

Charity Registration No 1103958

Company Registration No. 05102934 (England and Wales)

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

DIRECTORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2006

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THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

LEGAL AND ADMINISTRATIVE INFORMATION

Directors Mr S E G Cochrane
Mr W N Hugill

Secretary Mr I Brandon

Charity number 1103958

Company number 05102934

Registered office 4 Carlos Place
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W1K 3AK

Auditors Citroen Wells
Devonshire House
1 Devonshire Street
London
W1W 5DR

Bankers Barclays Bank Plc
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THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

CONTENTS

	Page
Directors' report	1 - 7
Independent auditors' report	8 - 9
Statement of financial activities	10
Balance sheet	11
Cash flow statement	12
Notes to the accounts	13 - 18

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2006

The Directors present their report and audited financial statements for the year ended 31 August 2006

Constitution and Principal Activities

The Academy is a company limited by guarantee incorporated in England on 15 April 2004 (no 05102934). It also became a registered charity on 26 May 2004 (no 1103958). The company's memorandum and articles of association are the primary governing documents of the Academy. Members of the company are nominated by the Initial sponsors of the Academy, Chelsfield plc, and by the Secretary of State for Education.

The principal activity of the Academy is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, operating and developing one or more secondary schools offering a broad curriculum with a Specialism of International Business and Enterprise.

Organisation and Objectives

The sole activity of the company is the development and operation of the Westminster Academy to provide education for pupils of different abilities between the ages of 11 and 19 with a specialism of International Business and Enterprise.

The main objectives of the Academy are summarised below:

- ◆ to raise the standard of educational 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.

Developments, Activities and Achievements

Temporary accommodation refurbishment

As mentioned in the 2005 Directors' Report, the lease of the former North Westminster Community School (NWCS) Penfold Street building had been agreed by Westminster City Council (WCC), in order to accommodate the Academy from its opening until the completion of the new building.

Plans to enable the Academy to open and the curriculum to be delivered in the Penfold Street building for the academic year 2006-7 were drawn up in Autumn 2005 and implemented in Spring and Summer 2006. This work included:

- The construction of a temporary block of 6 classrooms, with toilets, for Year 7 in the car park at the rear of the building
- Rewiring and the provision of a new ICT network
- Minor works in the gyms to create a dining area and provide storage facilities
- Provision of PE facilities through hiring public sports centre space and hiring transport
- Cleaning, redecoration, branding and signage
- Provision of lockers for students

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

- An audit of NWCS furniture and equipment, followed by the selection of appropriate items and a large-scale removals exercise in July 2006
- Upgrading of science and D&T rooms, especially benching and services
- Procurement and delivery of new equipment and furniture
- The provision of a fire escape
- Contracts for the provision of utilities and services, mainly through WCC, as this will be leased by the Company on a temporary basis

Curriculum planning

- An innovative curriculum model was developed in order to deliver the Academy's specialism of International Business & Enterprise to 800 students aged 11-16 in September 2006 and to 1175 students aged 11-18 by 2010
- The timetable for September 2006 was produced through a consultation process with staff and students. This was issued to staff in July 2006
- The curriculum model was interpreted through the development of all the policies, routines and procedures, staffing structure and job descriptions
- The strategic plan for the Academy was developed and agreed by Governors in June 2006
- The procurement of appropriate teaching and learning resources took place in summer 2006

Staffing

- A Business & Enterprise Officer took up post in October 2005 and a Vice Principal in January 2006. These two staff joined the Principal and her P A as the core Academy team, initially working from a temporary office at Greycoat Place, W1, then from Easter 2006 from a base in NWCS
- The transfer of teaching and support staff from the predecessor school was achieved through the TUPE process, involving a full consultation process with the staff, the management of the school, union representatives, Westminster City Council and Paddington Academy. The due diligence process was completed for the transfer of 51 teachers and 34 support staff by 31st August. To facilitate this process, a number of voluntary redundancies were jointly funded by DfES and WCC
- Additional staffs were recruited to fill vacancies, including a second Vice Principal and three Assistant Principals, these were appointed to come into post on 1st September 2006
- The training programme for staff transferring began in January 2006. A training room was set up in the predecessor school at Penfold Street and voluntary weekly training sessions took place. A major focus was ICT training, together with the demonstration of new equipment. A number of inset days were held for the leadership team in November 2005 and for the whole staff in April and July 2006. A number of consultants were funded by the Specialist Schools and Academies Trust to support staff training and preparation, especially in ICT, SEN, EAL, Enterprise and teaching methodologies

