL
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GOVERNANCE STATEMENT (continued)

The Finance and General Purposes Committee 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 David Carruthers (Chair to Nov 14)	6	6
Miss Julia Upton	6	6
Mr Richard Boulter (resigned Dec 14)	2	3
Ms Siobhan Goodrich	2	6
Mrs Fiona Hotston Moore (Chair from Nov 14)	4	6
Mr Brian Poole (resigned Nov 14)	0	1
Mr David Ralph	4	6
Mr Rob Stevenson	3	6
Mr Neil Serjeant	5	6
Mr Ronald Barker (joined March 15)	3	3
Mrs Caroline Driver (joined March 15)	3	3

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 board of trustees 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 we continue 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, as 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 our improvement.

- **Staffing**

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

We are committed to staff development and training of all staff. We benefit from an experienced team of staff and low turnover of staff. In the last year we introduced a one-year Graduate Intern role 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 2015-16.

DEBENHAM HIGH SCHOOL
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GOVERNANCE STATEMENT (continued)

- **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.

Strategic budget plans are drawn up to ensure successful delivery of aims and goals of the School Development Plan (SDP) 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 Finance and General Purposes Committee play 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 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**

We continue to seek funding through the Condition Improvement Fund, (CIF), process to support our success. This includes much needed maintenance work along with the build of additional classrooms to ensure we meet health and safety criteria and to enable more effective timetable planning and improved resources. This has included a £1.1 million overhaul of the heating system in 2014-15. In the year ahead we will commence work on a section of the school roofing.

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

DEBENHAM HIGH SCHOOL
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GOVERNANCE STATEMENT (continued)

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

CAPACITY TO HANDLE RISK

The board of governors has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors. 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 Finance and General Purposes Committee and the Business Manager review the plan and the controls in place formally once a year in the summer 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:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of governors;
- regular reviews by the Finance 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.

The board of governors has considered the need for a specific internal audit function during this accounting period.

From September 2014, the Governors have appointed Miller Wash Associates as internal auditors who will 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 procurement and purchase ledger controls and practise together with HR and payroll administration. Only minor points have been raised and the controls in place assessed as sound, appropriate and well managed.

The governing body no longer appoints an individual to the role of Responsible Officer.

DEBENHAM HIGH SCHOOL
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GOVERNANCE STATEMENT (continued)

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 auditors;
- the work of the academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General 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 8 December 2015 and signed on its behalf, by:



Mr David Carruthers
Chair of Governors



Miss Julia Upton
Accounting Officer


DEBENHAM HIGH SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Miss Julia Upton
Accounting Officer

Date: 8 December 2015

DEBENHAM HIGH SCHOOL
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GOVERNORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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 (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

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

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

The Governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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 governing body on 8 December 2015 and signed on its behalf by:



Mr David Carruthers
Chair of Governors

DEBENHAM HIGH SCHOOL
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DEBENHAM HIGH SCHOOL

We have audited the financial statements of Debenham High School for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

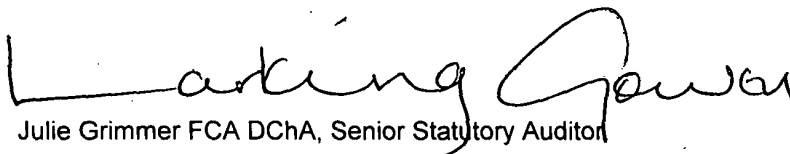
DEBENHAM HIGH SCHOOL
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DEBENHAM HIGH SCHOOL

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
10 December 2015

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

This report is made solely to Debenham High School and 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 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 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 ACCOUNTANT

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

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

In planning and conducting our work we had due regard to professional guidance, including the Academies Accounts Direction 2014 to 2015 and the ICAEW Assurance Sourcebook. The work undertaken to draw to our conclusion, includes, but is not limited to:

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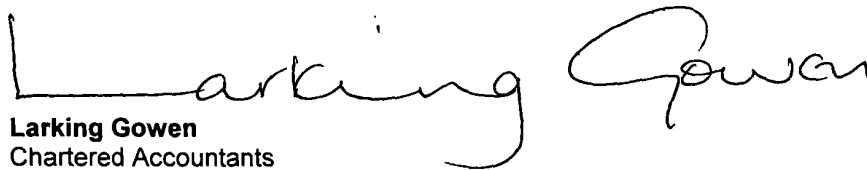
**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO DEBENHAM
HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.


