

Company Registration No. 05102934 (England and Wales)

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2014

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Directors

Mary Amayo
Smita Bora
Helen Bunch
David Dangoor
Elizabeth Dangoor
Judy Dangoor
Marc Furlonger
Duncan Harman-Wilson
Nigel Hugill
Paul McCombie
Neil McNaughton
Shabir Randeree
Jeremy Witts

Secretary

Elie Dangoor

Company number

05102934

Registered office

The Naim Dangoor Centre
255 Harrow Road
London
W2 5EZ

Auditors

Citroen Wells
Devonshire House
1 Devonshire Street
London
W1W 5DR

Bankers

Barclays Bank PLC.
London Corporate Banking - Piccadilly
50 Pall Mall
London
SW1A 1QA

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS

	Page
Directors' report	1 - 7
Governance statement	8 - 12
Statement on regularity, propriety and compliance	13
Statement of Directors' responsibilities	14
Independent auditors' report	15 - 16
Independent reporting accountants' report on regularity	17 - 18
Statement of financial activities	19 - 20
Balance sheet	21
Cash flow statement	22
Notes to the accounts	23 - 43
Detailed income and expenditure account	44 - 46

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2014

The Directors present their annual report together with the accounts and auditors' report of the Westminster Academy (Westbourne Green) (the Academy) for the year ended 31 August 2014.

Constitution

The Academy is a company limited by guarantee incorporated in England on 15 April 2004 (no. 05102934) and is an exempt charity. The company's memorandum and articles of association are the primary governing documents of the Academy. Members of the company are nominated by the sponsors of the Academy (The Exilarch's Foundation) and by the Secretary of State for Education.

The members of the Academy are:

- | | |
|-----------------------------|-------------------------------------|
| - The Exilarch's Foundation | The principal sponsor |
| - David Dangoor | Representing the principal sponsors |
| - Judy Dangoor | Representing the principal sponsors |
| - Elizabeth Dangoor | Representing the principal sponsors |
| - Shabir Randeree | Chair of Governors |

The affairs of the Academy are conducted by the Directors. Governance of the Academy is achieved through the Governing Body of the Academy which is a committee of the Board of Directors.

Details of the Governors and the Directors who served throughout the year except as noted are included in the Governance Statement on page 8.

The Secretary of the Company who served during the year was Elie Dangoor.

Members' Liability

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

Governors' Indemnities

In accordance with normal commercial practice, and in performing their role as Directors of the Academy, Governors have various statutory and common law duties, breaches of which could give rise to personal liability. An insurance policy is in place which, subject to the terms and limits of the policy, will indemnify Governors in respect of claims made against them and associated costs. This should mean that Governors who have acted honestly, reasonably and in good faith (both individually and collectively) will not have to meet out of their own personal resources any personal civil liability which may be incurred in execution or purported execution of their Governing Body functions. The insurance provides cover up to £5,000,000 on any one claim.

Method of recruitment and appointment or election of Governors

The minimum number of Directors is 3. There is no maximum number. The Directors may appoint staff Governors through such process as they may determine, usually by secret ballot, provided that the total number of Governors (including the Principal) who are employees of the Academy does not exceed one third of the total number of Governors. The Local Authority may appoint up to 1 Governor. The Principal shall be treated for all purposes as being an ex-officio Governor. There may be up to 2 parent Governors who shall be elected by parents of registered students at the Academy. The Governors may appoint up to 3 co-opted Governors.

Policies and Procedures Adopted for the Induction and Training of Governors

The policies and procedures for the recruitment, induction and training of Governors are available from the Clerk to the Governors.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

Organisational Structure

The Governing Body determines the general policies and procedures of the Academy. The internal organisation and management of the Academy is delegated to the Principal supported by the Principal's Group, of which the Principal is a member. The Principal's Group undertakes the key leadership role overseeing educational and administrative functions in consultation with senior staff. The day-to-day administration of the Academy is undertaken within the policies and procedures approved by the Governing Body. The Principal oversees the recruitment of all educational, administration and support staff. The Principal attends all Directors and Governing Body meetings as well as Committee meetings.

The Academy appointed a Chief Operating Officer on 1st September 2014.

Connected Organisations, including Related Party Relationships

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, it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have 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.

Objectives, Activities, Aims and Strategies

The principal objectives and activities of the Academy are the development and operation of the Westminster Academy to provide education for pupils of different abilities between the ages of 11 and 18 with a specialism of International Business and Enterprise. The main objectives of the Academy are summarised below:

- To raise the standard of education achievement of all pupils;
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory and curriculum requirements;
- To maintain close links with industry and commerce;
- To conduct our business in accordance with the highest standards of integrity, probity and openness.

Public Benefit

In setting the Academy's objectives and planning its activities, the Governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Strategic Report

Achievements and Performance

The Academy started its seventh year of operation in September 2013. The post of Principal has been held throughout the year by Ms.Smita Bora.

The year has again been a challenging one for the Academy, with joint objectives of continuing to control expenditure to maintain a surplus going hand in hand with a drive to maintain a high quality provision of education.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

The summer 2014 examination results were very good for both 6th-form students and Year 11 students. 80% of Sixth Form students achieved grades A - C at 'A' Level with 100% of students who applied to go to university being successful in gaining a place. At GCSE, 70% of students achieved five or more A* - C grades including English and Mathematics.

Curriculum Planning

- The curriculum model continues to support the Academy in its objective of delivering the Academy's specialism of International Business and Enterprise to a maximum of 1,175 students aged 11 - 18 in 2014-15.
- The timetable for the year beginning in September 2014 was produced through a consultation process with staff and students. This was issued to staff in July 2014.
- The curriculum model takes into account the strategic plan, policies, routines, procedures, staffing structures and job descriptions.
- The strategic plan for the Academy has been updated throughout the year to reflect staffing changes in the Senior Leadership Team.
- The procurement of appropriate teaching and learning resources continued throughout the year.
- The International Baccalaureate Diploma Programme, introduced in September 2008, continues to be popular with students and has delivered some outstanding results.

Staffing

- Staff training continued to be a high priority throughout 2013-14, linked to the Academy's Personal and Professional Development (PPD) strategy.