Students

- Throughout the year students and their parents were kept informed of the preparations for the opening of the Academy through regular newsletters, the Academy website, individual mailings and a series of meetings for each year group. The first edition of the Academy prospectus was published in September 2005 and widely circulated

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

- All students in NWCS Years 8 and 9 had personal interviews with the Principal or Vice Principal during the Spring term, to discuss and offer guidance on their option choices
- Assemblies and other special events, including meetings of the Academy student council and visits to the site of the new building, were held for students throughout the year, to engage them in the design of the new building and establishment of the Academy ethos
- A full consultation took place on uniform, which was distributed in July 2006, at a cost of £30, subsidised by the DfES, for all former NWCS students
- The admissions process for Year 7 in September 2006 was administered by Westminster City Council, through the pan-London Central Admissions System 514 applications were received, for 180 places
- Data-gathering and the transfer of student records took place in autumn 2005, to enable the Governors to set targets for the Academy in November, and in summer 2006, to ensure the effective transfer of records and students' work from NWCS to the Academy

The wider community

- Regular planning meetings were held with WCC, NWCS and Paddington Academy throughout the year via a body known as the Consultative Operational Board
- The Principal, as a member of the steering group of the Westbourne Neighbourhood Forum, played a key role in the development of the Westbourne neighbourhood plan and engaged in a series of community consultations about the Academy community plan, sports management group and the school travel plan
- Through working with the Westminster Community Partnership and local enterprise agencies, strong links were established with over 250 local businesses, to enable the launch of the Academy's internship programme
- The Academy team established national and international networks through working with Specialist Schools and Academies Trust (SSAT), Teachers' TV, I-Net, MirandaNet and other organisations on educational innovation. Our staff took part in a number of national and international conferences and media events

Liaison with the Department for Education and Skills (DfES)

- Meetings with the DfES were frequent throughout 05-06 and monthly reports were submitted to them by the overall project manager, a Tribal consultant
- The Academy registered as an independent school in February 2006. A successful Ofsted inspection took place on 3rd July 2006, granting the Academy permission to open in September in temporary accommodation at Penfold Street
- Sign-off meetings were held at the DfES in March 2006 on the educational aspects of the project and in July 2006 on the financial and construction aspects of the project, resulting in a successful sign-off
- A number of meetings between the Academy and the DfES took place during the Spring and Summer of 2006, enabling issues relating to the revenue budget 06-07 to be explored, particularly raising the Academy's concerns about the excessive cost of TUPE transferred staff. These resulted in a commitment from the DfES for additional Start-Up and revenue funding in 06-07, to support

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

additional staffing costs inherited by the Academy, as well as meeting the costs of any redundancies arising from a staffing re-structure after the opening of the Academy

Construction at Westbourne Green

Milestones August 2005 - August 2006

October 2005	Practical Completion of the demolition works achieved
November 2005	Final Account agreed with demolition contractor
December 2005	Galliford Try Construction South appointed as main contractor for the Westminster Academy
December 2005	Main contract works commence on site
August 2006	Concrete frame 'tops out' at the main academy site
August 2006	Sports pitches closed at Harrow Road and construction of new facilities commenced
August 2006	Practical Completion of the refurbishment works to Penfold Street achieved
August 2006	Westminster Academy commences occupation of Penfold Street in anticipation of opening in September 2006

In summary, this has been a very positive year that has seen considerable progress made toward the construction of the Academy at Westbourne Green. The development of the Westminster Academy will be unique within the Academy programme. It is a prime example of an "urban academy" being built on a very constrained site in the midst of a high density residential neighbourhood. This is the first time that one large school is being closed to be replaced by two Academies, with the additional complications that this brings of close coordination between the new schools (Westminster and Paddington Academy) throughout the process.