Larking Gowen
Chartered Accountants
Statutory Auditors
Ipswich

10 December 2015

DEBENHAM HIGH SCHOOL
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STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	3,862	140	-	4,002	26,995
Activities for generating funds	3	302,115	-	-	302,115	292,388
Investment income	4	4,936	-	-	4,936	4,014
Incoming resources from charitable activities	5	24,600	3,211,969	1,186,613	4,423,182	3,314,097
TOTAL INCOMING RESOURCES		335,513	3,212,109	1,186,613	4,734,235	3,637,494
RESOURCES EXPENDED						
Charitable activities		206,452	3,213,811	154,129	3,574,392	3,483,249
Governance costs	9	-	6,565	-	6,565	8,150
Other resources expended	10	22,701	-	-	22,701	18,881
TOTAL RESOURCES EXPENDED	6	229,153	3,220,376	154,129	3,603,658	3,510,280
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS, CARRIED FORWARD		106,360	(8,267)	1,032,484	1,130,577	127,214

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

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS, BROUGHT FORWARD		106,360	(8,267)	1,032,484	1,130,577	127,214
Transfers between Funds	20	-	(29,949)	29,949	-	-
NET INCOME FOR THE YEAR		106,360	(38,216)	1,062,433	1,130,577	127,214
Actuarial gains and losses on defined benefit pension schemes		-	13,000	-	13,000	(321,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		106,360	(25,216)	1,062,433	1,143,577	(193,786)
<i>Total funds at 1 September 2014</i>		<i>503,556</i>	<i>(525,698)</i>	<i>5,624,883</i>	<i>5,602,741</i>	<i>5,796,527</i>
TOTAL FUNDS AT 31 AUGUST 2015		609,916	(550,914)	6,687,316	6,746,318	5,602,741

All activities relate to continuing operations.

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

The notes on pages 32 to 53 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	2014 £
FIXED ASSETS				
Tangible assets	15		6,001,322	5,526,101
CURRENT ASSETS				
Stocks	16	3,028	7,995	
Debtors	17	154,863	133,775	
Cash at bank and in hand		1,857,873	556,051	
		<u>2,015,764</u>	<u>697,821</u>	
CREDITORS: amounts falling due within one year	18	(522,499)	(49,385)	
NET CURRENT ASSETS			<u>1,493,265</u>	<u>648,436</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,494,587</u>	<u>6,174,537</u>
CREDITORS: amounts falling due after more than one year	19		<u>(166,269)</u>	<u>(28,796)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>7,328,318</u>	<u>6,145,741</u>
Defined benefit pension scheme liability	26		<u>(582,000)</u>	<u>(543,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>6,746,318</u>	<u>5,602,741</u>
FUNDS OF THE ACADEMY				
Restricted funds:				
Restricted funds	20	31,086	17,302	
Restricted fixed asset funds	20	6,687,316	5,624,883	
Restricted funds excluding pension liability		<u>6,718,402</u>	<u>5,642,185</u>	
Pension reserve		<u>(582,000)</u>	<u>(543,000)</u>	
Total restricted funds			<u>6,136,402</u>	<u>5,099,185</u>
Unrestricted funds	20		<u>609,916</u>	<u>503,556</u>
TOTAL FUNDS			<u>6,746,318</u>	<u>5,602,741</u>

The financial statements were approved by the Governors, and authorised for issue, on 8 December 2015 and are signed on their behalf, by:



Mr David Carruthers
Member and Chair of Governors

The notes on pages 32 to 53 form part of these financial statements.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	22	581,550	40,308
Returns on investments and servicing of finance	23	4,936	2,014
Capital expenditure and financial investment	23	557,264	84,745
CASH INFLOW BEFORE FINANCING		1,143,750	127,067
Financing	23	158,072	(6,728)
INCREASE IN CASH IN THE YEAR		1,301,822	120,339

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

	2015 £	2014 £
Increase in cash in the year	1,301,822	120,339
Cash outflow from decrease in debt and lease financing	6,727	6,728
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	1,308,549	127,067
New loan finance	(164,800)	-
MOVEMENT IN NET FUNDS IN THE YEAR	1,143,749	127,067
Net funds at 1 September 2014	520,527	393,460
NET FUNDS AT 31 AUGUST 2015	1,664,276	520,527

The notes on pages 32 to 53 form part of these financial statements.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Going concern

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

1.3 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 funders where the asset acquired or created is held for a specific purpose.