Students

- The admissions process for Year 7 in September 2013 was administered by Westminster City Council, through the pan-London Central Admissions System. 360 applications had been received for 180 available places for the September 2013-14 intake.
- The Spring 2014 school census recorded a total of 1,055 students in Years 7 - 13. The Academy continues to take "Hard to Place" students and "Pupils without School Places" (PWSP).
- In the Spring 2014 census, 926 (out of 1,055) students had a first language other than English. 513 Students were eligible for free school meals on the Spring census day.
- The Academy Council continued to ensure the involvement of the students in decision-making processes.
- Westminster Academy's admissions policy, contained in its Funding Agreement with the Department for Education, requires the Academy to follow the standard pan-London admissions process. Special Educational Needs students with statements, Looked After Children and siblings are prioritised thus protecting the most vulnerable families. The remaining students are admitted according to their residential distance from the Academy thus ensuring an intake which reflects the local community.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

The Wider Community

- Parents continued to be involved with their children's progress through regular progress review days and parents' evenings. Monthly newsletters were also sent to parents.
- Through working with Westminster Community Partnerships and local enterprise agencies, strong links are maintained with over 250 local businesses, to enable the development of the Academy's internship programme.
- The Principal is on the Board of both the Westbourne Forum and the Paddington Development Trust.
- Academy Sport continued to be successful with on average 7,000 users a month coming from the wider community including local primary schools.
- Community use of The Naim Dangoor Centre, Harrow Road continued to develop throughout the year to further increase community, educational and social activities.

Liaison with the Department for Education (DfE)/EFA

- Meetings with the DfE continued throughout 2013-14.

Awards for the Academy

- Specialist School and Academies Trust Future Vision Award 2007
- BCSE Industry Award for Inspiring Design-Secondary School 2008
- Best Incorporation of Daylight Award, Lighting and Architecture Foundation Awards 2008
- Designshare Citation Award 2008
- Design Week Wayfinding and Environment Graphics 2008
- RIBA London Building of the Year 2008
- RIBA Sorrell Foundation School Award 2008
- RIBA Stirling Prize shortlist 2008
- Building Magazine - Public Building of the Year 2009
- Civic Trust Award 2009
- International Schools Award 2009
- TES Secondary School of the Year Award 2013
- Lord Adonis' Most Transformed Academy 2013
- Deputy Prime Minister's Pupil Premium Award 2013
- Mayor of London's Gold Club Award 2013

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.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

Key Financial Performance Indicators

The Key Performance Indicators used by the Directors to assess the performance of the Academy against their stated objectives are as follows:

	2014	2013
Staffing costs as a percentage of main grant income	74.16%	69.52%
Average teaching costs per pupil	£5,140	£5,257
	2014	2013
Income per pupil	£10,213	£10,938
Total learning resources per pupil	£2,235	£1,941

Financial Review

The Academy's main source of income is derived from the EFA. The grants received during the year ended 31 August 2014 and the associated expenditure are shown in the Statement of Financial Activities on page 19.

No further grants were received from the EFA in the year. The restricted fixed asset fund is reduced by annual depreciation charges over the expected useful lives of the assets concerned.

Unrestricted incoming resources for the year amounted to £584,014 against net expenses incurred of £459,247 resulting in a surplus for the year of £124,767. There is an overall surplus of £246,786 carried forward at the end of the year.

Restricted general funds received amounted to £10,190,275 and comprised mainly of the General Annual Grant (GAG) receivable from EFA. Restricted general fund expenditure for the year amounted to £10,167,813 giving rise to a surplus on restricted general funds of £22,462. The Academy spent £50,911 on fixed assets and a transfer was made to the restricted fixed asset funds from restricted general funds, in support of this expenditure. This leaves a restricted general fund deficit of £28,449 for the year. Included in the current year expenditure is an adjustment of £8,000 in order to satisfy the requirements of FRS17; Retirement Benefits, in relation to the Academy's pension scheme liabilities.

If the pension adjustment of £8,000 is excluded, the deficit for the year was £20,449 and when taken together with the brought forward surplus of £421,727, there is a surplus of £401,278 carried forward on the restricted general funds (excluding pension adjustments). At the year end, the Academy's pension liability is a proportion of the City of Westminster Fund and is valued in line with FRS17. Restricted general funds also include the Academy's share of these pension liabilities of £501,500. This is represented by the liability of £1,043,500 brought forward at 1 September 2013, the adjustment of £8,000 for the pension cost and an actuarial gain of £550,000 on the pension scheme.

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.

At 31 August 2014, the net book value of fixed assets was £27,219,845 and movements in tangible fixed assets are shown in notes 12 and 13 to the accounts. These assets are used by the Academy in order to provide education and associated support services to pupils of the Academy and the wider community.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

Reserves Policy

The Directors have delegated to the Governors the responsibility to review the reserve levels of the Academy on a regular basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors' view is that free reserves should provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies. The Academy's current level of free reserves (total funds less amounts held under fixed assets and other restricted funds) is a surplus of £246,786. The level of reserves at the year end has increased compared to the previous year and the Academy intends to continue building up free reserves in the future.

The deficit on the Local Government Pension Scheme does not mean that an immediate liability crystallises. The deficit results in a cash flow effect for the Academy in the form of possible future increases in pension contributions, which, if required, will be met from the budgeted annual income. There is therefore no direct impact on the free reserves of the Academy because of recognising the deficit.

Investment Policy

The Directors' investment powers are governed by the memorandum and articles of association. There are currently no funds available for long term investment and any surplus funds which are retained are placed on short term deposit.

Principal Risks and Uncertainties

The Directors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances (a register of risk is kept and is updated for each Audit Committee meeting). The Directors have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to professional, financial, legal, physical, contractual, technological and environmental) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. data protection and safeguarding information) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Directors have also carefully considered a specific internal audit function and appointed Mr Umer Siddiqi as the Internal Auditor who performs a range of financial checks. He reports formally to the Audit Committee on the operation of the system of control. The Directors accept these arrangements to provide reasonable, but not absolute, assurance that assets are safeguarded and transactions are authorised and properly recorded and that any internal errors or irregularities are either prevented or detected in a timely basis.

In 2012-13 the Academy implemented a new Risk Management Strategy and continued in 2013-14. This improved the Academy's ability to manage risk. The major risks identified were:

- Demand risk. This concerns student numbers vis a vis new Free Schools and Sixth Form Academies. To manage these, the Academy has kept a watching brief and fostered strong links with Primary Schools and developed a robust Sixth Form curriculum.
- Funding risk. This concerns current and future funding levels. The Academy is directly engaging with the Education Funding Agency (EFA) to mitigate this risk.
- Organisational Change risk. There was no staff restructuring in 2013-14 but the risk of increased teaching costs in the event of unsatisfactory academic results continues to be a risk factor.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

Future Plans

It is the intention to raise the standards of Teaching and Learning within the Academy by catering for all students via personalised learning, meeting the needs of mainstream, gifted and talented and special educational needs students. Additionally, Science will be targeted next year.