The company remains positive about the progress made in the construction of the new building at Westbourne Green and that the Academy will open in its new permanent home for the start of the 2007 / 8 academic year. This is a year later than originally planned and is a direct consequence of the late handover of the site to the Company, which was reported in the last Directors' report.

Operating and Financial Review

All of the current funding for the Academy is obtained from the DfES in the form of support for the Implementation stage and for the Construction stage. The funding for each stage represents a separate restricted fund and is received on a timely basis as reimbursement of actual expenditure incurred on each stage on an ongoing basis, until the Academy has been built. The total grants received during the year ended 31 August 2006 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. During the year funds received from DfES in respect of the Implementation and Construction stages amounted to £785,562 and £8,859,056 respectively.

At 31 August 2006 the net book value of fixed assets was £11,566,788. The assets are used exclusively for developing 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)

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

The Academy net assets at 31 August 2006 amounted to £11,621,305. To achieve the development plan objectives and for other major capital projects the Academy remains dependent on the provision of additional fixed asset grants from both the DfES and commercial sponsors.

Directors

The Directors of the Company who served during the year were –

Nigel Hugill, previous MD of Chelsfield plc, initial sponsor for the Westminster Academy

George Cochrane, Chair of Shadow Governing Body and sponsor's representative - continue to lead the development of the Academy, whilst delegating the day to day policy direction to the Shadow Governing Body

Linda Harrison and Kenneth Cook resigned as Directors on 14 July 2006 and Michael Dangoor, Elie Dangoor, Judy Dangoor and David Dangoor were appointed additional directors on 31 January 2007

Rehan ul-Haq (DfES nominee) and Brian Connell (Councillor and Cabinet Member for Schools, Westminster City Council) also attend board meetings

The Directors met twice during the 2005 / 2006 year

- To review progress
- To discuss future sponsorship and to meet prospective sponsors – the Exilarch Foundation

The ongoing sponsorship of the Academy was a major area of activity for the Directors, working with the Principal and the DfES, to identify a potential future sponsor. During the year a number of individuals and organisations/ Company's have been approached. The directors are confident that the process is nearing a conclusion and there is support for the Exilarch Foundation, a family charity established by Naim Dangoor in 1980 with a focus on education, to be approved by the Department as the new sponsor for the Academy.

Governance of the Academy

Throughout this year, the Academy Shadow Governing Body met monthly.

The Body was made up of

Elizabeth Adlington
Mary Amayo
Linda Heavey
Neil Johnston
Katy Thorne
Nathalie Stewart
Debra Okitip
George Cochrane
Paul Raynes

Governors welcomed in March 2006 two new members to the Governing Body
David and Judy Dangoor

The major issues that were addressed related to the developments and activities listed above and were agreed by the Governing Body. The Governors have set policy objectives as laid out in the Academy Strategic Plan and given clear direction to the Principal and her Leadership Team.

Aside from the Shadow Governing Body, the development of the Academy was led by the Directors of the Company and the initial Sponsor's Representative.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

Statement of Directors' responsibilities for the financial statements

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors have

- ◆ selected suitable accounting policies and applied them consistently,
- ◆ made judgements and estimates that are reasonable and prudent,
- ◆ followed applicable accounting standards, and
- ◆ prepared the financial statements on the going concern basis

The directors are responsible for ensuring that proper accounting records are kept. For the year ended 31 August 2006 these records have been kept by DfES and by the Overall Project Managers, Tribal Plc. The records must disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement on the system of internal financial controls

The directors acknowledge the overall responsibility for ensuring that the Academy has an effective and appropriate system of control, financial and otherwise. They are also responsible for ensuring proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Academy and enable them to ensure the financial statements comply with the Companies Act. We also acknowledge responsibility for safeguarding the assets of the Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that -

- ◆ The Academy is operating efficiently and effectively,
- ◆ Its assets are safeguarded against unauthorised use or disposition,
- ◆ The proper records are maintained and financial information used within the Academy or for publication is reliable,
- ◆ The charity complies with relevant laws and regulations

The Academy's system of internal financial control is based on a framework of regular management information provided by the Overall Project Manager and their administrative procedures including the segregation of duties and a system of accountability.