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

1.4 Incoming resources

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

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

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

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

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.5 Resources expended

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £5,000 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. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy.

A review for impairment of a 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.

Tangible fixed assets are stated at cost less depreciation. 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 & building extensions	-	2% (50 years) straight line
Building enhancements	-	5% (20 years) straight line with nil residual value
Plant & 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 Leased Assets

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

1.8 Stocks

Unsold uniform stock and catering stock is valued at the lower of cost and net realisable value.

1.9 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 2015

1. ACCOUNTING POLICIES (continued)

1.10 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 26, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Donations	3,862	140	4,002	4,726
Grants	-	-	-	22,269
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	3,862	140	4,002	26,995
	<hr/>	<hr/>	<hr/>	<hr/>

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Items sold	31,157	-	31,157	24,951
Income from services provided	28,658	-	28,658	32,105
Hire of facilities	3,735	-	3,735	3,957
Catering income	133,305	-	133,305	118,388
Academy trips	105,260	-	105,260	100,582
Insurance claims	-	-	-	12,405
	<u>302,115</u>	<u>-</u>	<u>302,115</u>	<u>292,388</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Investment income	4,936	-	4,936	2,014
Pension income	-	-	-	2,000
	<u>4,936</u>	<u>-</u>	<u>4,936</u>	<u>4,014</u>

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA Grants				
General Annual Grant	-	3,070,346	3,070,346	3,052,601
Pupil Premium	-	96,840	96,840	88,546
Other DfE/EFA Grants	24,000	-	24,000	24,000
DfE/EFA Capital Grants	-	1,135,592	1,135,592	123,867
	<u>24,000</u>	<u>4,302,778</u>	<u>4,326,778</u>	<u>3,289,014</u>
Other Government Grants				
LA Grants	600	30,083	30,683	25,083
LA Capital Grants	-	51,021	51,021	-
LAC Pupil Premium	-	14,700	14,700	-
	<u>600</u>	<u>95,804</u>	<u>96,404</u>	<u>25,083</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>24,600</u>	<u>4,398,582</u>	<u>4,423,182</u>	<u>3,314,097</u>

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

6. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total	Total
	2015	Premises	Other costs	2015	2014
	£	2015	2015	£	£
Direct costs - staff costs	2,458,750	-	2,000	2,460,750	2,358,631
Direct costs - other costs	-	-	384,218	384,218	385,529
Support costs - staff costs	344,899	-	-	344,899	326,915
Support costs - premises	-	252,365	-	252,365	288,596
Support costs - other costs	-	-	132,160	132,160	123,578
Charitable activities	2,803,649	252,365	518,378	3,574,392	3,483,249
Governance	-	-	6,565	6,565	8,150
Other resources expended	-	-	22,701	22,701	18,881
	2,803,649	252,365	547,644	3,603,658	3,510,280

7. DIRECT COSTS

	Staff Costs	Other Costs	Total	Total
	£	£	2015	2014
	£	£	£	£
Net pension finance expense	2,000	-	2,000	-
Depreciation	-	36,824	36,824	51,837
Technology costs	-	39,114	39,114	37,600
Educational supplies	-	129,079	129,079	122,577
Examination fees	-	51,448	51,448	47,503
Educational consultancy	-	5,620	5,620	4,719
Other direct costs	-	112,578	112,578	108,475
Pupil recruitment and support	-	9,555	9,555	12,818
Wages and salaries	2,408,750	-	2,408,750	2,342,631
Pension cost	50,000	-	50,000	16,000
	2,460,750	384,218	2,844,968	2,744,160