Disclosure Of Information To Auditors

In so far as the Directors are aware:

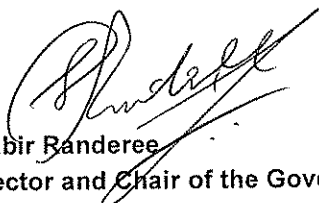
- there is no relevant audit information of which the Academy's Auditors are unaware; and
- the Directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information.

Auditors

A resolution proposing that Citroen Wells be re-appointed as auditors will be put to the members.

Approval

Directors' report, incorporating a Strategic Report, approved by order of the Governing Body on
16/12/14 and signed on its behalf by:



Shabir Randeree
Director and Chair of the Governing Body

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

Scope of Responsibility

The Governing Body acknowledges that it has overall responsibility for ensuring the Academy, being The Westminster Academy (Westbourne Green) and pursuant to the Funding Agreement dated 28 March 2007 made between the Secretary of State for Education and Skills and the Academy, has an effective and appropriate administrative system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Governing Body has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Academy and the Secretary of State for Education. She is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' responsibilities. The Governing Body has formally met four times during the year.

Attendance during the year at meetings of the Governing Body was as follows:

Directors		Meetings attended	Out of a possible
Shabir Randeree	Chair of Governors	4	4
Neil McNaughton	Vice Chair of Governors	2	4
Smita Bora	Principal	4	4
Mary Amayo		4	4
Helen Bunch		3	4
David Dangoor		4	4
Judy Dangoor		4	4
Elizabeth Dangoor		4	4
Marc Furlonger		4	4
Duncan Harman-Wilson		3	4
Nigel Hugill		0	4
Paul McCombie		3	4
Jeremy Witts		2	4
Non Directors			
Rashid Boufas		2	4
Marion Crooks		0	4
Hussein Hijazi	(appointed on 23 September 2013)	3	4
Maz Majid		4	4
Angela Piddock		4	4
Grace Rigg	(appointed on 23 September 2013)	3	4

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

The Finance and General Purposes Committee is a sub-committee of the main Governing Body. Its purpose is to:

- receive and monitor the Academy's financial reports;
- review the draft Budget Plan and make recommendations to the Governing Body for approval;
- agree contracts and purchases within the level of its delegated authority;
- agree virements within the Budget within the level of its delegated authority;
- ensure appropriate resourcing of the Strategic Plan targets;
- monitor reports with regard to the separate trading company, Academy Community (once it starts its trading activities);
- monitor the application of the Agreement with the City of Westminster Council with regard to the activities of Academy Sport;
- receive and review Reports of the Academy's Health and Safety Committee, of Health and Safety inspections with regard to the maintenance upkeep and renewal of the premises and equipment;
- receive and monitor reports with regard to HR/staffing matters including pay performance management, discipline and employment related issues; and
- review and approve from time to time all policy statutory or other documents relating to the Committee's roles and responsibilities.

Attendance at meetings during the year by the Members of the Committee was as follows:

Member	Meetings attended	Out of a possible
Duncan Harman-Wilson (Chairman)	2	3
Smita Bora (Principal)	3	3
David Dangoor	3	3
Judy Dangoor	3	3
Elizabeth Dangoor	2	3
Marc Furlonger	3	3
Maz Majid	2	3
Paul McCombie	3	3
Shabir Randeree	1	2
Jeremy Witts	0	3

Hussein Hijazi attended the meetings on 25 November 2013 and 20 March 2014 as a Non Committee Member Governor.

Governance reviews

The Governing Body meets annually in January to hold a Strategy Day which can include an informal self-evaluation of the impact and effectiveness of the Board of Directors. This was not included in the 2014 meeting but it is intended to conduct a review at the Strategy Day meeting on 18 January 2015. The January 2014 Strategy included, however, a review against the governance section of the Ofsted evaluation schedule and the consideration of questions for governing bodies obtained from the National Governors Association (NGA) and the Westminster City Council governor training programme.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

The Audit Committee is also a sub-committee of the main Governing Body and is an advisory body with no executive powers. Its main functions are to:

- help promote the highest standards of propriety in the use of public funds and encourage proper accountability for the use of those funds;
- promote a climate of financial discipline and control which will help to reduce the opportunity for financial mismanagement;
- promote the development of internal controls systems which will help satisfy the Governing Body that the Academy will achieve its objectives and targets and is operating in accordance with any statutory requirements for the use of public funds within delegated authorities laid down by the Governing Body and the Academy's own rules on which matters should be referred to the Governing Body; and in a manner which will make most economic and effective use of resources available.

Attendance at meetings during the year by the Members of Audit Committee was as follows:

Member	Meetings attended	Out of a possible
David Dangoor	2	2
Marc Furlonger (Chairman)	2	2
Duncan Harman-Wilson	1	2
Maz Majid	1	2
Paul McCombie	2	2
Neil McNaughton	0	2
Shabir Randeree	1	2
Jeremy Witts	0	2

Smita Bora attended the Committee's meetings on 25 November 2013 and 19 June 2014 as a Non-Committee Member Governor. Hussein Hijazi attended the meeting on 25 November 2013 as a Non-Committee Member Governor.

The Curriculum Committee is a sub-committee of the Governing Body. Its purpose is to:

- monitor the delivery of teaching and learning in relation to the Academy's Strategic Plan and the Academy's Self Evaluation with regard to the Ofsted Framework;
- receive and review assessment tracking and performance data in respect the progress of the Academy's students; and
- to review and adopt or recommend to the Governing Body for adoption the statutory policies with regard to teaching learning behaviour and discipline.

Attendance at meetings during the year by the Members of the Committee was as follows:

Member	Meetings attended	Out of a possible
Neil McNaughton (Chairman)	3	3
Smita Bora (Principal)	3	3
Mary Amayo	2	3
Helen Bunch	2	3
Judy Dangoor	2	3
Elizabeth Dangoor	0	3
Angela Piddock	2	3
Grace Rigg	2	3

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 at the Academy for the year ended 31 August 2014 and up to the date of approval of the annual report and accounts.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year ended 31 August 2014 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Governing Body.