The directors confirm that the major risks to which the Academy is exposed have been reviewed and systems have been established to mitigate those risks. A risk register has been updated monthly and presented to the Project Implementation Board.

In addition, the directors have considered the guidance for directors of public listed companies contained within the Turnbull Report. They believe that although it is not mandatory for the Academy it should, as a publicly funded body, adopt these guidelines as best practice.

Legal status

The Academy is a company limited by guarantee and a registered charity. The company does not have a share capital. Every member of the company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is 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.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

Equal opportunities

The Directors recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Disabled persons

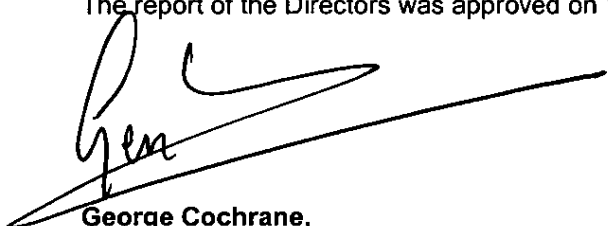
The Academy will be fully compliant with the relevant legislation to ensure that all students with disabilities are provided with a good quality learning environment. The policy of the Academy is to support the employment of disabled persons both in the recruitment and by retention of employees who become disabled whilst in the employment of the Academy, as well as generally through training and career development.

Auditors

The auditors, Citroen Wells are willing to continue in office, and a resolution to appoint them will be proposed at the annual general meeting.

Approval

The report of the Directors was approved on 18 July 2007 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'G. Cochrane', is written over a horizontal line.

**George Cochrane,
Director and Chair of Shadow Governing Body**

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

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 2006 set out on pages 10 to 18. These accounts have been prepared under the accounting policies set out on page 13.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's 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 described on page 6, the directors, who also act as trustees for the charitable activities of The Westminster Academy (Westbourne Green), are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the accounts, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the trust is not disclosed.

We read other information contained in the Directors' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the trust's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

Opinion

In our opinion

the accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the trust's affairs as at 31 August 2006 and of its incoming resources and application of resources in the year then ended,

the accounts have been properly prepared in accordance with the Companies Act 1985,

the information given in the Directors' Report is consistent with the accounts,

the accounts have been prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the Department for Education and Skills in respect of the relevant financial year,

proper accounting records have been kept by the Academy throughout the financial year,

grants made by the Department for Education and Skills have been applied for the purpose intended



Citroen Wells

Chartered Accountants

Registered Auditor

Devonshire House

1 Devonshire Street

London

W1W 5DR

Dated 18 July 2007

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2006

	Notes	Unrestricted funds £	Restricted fixed asset funds £	Restricted general funds £	Total 2006 £	Total 2005 £
Incoming resources from generated funds						
Incoming resources from charitable activities	2	-	8,859,056	785,562	9,644,618	3,160,904
Other incoming resources	3	12,857	-	-	12,857	4,798
Total incoming resources		12,857	8,859,056	785,562	9,657,475	3,165,702
Resources expended						
Governance costs	4	1,610	114,730	743,336	859,676	342,196
Total resources expended		1,610	114,730	743,336	859,676	342,196
Net income for the year/ Net movement in funds		11,247	8,744,326	42,226	8,797,799	2,823,506
Fund balances at 1 September 2005		4,791	2,816,970	1,745	2,823,506	-
Fund balances at 31 August 2006	11	16,038	11,561,296	43,971	11,621,305	2,823,506