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

8. SUPPORT COSTS

	Staff costs	Premises	Other costs	Total 2015	Total 2014
	£	£	£	£	£
Depreciation	-	117,306	-	117,306	116,313
Technology costs	-	-	16,461	16,461	10,365
Staff development and other indirect expenses	20,411	-	-	20,411	24,079
Maintenance of premises and equipment	-	40,433	-	40,433	79,595
Cleaning	-	2,289	-	2,289	1,881
Rent and rates	-	35,726	-	35,726	35,035
Utilities/energy costs	-	33,429	-	33,429	33,836
Insurance	-	23,182	-	23,182	21,936
Catering	-	-	71,337	71,337	59,792
Other support costs	-	-	44,362	44,362	53,422
Wages and salaries	324,488	-	-	324,488	302,836
	344,899	252,365	132,160	729,424	739,090

9. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Governance Auditors' remuneration	-	5,235	5,235	4,695
Other governance costs	-	1,330	1,330	3,455
	-	6,565	6,565	8,150

10. OTHER RESOURCES EXPENDED

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Items for resale	22,701	-	22,701	18,881

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

11. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned or leased by the charity	154,128	168,151
Auditors' remuneration	2,850	2,750
Auditors' remuneration - non-audit	2,385	1,945
	<u> </u>	<u> </u>

12. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries - see breakdown below	2,733,238	2,645,467
Other pension costs - see note 26	50,000	16,000
	<u> </u>	<u> </u>
	2,783,238	2,661,467
Staff development expenses	10,549	12,526
Indirect employee expenses	9,862	11,553
	<u> </u>	<u> </u>
	2,803,649	2,685,546
	<u> </u>	<u> </u>

b. Staff numbers

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

	2015 No.	2014 No.
Teachers	39	38
Admin & Support	29	31
Management	5	5
	<u> </u>	<u> </u>
	73	74
	<u> </u>	<u> </u>

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

12. STAFF (continued)

c. Higher paid staff

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

	2015	2014
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1
	<u>2</u>	<u>2</u>

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

Wages and salaries breakdown

	2015	2014
	£	£
Wages and salaries	2,263,220	2,199,925
Social security costs	158,727	154,407
Pension costs	311,291	291,135
Total	<u>2,733,238</u>	<u>2,645,467</u>

	£	£
of which supply teacher costs	6,473	7,420

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

13. GOVERNORS' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 2 Governors (2014 - 1) in respect of defined contribution pension schemes.

During the year retirement benefits were accruing to 4 Governors (2014 - 3) 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:

	2015	2015	2014	2014
	Remuneration	Pension	Remuneration	Pension
		Contributions		Contributions
	£'000	£'000	£'000	£'000
Miss J Upton, Headteacher	75-80	10-15	70-75	10-15
Mr D Yaroslaw, Staff Governor	45-50	5-10	40-45	5-10
Mr D Macmillan, Staff Governor	35-40	5-10	40-45	5-10
Mrs L Wilson, Staff Governor	20-25	0-5	20-25	0-5
Mrs J Newman, Staff Governor	40-45	5-10	0	0
Mrs E Wnukoski, Staff Governor	10-15	0-5	0	0

During the year, Mrs C Driver claimed £16 (2014: Nil) for travel to attend governor training. No other expenses were paid to Governors (2014 - £Nil).

14. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The limit of indemnity for this cover is £2,000,000 (all claims in the aggregate during the period of insurance and with an excess of £250 in respect of each and every claim). The cost for the year ended 31 August 2015 was £158 (2014 - £167).

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

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

15. TANGIBLE FIXED ASSETS

	Leasehold land & buildings £	Plant & machinery £	Furniture & equipment £	Computer equipment & software £	Assets under construction £	Total £
Cost						
At 1 September 2014	5,707,297	31,782	182,686	121,222	-	6,042,987
Additions	18,723	-	-	23,221	587,405	629,349
At 31 August 2015	5,726,020	31,782	182,686	144,443	587,405	6,672,336
Depreciation						
At 1 September 2014	368,564	11,920	41,514	94,888	-	516,886
Charge for the year	110,949	6,356	18,269	18,554	-	154,128
At 31 August 2015	479,513	18,276	59,783	113,442	-	671,014
Net book value						
At 31 August 2015	5,246,507	13,506	122,903	31,001	587,405	6,001,322
At 31 August 2014	5,338,733	19,862	141,172	26,334	-	5,526,101

Assets under construction comprise the renewal of heating pipework and installation of a biomass boiler and refurbishment of PE changing rooms.