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

The Governing Body has considered the need for a specific internal audit function and has appointed Mr Umer Siddiqi as an internal auditor.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. The Internal Auditor reports to the Governing Body three times a year on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

The Governing Body confirms that the internal audit function has been fully delivered in line with the EFA's requirements and that no material control issues arose as a result of the Internal auditor's work.

Review of Effectiveness

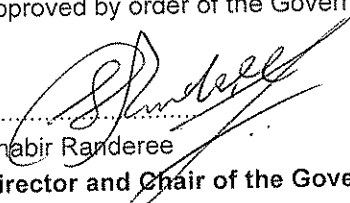
As Accounting Officer, Ms Smita Bora has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

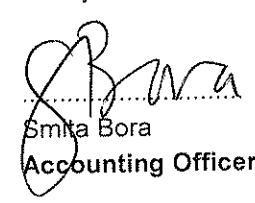
THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

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

Approved by order of the Governing Body on 16/12/14 and signed on its behalf by:


.....
Shabir Randeree

Director and Chair of the Governing Body


.....
Smita Bora

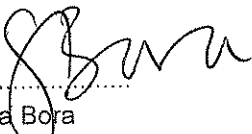
Accounting Officer

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE ENDED 31 AUGUST 2014

As Accounting Officer of the Westminster Academy I have considered my responsibility to notify the Academy Trust Governing Body and the EFA of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Academy Governing Body are able to identify any material irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's Funding Agreement and the Academies Financial Handbook.

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


.....
Smita Bora

Accounting Officer

16/12/14

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2014

The Directors are responsible for preparing the Directors' Report and the accounts in accordance with the Annual Accounts Direction issued by the EFA, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Directors to prepare accounts for each financial year. Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Academy and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the Directors are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Academy will continue in business.

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

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

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

Approved by the order of the Governing Body on 16/12/14 and signed on its behalf by:


.....
Shabir Randeree

Director and Chair of the Governing Body

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

We have audited the accounts of The Westminster Academy (Westbourne Green) for the year ended 31 August 2014 set out on pages 19 to 43. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the EFA.

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 opinions we have formed.

Respective responsibilities of Directors and auditors

As explained more fully in the statement of Directors' responsibilities on page 14, the Directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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 accounts

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

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2014 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the financial reporting framework including the Accounts Direction 2013 to 2014 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

**THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT (CONTINUED)**

TO THE MEMBERS OF THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

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 accounts 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.



Stephen Simou (Senior Statutory Auditor)
for and on behalf of Citroen Wells

Chartered Accountants

Statutory Auditor

Devonshire House
1 Devonshire Street
London
W1W 5DR

Dated: 16/12/14

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON REGULARITY
TO THE WESTMINSTER ACADEMY (WESTBOURNE GREEN) AND THE EDUCATION
FUNDING AGENCY

In accordance with the terms of our engagement letter and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Westminster Academy (Westbourne Green) during the period from 1 September 2013 to 31 August 2014 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 The Westminster Academy (Westbourne Green) and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Westminster Academy (Westbourne Green) and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Westminster Academy (Westbourne Green) and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Westminster Academy (Westbourne Green)'s Accounting Officer and the Reporting Accountants

The Accounting Officer is responsible, under the requirements of The Westminster Academy (Westbourne Green)'s Funding Agreement with the Secretary of State for Education dated 28 March 2007 and the Academies Financial Handbook, extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON REGULARITY
(CONTINUED)**

**TO THE WESTMINSTER ACADEMY (WESTBOURNE GREEN) AND THE EDUCATION
FUNDING AGENCY**

The work undertaken to draw to our conclusions includes:

- a review and evaluation of the general control environment of the Academy, with a particular focus on controls to ensure the regularity of transactions;
- the implementation and operation of controls by performing substantive testing and analytical review procedures, as part of our standard statutory audit engagement, that also gave us assurances relevant for this report on regularity;
- holding discussions with the Accounting Officer to determine evidence used to support her declaration with regard to regularity and impropriety;
- testing of a sample of payments to staff to confirm that all transactions requiring prior clearance from the Secretary of State were correctly approved (or that there were no such transactions);
- testing of a sample of payments to suppliers and other third parties regarding procurement activity, to ensure this has been in accordance with Annex 4.6 of Managing Public Money; and
- a review of minutes of various committees and other evidence made available to us relevant to our consideration of regularity.

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 period from 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Citroen Wells
Chartered Accountants
Devonshire House
1 Devonshire Street
London
W1W 5DR

Dated: 16/12/14

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	Unrestricted funds £	Restricted fixed asset funds £	Restricted general funds £	Total 2014 £	Total 2013 £
<u>Incoming resources from generated funds</u>						
Sponsorship and other donations	3	-	-	-	-	21,780
Activities for generating funds	4	547,416	-	-	547,416	460,752
Investment income	5	2,054	-	-	2,054	2,743
		549,470	-	-	549,470	485,275
Funding for the Academy's educational operations	6	-	-	10,190,275	10,190,275	10,377,582
Other incoming resources		34,544	-	-	34,544	34,423
Total incoming resources		584,014	-	10,190,275	10,774,289	10,897,280
<u>Resources expended</u>						
Charitable activities						
Direct costs		-	754,767	7,780,075	8,534,842	7,830,856
Allocated support costs		389,584	-	2,196,515	2,586,099	2,466,439
Total charitable expenditure		389,584	754,767	9,976,590	11,120,941	10,297,295
Governance costs		69,663	-	191,223	260,886	267,471
Total resources expended		459,247	754,767	10,167,813	11,381,827	10,564,766
Net incoming/(outgoing) resources before transfers		124,767	(754,767)	22,462	(607,538)	332,514
Gross transfers between funds		-	50,911	(50,911)	-	-
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		124,767	(703,856)	(28,449)	(607,538)	332,514
<u>Other recognised gains and losses</u>						
Actuarial gain in on defined benefit pension schemes	16	-	-	550,000	550,000	243,000
Net movement in funds		124,767	(703,856)	521,551	(57,538)	575,514
Fund balances at 1 September 2013		122,019	27,923,701	(621,773)	27,423,947	26,848,433
Fund balances at 31 August 2014		246,786	27,219,845	(100,222)	27,366,409	27,423,947

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2014

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

All of the Academy's activities derive from continuing operations during the above two financial periods.