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

BALANCE SHEET

AS AT 31 AUGUST 2006

	Notes	2006 £	£	2005 £	£
Fixed assets					
Tangible assets	7	11,566,788		2,822,741	
Current assets					
Debtors	8	1,958,872		194,846	
Cash at bank and in hand		334,123		4,265	
		<u>2,292,995</u>		<u>199,111</u>	
Creditors: amounts falling due within one year	9	<u>(2,238,478)</u>		<u>(198,346)</u>	
Net current assets			<u>54,517</u>		<u>765</u>
Total assets less current liabilities			<u>11,621,305</u>		<u>2,823,506</u>
Income funds					
Restricted general funds	10	43,971		1,745	
Restricted fixed asset funds	10	11,561,296		2,816,970	
Unrestricted funds		16,038		4,791	
		<u>11,621,305</u>		<u>2,823,506</u>	

The accounts were approved by the Board on 18 July 2007


Mrs E G Cochrane
Director

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2006

	Notes	2006 £	2005 £
Net cash inflow from operating activities	12	7,106,241	2,754,374
Capital expenditure			
Payments to acquire tangible fixed assets	(6,776,383)	(2,750,109)	
Net cash outflow from capital expenditure		(6,776,383)	(2,750,109)
Increase in cash	13	329,858	4,265

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2006

1 Accounting policies

1.1 Format of accounts

The standard format for the accounts as required by the Companies Act 1985 schedule 4 part I has been adapted to provide more appropriate information which complies with the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' and reflects the activities of the company

1.2 Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

1.3 Fund accounting

General Funds are those monies which may be used towards meeting the objectives of the Academy at the discretion of the Governors. Designated Funds comprise amounts set aside by Governors out of the General Fund, for specific purposes

Restricted Funds comprise grants from DfES to be used for specific purposes

1.4 Grants receivable

Fixed asset grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not matched to relevant expenditure during the period is shown in the restricted income fund on the balance sheet. The annual recurrent grant from DfES which is intended to meet recurrent costs, is credited direct to the statement of financial activities

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are included in the accounts at cost. 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) and are released over the expected useful economic life of the related asset on a basis consistent with the depreciation policy

Depreciation is provided evenly on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives from when they are first brought into use. The principal annual rates used for other assets are

Long leasehold property	2% on straight line basis (once completed)
Computer equipment and software	33.33% on straight line basis
Fixtures and fittings	25% on straight line basis

1.6 Pensions

Non teaching members of staff are offered membership of a defined contribution scheme. The assets of this scheme are held separately from those of the company, being invested with insurance companies. The pension costs for that scheme represent the contributions payable by the company in the year

1.7 Taxation

The company is a registered charity and as such is exempt from Income and Corporation taxes under the provisions of the Income and Corporation Taxes Act 1988. The cost of Value Added Tax incurred by the company has been included in the Statement of Financial Activities

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

2 Incoming resources from charitable activities.

	Restricted fixed asset funds £	Restricted general funds £	Total 2006 £	Total 2005 £
DfES grants - Implementation process	-	785,562	785,562	343,934
DfES grants - Fixed asset fund - Penfold Street	193,065	-	193,065	-
DfES grants - Fixed asset fund - Academy	8,665,991	-	8,665,991	2,816,970
	<u>8,859,056</u>	<u>785,562</u>	<u>9,644,618</u>	<u>3,160,904</u>

3 Other incoming resources

	2006 £	2005 £
Other income	<u>12,857</u>	<u>4,798</u>

4 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2006 £	Total 2005 £
Governance costs	<u>297,170</u>	<u>5,851</u>	<u>556,655</u>	<u>859,676</u>	<u>342,196</u>

Governance costs include payments to the auditors of £8,813 (2005 £3,500) for audit fees, and £21,111 (2005 £nil) for non audit fees

It also includes £114,730 of costs in relation to Penfold Street

5 Directors

None of the directors (or any persons connected with them) received any remuneration or expenses during the year