16. STOCKS

	2015 £	2014 £
Finished goods and goods for resale	3,028	7,995

17. DEBTORS

	2015 £	2014 £
Prepayments and accrued income	49,375	36,960
Tax recoverable	105,488	96,815
	154,863	133,775

DEBENHAM HIGH SCHOOL
(A company limited by guarantee)

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

18. CREDITORS:
Amounts falling due within one year

	2015	2014
	£	£
Other loans	27,328	6,728
Trade creditors	75,828	14,739
Other taxation and social security	48,348	-
Other creditors	48,714	10,612
Accruals and deferred income	322,281	17,306
	<u>522,499</u>	<u>49,385</u>

At the balance sheet date the academy trust was holding funds received in advance for school meals, school trips, rates and insurance grants relating to the next academic year.

Deferred income

Deferred income at 1 September 2014	12,215
Resources deferred during the year	42,934
Amounts released from previous years	(12,215)
	<u>42,934</u>
Deferred income at 31 August 2015	<u>42,934</u>

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

	2015	2014
	£	£
Other loans	<u>166,269</u>	<u>28,796</u>

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 2015 the EFA awarded a Condition Improvement Fund Grant (CIF) of £925,700 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 are not anticipated to commence until April 2016.

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

20. STATEMENT OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
Unrestricted funds						
General funds	503,556	335,513	(229,153)	-	-	609,916
Restricted funds						
Restricted general funds						
General Annual Grant	14,809	3,181,886	(3,046,833)	(119,949)	-	29,913
Other restricted reserves	2,493	30,223	(31,543)	-	-	1,173
Pension reserve	(543,000)	-	(142,000)	90,000	13,000	(582,000)
	(525,698)	3,212,109	(3,220,376)	(29,949)	13,000	(550,914)
Restricted fixed asset funds						
DfE/EFA capital grants	786,833	1,135,592	(35,859)	-	-	1,886,566
Other government capital grants	-	51,021	-	-	-	51,021
Capital expenditure from GAG	20,913	-	(17,301)	29,949	-	33,561
Capital expenditure from other funds	4,817,137	-	(100,969)	-	-	4,716,168
	5,624,883	1,186,613	(154,129)	29,949	-	6,687,316
Total restricted funds	5,099,185	4,398,722	(3,374,505)	-	13,000	6,136,402
Total of funds	5,602,741	4,734,235	(3,603,658)	-	13,000	6,746,318

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 £89,167, £9,000 Year 7 Catch Up Premium and £5,700 Looked After Children grants. 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 £30,083 which was expended on education support staff costs and other interventions to support those identified students.

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20. STATEMENT OF FUNDS (continued)

Capital grants of £1,285,508 (Condition Improvement grant Fund x 2 including a Salix loan £164,800), £14,884 (Devolved Formula Capital Grant) totalling £1,300,392 have been received. The Capital Maintenance Grant was awarded to allow the school to completely replace the boilers and much of the heating infrastructure. The school also received the sum of £51,021 from the Local Authority related to an historical agreement between developers and the local planning authority. This money has been used to contribute to the cost of refurbishing the school PE changing rooms. £29,949 was transferred from GAG to fixed assets during the period.

Under the funding agreement with the Secretary of State, the academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2015. 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 2015. It should be noted that 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.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	6,001,322	6,001,322	5,526,102
Current assets	649,899	166,512	1,199,353	2,015,764	697,821
Creditors due within one year	(39,983)	(135,426)	(347,090)	(522,499)	(49,386)
Creditors due in more than one year	-	-	(166,269)	(166,269)	(28,796)
Provisions for liabilities and charges	-	(582,000)	-	(582,000)	(543,000)
	<u>609,916</u>	<u>(550,914)</u>	<u>6,687,316</u>	<u>6,746,318</u>	<u>5,602,741</u>

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22. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	1,130,577	127,214
Returns on investments and servicing of finance	(4,936)	(2,014)
Depreciation of tangible fixed assets	154,128	168,151
Capital grants	(1,186,613)	(123,867)
Decrease in stocks	4,967	(735)
Increase in debtors	(21,088)	(64,150)
Increase in creditors	452,515	(78,291)
LGPS movements (note 26)	52,000	14,000
Net cash inflow from operations	581,550	40,308