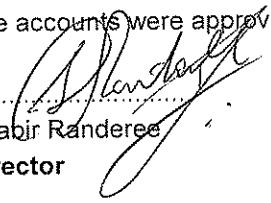
A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 AUGUST 2014

	Notes	2014 £	£	2013 £	£
Fixed assets					
Tangible assets	12	27,219,844		27,923,700	
Investments	13		1		1
		<u>27,219,845</u>		<u>27,923,701</u>	
Current assets					
Stocks		59,669		44,372	
Debtors	14	1,225,189		1,148,547	
Cash at bank and in hand		736,310		751,166	
		<u>2,021,168</u>		<u>1,944,085</u>	
Creditors: amounts falling due within one year	15	<u>(1,373,104)</u>		<u>(1,400,339)</u>	
Net current assets			<u>648,064</u>		<u>543,746</u>
Total assets less current liabilities			<u>27,867,909</u>		<u>28,467,447</u>
Pension scheme liability	16		<u>(501,500)</u>		<u>(1,043,500)</u>
Net assets including pension liability			<u><u>27,366,409</u></u>		<u><u>27,423,947</u></u>
Funds of the academy					
Restricted funds:					
General fund	17	401,278		421,727	
Pension reserve fund	17	<u>(501,500)</u>		<u>(1,043,500)</u>	
			<u>(100,222)</u>		<u>(621,773)</u>
Restricted fixed assets fund	17		<u>27,219,845</u>		<u>27,923,701</u>
Unrestricted general funds			<u>246,786</u>		<u>122,019</u>
			<u><u>27,366,409</u></u>		<u><u>27,423,947</u></u>

The accounts were approved by the Board on 16/12/14 and signed on its behalf by:


 Shabir Randeree
 Director

Company Registration No. 05102934

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	2014 £	2013 £
Net cash inflow from operating activities	19	36,055	390,413
Capital expenditure			
Payments to acquire tangible fixed assets	(50,911)	(596,756)	
Net cash outflow from capital expenditure		(50,911)	(596,756)
Decrease in cash	20	(14,856)	(206,343)

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice: 'Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2013 to 2014 issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Going Concern

The Directors 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 doubt on the ability of the Academy to continue as a going concern. The Directors make this assessment in respect of a period of one year from the date of approval of the accounts.

The Academy's forecasts and projections, taking account of reasonable possible changes to student numbers and expenditure in the business plan, show that the Academy should be able to operate within its current available funds. The Directors therefore have a reasonable expectation that the Academy has adequate resources to continue for the foreseeable future and therefore adopt the going concern basis in preparing the annual accounts.

1.3 Incoming resources

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

Grants receivable

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 grants are received in advance of entitlement, their recognition is deferred and they are included in creditors as deferred income. Where entitlement occurs before grants are received, grants are accrued and shown under debtors as accrued income.

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

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.

Donations

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

Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

(continued)

1 Accounting Policies

Other income

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

1.4 Resources expended

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

Costs of Generating Funds

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

Charitable Activities

These are costs incurred on the Academy's educational operations.

Governance costs

These 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 shown net of VAT.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Assets over £1,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and 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 write them down to their estimated residual values over their expected useful lives from when they are first brought into use. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

The annual rates used for each class of asset are:

Long leasehold property	2% on straight line basis
Computer equipment and software	16.667% on straight line basis
Fixtures and fittings	25% on straight line basis

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.

1.6 Leasing and hire purchase commitments

Rentals payable under operating leases are charged on a straight line basis over the period of the lease.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting Policies

(continued)

1.7 Investments

The Academy's shareholding in the wholly owned subsidiary, Academy Community Limited (ACL), is included in the balance sheet at the cost of the share capital owned. ACL has remained dormant since its incorporation.

1.8 Stock

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

1.9 Pensions

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

Teachers' Pension Scheme

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

Local Government Pension Scheme

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 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 until 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.

1.10 Accumulated funds

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 Directors.

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

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

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

1 Accounting Policies (continued)

1.11 Taxation

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

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the Academy was subject to limits at 31 August 2014 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy has not exceeded these limits during the year ended 31 August 2014.

3 Sponsorship and other donations

	Total 2014 £	Total 2013 £
Private sponsorship	-	21,780

4 Activities for generating funds

	2014 £	2013 £
Income generated from the use and hire of the Academy's facilities	547,416	460,752

5 Investment income

	2014 £	2013 £
Interest receivable	2,054	2,743

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

6 Funding for the Academy's educational operations

	2014 £	2013 £
DfE/EFA revenue grants	9,816,083	9,800,021
Other Government grants	374,192	327,561
EFA Capital grant	-	250,000
	<u>10,190,275</u>	<u>10,377,582</u>

Included within income relating to DfE/EFA revenue grants are the following grants:-

General Annual Grant	8,642,349	8,693,555
Pupil premium grants	564,300	492,259
Other grants	609,434	614,207
	<u>9,816,083</u>	<u>9,800,021</u>

Included within income relating to Other Government grants are the following grants:-

Special Educational Needs (SEN)	279,283	266,852
Other Local Authority grants	94,909	60,709
	<u>374,192</u>	<u>327,561</u>

Some grants received are for years which do not coincide with the year end of the Academy and therefore these grants have been apportioned on a time basis and due to these timing differences there can be an element of overspend on individual grants.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

7 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2014 £	Total 2013 £
Charitable activities					
<u>Direct costs</u>					
Activities undertaken directly	5,422,385	754,767	2,357,690	8,534,842	7,830,856
<u>Allocated support costs</u>					
Activities undertaken directly	1,405,184	-	1,180,915	2,586,099	2,466,439
	<u>6,827,569</u>	<u>754,767</u>	<u>3,538,605</u>	<u>11,120,941</u>	<u>10,297,295</u>
Governance costs	-	-	260,886	260,886	267,471
	<u>6,827,569</u>	<u>754,767</u>	<u>3,799,491</u>	<u>11,381,827</u>	<u>10,564,766</u>

Outgoing resources for the year include:

	2014 £	2013 £
Operating leases	30,290	19,484
Fees payable to the auditor - audit	16,000	15,000
- other services	19,975	15,609
	<u>66,265</u>	<u>49,093</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

8 Activities undertaken directly

	2014 £	2013 £
Other costs relating to direct costs comprise:		
Books, learning resources and stationery	887,703	763,101
Examination fees	130,229	133,746
Awards	1,682	2,042
Inclusion costs	1,181,198	869,396
Staff development	156,878	161,241
	<u>2,357,690</u>	<u>1,929,526</u>

Other costs relating to allocated support costs comprise:

Uniforms	46,867	42,173
Out of hours and agencies	23,187	10,658
Rent and rates	83,549	69,048
Insurance	101,707	100,612
Heat and light	175,886	167,667
Maintenance of premises and equipment	181,753	299,754
Cleaning	27,375	26,079
Printing postage and stationery	217,944	193,323
Technology costs	79,637	139,125
Catering	180,010	169,074
Provision for sports pitch resurfacing	30,000	30,000
Sports centre support	25,000	25,000
Other support costs	8,000	6,000
	<u>1,180,915</u>	<u>1,278,513</u>

9 Governance costs

	2014 £	2013 £
Other governance costs comprise:		
Bad debts	23,769	-
Legal and professional fees	16,629	114,599
Auditors' remuneration	16,000	15,000
Auditors' fees for non-audit work	19,975	15,609
Sundry expenses	-	24,929
Management and administration	178,535	88,216
Bank charges	5,978	9,118
	<u>260,886</u>	<u>267,471</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

10 Staff Costs

Staff costs during the period were:	2014 £	2013 £
Wages and salaries	5,502,249	5,125,621
Social security costs	412,934	415,140
Pension costs	511,188	493,826
Supply teacher costs	334,578	349,396
Staff severance costs	66,620	2,000
	<u>6,827,569</u>	<u>6,385,983</u>

All staff severance costs were either statutory or contractual.

Staff numbers

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

	2014 Number	2013 Number
Teachers	95	82
Support staff	45	49
Administration	12	13
	<u>152</u>	<u>144</u>

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

	2014 Number	2013 Number
£60,001 - £70,000	2	6
£70,001 - £80,000	-	1
£80,001 - £90,000	2	-
£100,001 - £110,000	1	1
	<u>5</u>	<u>8</u>

All five of the above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, pension contributions for these employees amounted to £54,949 (2013: £61,430). In the prior year, one employee participated in the Local Government Pension Scheme and their pension contributions amounted to £6,890.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

11 Governors and Directors

The Principal, who is also a Governor of the Academy, only receives remuneration in respect of services she provides in undertaking her employment role for the Academy and not in respect of her services as a Governor. The other Governors did not receive any payments or expenses from the Academy in respect of their roles as Governors.

The Principal is the highest-paid Director and her remuneration was as follows:

	2014	2013
	£	£
Gross salary	105,000	105,000
Pension contributions	14,817	14,805
	<u>119,817</u>	<u>119,805</u>

In accordance with normal commercial practice, and in performing their role as Directors of the Academy, Governors have various statutory and common law duties, breaches of which could give rise to personal liability. An insurance policy is in place which, subject to the terms and limits of the policy, will indemnify Governors in respect of claims made against them and associated costs. This should mean that Governors who have acted honestly, reasonably and in good faith (both individually and collectively) will not have to meet out of their own personal resources any personal civil liability which may be incurred in execution or purported execution of their Governing Body functions. The insurance provides cover up to £5,000,000 on the aggregate of all claims in the year and the cost for the year ended 31 August 2014 was £500 (2013: £500). The cost of this insurance is included in the total insurance cost.

12 Tangible fixed assets

	Long leasehold property	Computer equipment and software	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 September 2013	31,117,880	2,564,956	2,222,083	35,904,919
Additions	-	2,080	48,831	50,911
At 31 August 2014	<u>31,117,880</u>	<u>2,567,036</u>	<u>2,270,914</u>	<u>35,955,830</u>
Depreciation				
At 1 September 2013	3,724,749	2,232,945	2,023,525	7,981,219
Charge for the year	622,358	54,015	78,394	754,767
At 31 August 2014	<u>4,347,107</u>	<u>2,286,960</u>	<u>2,101,919</u>	<u>8,735,986</u>
Net book value				
At 31 August 2014	<u>26,770,773</u>	<u>280,076</u>	<u>168,995</u>	<u>27,219,844</u>
At 31 August 2013	<u>27,393,131</u>	<u>332,011</u>	<u>198,558</u>	<u>27,923,700</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

13 Fixed asset investments

£

Market value at 1 September 2013 and at 31 August 2014

1

Historical cost:

At 31 August 2014

1

At 31 August 2013

1

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Academy Community Limited	England	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principle Activities	Capital and reserves	Profit/(loss) for the year
		£	£
Academy Community Limited	Dormant	1	-

14 Debtors

2014

2013

£

£

VAT recoverable

399,165

472,785

Other debtors

94,733

36,630

Prepayments and accrued income

731,291

639,132

1,225,189

1,148,547

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

15 Creditors: amounts falling due within one year	2014 £	2013 £
Trade creditors	417,166	613,818
Taxes and social security costs	122,375	140,009
Accruals and deferred income	833,563	646,512
	<u>1,373,104</u>	<u>1,400,339</u>
Deferred income		
Deferred Income at 1 September 2013	41,595	
Resources deferred in the year	(3,725)	
Amounts released from previous years	39,257	
	<u>77,127</u>	

At the balance sheet date the Academy was holding funds received in advance for specific projects.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

16 Pension costs

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the Local Pension Fund Authority. 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 was 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £77,809 (2013: £nil) were payable to the schemes at 31 August 2014 and 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 of the TPS.

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.

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

Valuation of the Teachers' Pension Scheme

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

The 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 for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

16 Pension costs

(continued)

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

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

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in March 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

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

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

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

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds.

The total contribution made for the year ended 31 August 2014 was £88,680 (2013: £124,129) of which employer's contributions totalled £56,874 (2013: £89,503) and employees' contributions totalled £31,806 (2013: £34,626). The agreed contribution rates for future years are 12.4% for employers and between 5.5% and 7.5% for employees.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

16 Pension costs

(continued)

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 pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

The following information is based upon a full actuarial valuation of the fund at 31 March 2013, updated to 31 August 2014 by a qualified independent actuary.

The major assumptions used by the actuary were:	2014 %	2013 %	2012 %
Rate of increase in salaries	4.40	5.10	4.70
Rate of increase in pensions payment	2.60	2.90	2.20
Discount rate	3.90	4.70	4.20
Inflation assumption	3.40	3.70	3.20

Sensitivity analysis

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a +/- 1 year age rating adjustment to the mortality assumption.

	£000's	£000's	£000's
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	4,505	4,599	4,695
Projected service cost	112	114	116
Adjustment to mortality age rating assumption	+1 Year	None	-1 Year
Present value of total obligation	4,437	4,599	4,763
Projected service cost	110	114	118

Mortality assumptions

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements.