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

6 Employees

Number of employees

The average monthly number of employees during the year was

	2006 Number	2005 Number
Management	2	1
Administration	2	1
	<u>4</u>	<u>2</u>

Employment costs

	2006 £	2005 £
Wages and salaries	253,782	86,771
Social security costs	24,048	8,556
Other pension costs	19,340	9,000
	<u>297,170</u>	<u>104,327</u>

The number of employees whose annual emoluments were £50,000 or more were

	2006 Number	2005 Number
Management	2	1

Of the employees whose emoluments exceed £50,000, two (2005 One) has retirement benefits accruing under a defined contribution pension scheme

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

7 Tangible fixed assets

	Long leasehold property	Computer equipment and software	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 September 2005	2,816,970	8,656	-	2,825,626
Additions	7,958,239	337,984	453,675	8,749,898
At 31 August 2006	10,775,209	346,640	453,675	11,575,524
Depreciation				
At 1 September 2005	-	2,885	-	2,885
Charge for the year	-	5,851	-	5,851
At 31 August 2006	-	8,736	-	8,736
Net book value				
At 31 August 2006	10,775,209	337,904	453,675	11,566,788
At 31 August 2005	2,816,970	5,771	-	2,822,741

8 Debtors	2006 £	2005 £
Other debtors	1,958,872	194,846

9 Creditors' amounts falling due within one year	2006 £	2005 £
Trade creditors	2,192,849	194,846
Other creditors	16,318	-
Accruals	29,311	3,500
	2,238,478	198,346

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

10 Restricted funds

The income funds of the Academy comprises the following balances of grants to be applied for specific purposes

	Balance at 1 September 2005	Movement in funds		Balance at 31 August 2006
	£	Incoming resources	Resources expended	£
Restricted General Fund	1,745	785,562	(743,336)	43,971
DfES capital grants - Academy	2,816,970	8,708,496	-	11,525,466
DfES capital grants - Penfold Street	-	150,560	(114,730)	35,830
	<u>2,818,715</u>	<u>9,644,618</u>	<u>(858,066)</u>	<u>11,605,267</u>

11 Analysis of net assets between funds

	Unrestricted funds	Restricted fixed asset funds	Restricted general funds	Total
	£	£	£	£
Fund balances at 31 August 2006 are represented by				
Tangible fixed assets	-	11,518,789	47,999	11,566,788
Current assets	16,038	2,025,733	251,224	2,292,995
Creditors amounts falling due within one year	-	(1,983,226)	(255,252)	(2,238,478)
	<u>16,038</u>	<u>11,561,296</u>	<u>43,971</u>	<u>11,621,305</u>

12 Net cash inflow from operating activities

	2006 £	2005 £
Reconciliation to changes in resources		
Changes in resources before revaluations	8,797,799	2,823,506
Depreciation of tangible fixed assets	5,851	2,885
Increase in debtors	(1,764,026)	(194,846)
Increase in creditors	66,617	122,829
	<u>7,106,241</u>	<u>2,754,374</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

13 Reconciliation of net cash flow to movement in net funds	2006	2005
	£	£
Increase in cash	329,858	4,265
Net funds at 1 September 2005	4,265	-
Net funds at 31 August 2006	<u>334,123</u>	<u>4,265</u>

14 Analysis of net cash balances

	At 1 September 2005	Cash flow	Non-cash changes	At 31 August 2006
	£	£	£	£
Cash at bank and in hand	4,265	329,858	-	334,123
	<u>4,265</u>	<u>329,858</u>	<u>-</u>	<u>334,123</u>

15 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 company shall if it does not re-invest the proceeds, repay to the Secretary of State for Education and Skills 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 company serving notice, the company 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 company 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

16 Capital commitments

The company has contracted with various third parties for the implementation, design and construction of The Westminster Academy. The total budget for this has been set at approximately £30 million, of which approximately £12 million (2005 £3 million) has been expended to date