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

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	4,936	2,014
	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(629,349)	(39,122)
Capital grants	1,186,613	123,867
Net cash inflow capital expenditure	557,264	84,745
	2015 £	2014 £
Financing		
Repayment of loans	(6,728)	(6,728)
Other new loans	164,800	-
Net cash inflow/(outflow) from financing	158,072	(6,728)

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**NOTES TO THE FINANCIAL STATEMENTS
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24. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	556,051	1,301,822	-	1,857,873
Debt:				
Debts due within one year	(6,728)	(20,600)	-	(27,328)
Debts falling due after more than one year	(28,796)	(137,473)	-	(166,269)
Net funds	<u>520,527</u>	<u>1,143,749</u>	<u>-</u>	<u>1,664,276</u>

25. CAPITAL COMMITMENTS

At 31 August 2015 the academy had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	<u>873,988</u>	<u>-</u>

26. 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 defined benefit schemes.

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

Contributions amounting to £39,404 were payable to the scheme at 31 August 2015 (2014 - nil) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

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26. PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amounted to £221k (2014: £218k).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £119,000, of which employer's contributions totalled £90,000 and employees' contributions totalled £29,000. 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.

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26. PENSION COMMITMENTS (continued)

The amounts recognised in the balance sheet are as follows:

	2015 £	2014 £
Present value of defined benefit obligations	(1,719,000)	(1,535,000)
Fair value of scheme assets	1,137,000	992,000
Net liability	<u>(582,000)</u>	<u>(543,000)</u>

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

	2015 £	2014 £
Current service cost	(140,000)	(89,000)
Interest on obligation	(60,000)	(51,000)
Expected return on scheme assets	58,000	53,000
Total	<u>(142,000)</u>	<u>(87,000)</u>

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

	2015 £	2014 £
Opening defined benefit obligation	1,535,000	1,052,000
Current service cost	140,000	89,000
Interest cost	60,000	51,000
Contributions by scheme participants	29,000	25,000
Actuarial (gains)/losses	(30,000)	333,000
Benefits paid	(15,000)	(15,000)
Closing defined benefit obligation	<u>1,719,000</u>	<u>1,535,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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26. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening fair value of scheme assets	992,000	844,000
Expected return on assets	58,000	53,000
Actuarial gains and (losses)	(17,000)	12,000
Contributions by employer	90,000	73,000
Contributions by employees	29,000	25,000
Benefits paid	(15,000)	(15,000)
	1,137,000	992,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £333,000 loss (2014 - £346,000 loss).

The academy expects to contribute £92,000 to its Defined benefit pension scheme in 2016.

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

	2015	2014
Equities	67.00 %	68.00 %
Bonds	21.00 %	21.00 %
Property	11.00 %	10.00 %
Cash	1.00 %	1.00 %

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

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

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

	2015	2014
Retiring today		
Males	22.4 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

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26. PENSION COMMITMENTS (continued)

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £	2011 £
Defined benefit obligation	(1,719,000)	(1,535,000)	(1,052,000)	(881,000)	(668,000)
Scheme assets	1,137,000	992,000	844,000	653,000	523,000
Deficit	(582,000)	(543,000)	(208,000)	(228,000)	(145,000)
Experience adjustments on scheme liabilities	30,000	(333,000)	(24,000)	(81,000)	59,000
Experience adjustments on scheme assets	(17,000)	12,000	61,000	(1,000)	(39,000)

27. OPERATING LEASE COMMITMENTS

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

	2015 £	2014 £
Expiry date:		
Within 1 year	351	3,695
Between 2 and 5 years	5,895	351
Total	6,246	4,046

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28. RELATED PARTY TRANSACTIONS

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

Mrs Sarah Ralph is the wife of Mr David Ralph. Mrs Sarah Ralph was employed as a Teaching Assistant on a contract approved by the governors.

Mrs Carol Gilgan is the wife of Mr Chris Gilgan. Mrs Carol Gilgan was employed as a Teaching Assistant on a contract approved by the governors.

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.

With regards to the above, remuneration packages are in line with the standard payscale for their roles and their employment contracts are subject to normal terms and conditions. Their employments are authorised by the Articles.

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