	2014	2013
Life Expectancy for an active member, in years;		
Retiring today		
- male aged 65	22.0	22.5
- female aged 65	25.1	24.6
Retiring in 20 years		
- male aged 65	24.1	24.3
- female aged 65	27.4	26.6

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

16 Pension costs

(continued)

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

	2014 %	2014 £	2013 %	2013 £
Equities	6.70	3,036,000	7.50	2,917,000
Bonds	3.30	632,000	4.00	607,000
Property	5.90	349,000	7.00	152,000
Other assets	2.90	80,000	0.50	114,000
Total market value of assets		4,097,000		3,790,000
Present value of scheme liabilities		(4,598,500)		(4,833,500)
Deficit in scheme		(501,500)		(1,043,500)
Net pension liability		(501,500)		(1,043,500)

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on the scheme assets was £558,000 (2013: £490,000)

Amounts recognised in the statement of financial activities:

	2014 £	2013 £
Employer Service Cost (net of employee contributions)	91,000	113,000
Total Operating Charge	91,000	113,000

Analysis of pension finance income/(costs):

	2014 £	2013 £
Expected return on employer's share of pension scheme assets	229,000	191,000
Interest on pension scheme liabilities	(257,000)	(208,000)
Pension finance costs	(28,000)	(17,000)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £550,000 gain (2013: £243,000).

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

16 Pension costs

(continued)

Movement in present value of defined benefit obligations were as follows:

	2014	2013
	£	£
At 1 September 2013	4,833,500	4,490,500
Current service cost	91,000	113,000
Interest cost	229,000	191,000
Actuarial (gain)/losses	(548,000)	41,000
Estimated benefits paid net of transfers	(38,000)	(37,000)
Contributions by scheme participants	31,000	35,000
	<u>4,598,500</u>	<u>4,833,500</u>
At 31 August 2014	<u>4,598,500</u>	<u>4,833,500</u>

Movements in fair value of Academy's share of scheme assets were as follows:

	2014	2013
	£	£
At 1 September 2013	3,790,000	3,210,000
Expected return	257,000	208,000
Actuarial gain	2,000	284,000
Employer contributions	55,000	90,000
Employee contributions	31,000	35,000
Benefits paid	(38,000)	(37,000)
	<u>4,097,000</u>	<u>3,790,000</u>
At 31 August 2014	<u>4,097,000</u>	<u>3,790,000</u>

The estimated value of employer contributions for the year ended 31 August 2015 is £57,000

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

16 Pension costs

(continued)

History of experience gains and losses were as follows:

	2014 £	2013 £	2012 £	2011 £	2010 £
Present Value of defined benefit obligations	(4,598,500)	(4,833,500)	(4,490,500)	(3,559,500)	(1,386,600)
Fair Value of share of scheme assets	4,097,000	3,790,000	3,210,000	2,852,000	929,100
Deficit in the scheme	<u>(501,500)</u>	<u>(1,043,500)</u>	<u>(1,280,500)</u>	<u>(707,500)</u>	<u>(457,500)</u>
Experience adjustments on share of scheme assets	2,000	284,000	78,000	1,730,000	3,900
Experience adjustments on share of scheme liabilities	(304,000)	(41,000)	(611,000)	(1,918,000)	42,300

Prudential AVC Pension Scheme

Teaching staff can also participate in the Prudential AVC Pension Scheme. The assets of the Scheme are held separately from those of the Academy in an independently administered fund. The Academy does not contribute to this fund.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

17 Restricted funds

The funds of the Academy comprise the following balances of grants to be applied for specific purposes:

	Balance at 1 September 2013	Incoming resources	Movement in funds Resources expended	Transfers	Investments gains	Balance at 31 August 2014
	£	£	£	£	£	£
Restricted General Fund	421,727	10,190,275	(10,159,813)	(50,911)	-	401,278
Restricted Fixed Asset Fund	27,923,701	-	(754,767)	50,911	-	27,219,845
Restricted Pension Reserve Fund	(1,043,500)	-	(8,000)	-	550,000	(501,500)
	<u>27,301,928</u>	<u>10,190,275</u>	<u>(10,922,580)</u>	<u>-</u>	<u>550,000</u>	<u>27,119,623</u>

Restricted General Fund

The Restricted General Funds comprise of funds received from EFA and other local government bodies and are used to finance ongoing expenditure of the normal day to day educational activities of the Academy. 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 2014. Note 2 discloses whether the limit was exceeded.

Restricted Fixed Asset Fund

The Restricted Fixed Asset Funds comprise funds received from EFA and the principal sponsor and have been used to finance the construction costs of the Academy and other facilities as well as funding all other fixed asset acquisitions.

Pension Reserve Fund

The Pension Reserve relates to the Academy's share of the deficit of the Westminster City Council Local Government Pension Scheme.

The deficit on the LGPS does not mean that an immediate liability crystallises. The deficit results in a cash flow effect for the Academy in the form of possible future increases in pension contributions, which, if required, will be met by from the budgeted annual income. There is therefore no direct impact on the free reserves of the Academy because of recognising the deficit.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

18 Analysis of net assets between funds

	Unrestricted fund	Restricted fixed asset fund	Restricted general fund	Total
	£	£	£	£
Fund balances at 31 August 2014 are represented by:				
Tangible fixed assets	-	27,219,844	-	27,219,844
Investments	-	1	-	1
Current assets	246,786	25,000	1,749,382	2,021,168
Creditors: amounts falling due within one year	-	(25,000)	(1,348,104)	(1,373,104)
Defined benefit pension liability	-	-	(501,500)	(501,500)
	<u>246,786</u>	<u>27,219,845</u>	<u>(100,222)</u>	<u>27,366,409</u>

19 Net cash inflow from operating activities

	2014 £	2013 £
Reconciliation to changes in resources		
Changes in resources before revaluations	(607,538)	332,514
Depreciation of tangible fixed assets	754,767	703,273
Difference between pension charge and cash contributions	8,000	6,000
(Increase)/decrease in stocks	(15,297)	16,456
Increase in debtors	(76,642)	(540,743)
Decrease in creditors	(27,235)	(127,087)
	<u>36,055</u>	<u>390,413</u>

20 Reconciliation of net cash flow to movement in net funds

	2014 £	2013 £
Decrease in cash	(14,856)	(206,343)
Net funds at 1 September 2013	751,166	957,509
Net funds at 31 August 2014	<u>736,310</u>	<u>751,166</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

21 Analysis of net cash balances

	At 1 September 2013 £	Cash flow £	Non-cash changes £	At 31 August 2014 £
Cash at bank and in hand	751,166	(14,856)	-	736,310
	<u>751,166</u>	<u>(14,856)</u>	<u>-</u>	<u>736,310</u>

22 Contingent liabilities

In the event, during the period of the Funding Agreement, of the sale or disposal by other means, of any asset for which a capital grant was received, the Academy shall, if it does not re-invest the proceeds, repay to the Secretary of State of the Department for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to :

(a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and

(b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

In August 2014, a baffle fell from the ceiling into the atrium. The building was designed and built through a series of contracts. The Secretary of State for Education was the main contractor although the Academy did contract directly for parts of the contracts with various third parties.

The ceiling is not easily accessible and in order to assess the damage, understand the cause, and agree the responsibilities and the various remedies, a detailed survey needs to be undertaken. At the year end, discussions were ongoing with the parties involved and there was uncertainty as to which party was ultimately responsible for the costs of rectification. This cannot be ascertained until a survey has been undertaken which is planned to occur in the subsequent financial year. A provision has been made in the accounts for £20,000 in respect of professional costs incurred in connection with this matter.

23 Commitments under operating leases

At 31 August 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Expiry date:		
Between two and five years	<u>30,290</u>	<u>30,290</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2014

24 Members' Liability

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

25 Related parties

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, it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

During the year the Academy received a donation of £nil (2013: £15,000) from Exilarch Foundation, a charity in which David Dangoor is a trustee.

During the year the Academy received a donation of £nil (2013: £6,780) from the Principal, Ms Smita Bora.

During the year ended 31 August 2014, David Dangoor, a Director was charged £982 for the hire of facilities. There was no amount outstanding at 31 August 2014 (2013: £nil). In the prior year Mary Amayo, a Director, was charged £190 for the hire of facilities from the Academy and this was repaid in full during the year.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2014

INCOME	2014 £	2013 £
GENERAL ANNUAL GRANT	<u>9,206,649</u>	<u>9,185,814</u>
EFA CAPITAL GRANTS	-	250,000
OTHER EFA GRANTS		
Other EFA Grants	<u>609,434</u>	<u>614,207</u>
	<u>609,434</u>	<u>864,207</u>
 TOTAL DfE/EFA GRANTS	 <u>9,816,083</u>	 <u>10,050,021</u>
OTHER GOVERNMENT GRANTS		
LA Building Development Formula CAP	-	4,792
LA Special Educational Needs (SEN)	<u>279,283</u>	<u>266,852</u>
Other LA Grants	<u>94,909</u>	<u>55,917</u>
	<u>374,192</u>	<u>327,561</u>
 PRIVATE SECTOR GRANTS	 <u>-</u>	 <u>21,780</u>
OTHER INCOME		
Trainee Teachers	-	36,256
Uniform sales	<u>31,927</u>	<u>34,031</u>
Interest receivable	<u>2,054</u>	<u>2,743</u>
Lettings, Hire and Events	<u>37,784</u>	<u>22,291</u>
Sports Income	<u>394,164</u>	<u>290,962</u>
School trips	<u>5,755</u>	<u>9,696</u>
Catering sales	<u>77,786</u>	<u>67,516</u>
Other income	<u>34,544</u>	<u>34,423</u>
	<u>584,014</u>	<u>497,918</u>
 TOTAL INCOME	 <u>10,774,289</u>	 <u>10,897,280</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2014 (CONTINUED)

EXPENDITURE	2014 £	2013 £
GENERAL ANNUAL GRANT EXPENDITURE		
Staff costs		
Teaching	3,750,267	3,607,881
Educational support	392,264	439,747
Other Support	1,182,536	965,616
Other staff costs:-		
* Catering staff	137,570	139,004
* Employer pension costs	519,188	499,826
* Employer NI costs	412,934	415,140
* Compromise agreements	66,619	2,000
Total GAG staff costs	6,461,378	6,069,214
Maintenance of premises		
Building maintenance	104,182	196,287
Grounds maintenance	34,915	12,483
	139,097	208,770
Other occupancy costs		
Rates	63,598	62,361
Insurance	101,707	100,612
Water	19,951	6,688
Electricity	144,340	127,875
Gas	31,546	39,792
Cleaning materials	22,153	19,473
Security and keys	5,222	6,606
	388,517	363,407
Educational supplies and services		
Exam fees	130,229	133,746
Learning resources and equipment	887,702	763,101
School trips	23,187	10,658
Inclusion costs	1,181,198	869,396
Rewards	1,682	2,042
	2,223,998	1,778,943
Other supplies and services		
Telephone	18,687	14,298
Postage, stationery, reprographics and consumables	199,257	179,025
Uniform costs	46,867	42,173
Copyrights and TV licence	146	354
General supplies and services	2,880	2,998
Auditors' remuneration	35,975	30,609
Staff entertainment	-	24,929
Legal and professional fees	147,496	142,850
	451,308	437,236
 Balance carried forward	 9,664,298	 8,857,570

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2014 (CONTINUED)

GENERAL ANNUAL GRANT EXPENDITURE (CTD)	2014 £	2013 £
Balance brought forward	9,664,298	8,857,570
Furniture and Equipment		
Furniture, fittings and equipment	41,515	86,948
Sports equipment	1,141	4,139
	<u>42,656</u>	<u>91,087</u>
Technology costs (not capitalised)		
Admin ICT - Software	19,999	34,788
Admin ICT - Maintenance	66,624	60,972
Admin ICT - Consumables	(7,133)	43,011
	<u>79,490</u>	<u>138,771</u>
Staff development	<u>156,878</u>	<u>161,241</u>
Other Expenditure		
Miscellaneous	637	223
Bank and interest charges	5,975	9,115
	<u>6,612</u>	<u>9,338</u>
TOTAL GAG EXPENDITURE	<u>9,949,934</u>	<u>9,258,007</u>
OTHER GOVERNMENT GRANT RELATED EXPENDITURE		
Staff costs	374,192	322,769
OTHER EXPENDITURE		
Other supplies and services:		
Recruitment costs	69,155	81,643
Catering	180,010	169,074
Provision for sport pitch resurfacing	30,000	30,000
Bad Debts	23,769	-
	<u>302,934</u>	<u>280,717</u>
DEPRECIATION	<u>754,767</u>	<u>703,273</u>
TOTAL EXPENDITURE	<u>11,381,827</u>	<u>10,564,766</u>