

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 2008

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THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	George Cochrane
	Nigel Hugill
	David Dangoor
	Judy Dangoor
	Michael Dangoor
	Elie Dangoor
Secretary	Elie Dangoor
Charity number	1103958
Company number	05102934
Registered office	225 Harrow Road
	London
	W2 5EZ
Auditors	Citroen Wells
	Devonshire House
	1 Devonshire Street
	London
	W1W 5DR
Bankers	Barclays Bank Plc
	Clifton House
	83-117 Euston Road
	London
	NW1 2BB

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS

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THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

The Directors present their report and audited financial statements for the year ended 31 August 2008.

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 sponsors of the Academy, The Exilarch Foundation, 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

The Westminster Academy started its second year of operation in September 2007 and its first in its permanent home on Harrow Road in Westbourne Green, Westminster.

The end of the previous year saw preparation / removal activity from the temporary home at Penfold Street, which the Academy occupied for its first year of operation. The start of the Academic year exerted considerable pressure on the construction programme and required phased handover of the main school building to allow the school to become established and ready to deliver education from September. This required co-operation of contractors and consultants to enable this to happen and was at times testing requiring considerable patience from staff and students as the final works and tests were carried on throughout the first term.

The sports hall and external sports facilities were not handed over to the school until later in the first term, which required the school to make temporary arrangements for the delivery of physical education. The opening of the sports hall and pitches was widely welcomed by the students, staff and community and has proved to be very successful meeting a wide range of needs and enabling the school to deliver a wide variety of sports development activities.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

The year has been a challenge for the Academy coming to terms with the new building and working with contractors as the inevitable issues that arise with a new building are addressed and rectified. The Directors would like to thank staff and students for their patience and fortitude throughout this process and to the contractors in completing the Academy and sports buildings to a high standard.

The effect of moving the school to new purpose built accommodation has been marked. Students and staff are clearly proud of their new environment and there has been a positive effect on behaviour. The new building plays a positive role in improving the staff's ability to deliver teaching and the student's ability to learn. The innovative curriculum to which the Academy is committed can be delivered in a way that was not possible within our temporary home.

The design of the Academy has been recognised nationally with a number of awards for the architects – Allford Hall Monaghan and Morris. The Academy was awarded RIBA Building of the Year in London, received a national award from RIBA and was on the shortlist for the 2008 Stirling Prize for Architecture. This and the profile of the Academy, and its approach to delivering teaching and learning, has attracted considerable interest with many and frequent visits to the Academy.

Curriculum planning

- An innovative curriculum model was developed in order to deliver the Academy's specialism of International Business and Enterprise to 800 students aged 11-17 in September 2006 and to 1175 students aged 11-19 by 2011.
- The timetable for September 2008 was produced through a consultation process with staff and students. This was issued to staff in July 2008.
- The curriculum model was implemented taking into account the strategic plan, policies, routines, procedures, staffing structures and job descriptions.
- A review of the strategic plan for the Academy was undertaken and agreed by the Governors in 2008.
- The procurement of appropriate teaching and learning resources continued in September 2007 with most resources being procured by Summer 2008.
- The Academy became an International Baccalaureate World School in January 2008, leading to the successful introduction of the International Baccalaureate Diploma Programme in September 2008.

Staffing

- A restructure of the staff including voluntary redundancies took place in order to reduce a budget in which staffing costs matched the total Academy income budget. The senior leadership team itself was restructured from 12 to 8 posts including a new Vice Principal, recruited in April 2008.

In January 2008, Alison Banks, the Academy's Principal, announced her retirement from education. This was sad news for the Academy and the Directors would like to express their considerable thanks to her in the major role she played in shaping and establishing Westminster Academy. She retired at the end of August 2008. As a result of her announcement, the Academy undertook an in depth recruitment campaign to find a new Principal – advertisements were placed in the national press and in all teaching and Academy networks. A high calibre shortlist of candidates were invited to a thorough selection process involving representatives of the DCSF, Specialist Schools and Academies Trust, The Academy Advisory Board, Governors, staff and students. As a result of the

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

process there was unanimous agreement to appoint Smita Bora as the Academy's Principal from September 2008.

- In September 2007, over 40 newly qualified and recruited staff was appointed.
- In the Spring 2008 census there were 64 teachers and 64 support staff at the Academy.
- Staff training continued to be a high priority throughout 2007 - 08. Priorities included training for the introduction of new courses, the new pastoral house system and the introduction of the International Baccalaureate Diploma Programme.
- The Academy team continued its national and international networks through working with the Specialist Schools and Academies Trust (SSAT), I-Net, MirandaNet and other organisations on educational innovation. Its staff continued to participate in national and international conferences and media events.

Students

- The admissions process for Year 7 in September 2007 was administered by Westminster City Council, through the pan-London Central Admissions System. 480 applications had been received for 180 places for September 2007 entry, indicating the growing popularity of the Academy.
- Students in Years 9 - 11 transferred from North Westminster Community School on 1st September 2006. The Spring 2008 school census recorded a total of 807 students in Years 7 - 12. No mid-year recruitment took place owing to the priority given to raising standards.
- In the Spring 2008 census 737 (of 807) students had a first language other than English. 357 students took free school meals on census day, although numbers increased during the year owing to better publicity and advice to parents on applying for this entitlement. 305 students had special educational needs (of which 21 had statements), although this number also increased during the year as students' needs were identified.
- Great care was taken with the transfer of students' personal files and coursework from the temporary to the new building, as well as considerable liaison with Westminster City Council, the health authority and other agencies to ensure all student data was protected.
- The Academy Council continued to ensure the involvement of the students in decision-making processes and regular evaluations were conducted which indicated student satisfaction with their new building.
- Students' attainment improved during the year 2007 - 08, particularly at Key Stage 4 with a 20% increase in the number of students obtaining 5 A* - C grades compared with the previous year.

The wider community

- Parents were fully involved in the opening and development of the new building through regular progress review days, parents' evenings and special events. Monthly newsletters were sent to parents.
- Through working with Westminster Community Partnerships and local enterprise agencies, strong links continue to be established with over 250 local businesses, to enable the development of the Academy's internship programme.
- The Academy is committed to continuing neighbourhood meetings with representatives of the local neighbourhood forum and local residents, to alleviate residents' fears and reduce any nuisance arising from the impact of the new school.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

- The Principal, as a member of the Steering Group of the Westbourne Neighbourhood Forum, continued to play an important role in the development of the Westbourne Neighbourhood Plan and engaged in a series of community consultations.
- Following the completion of the Sports facilities the Academy launched Academy Sport, the management entity that runs the facilities with a view to maximising wider community use and sports development activity. The management of sports facilities is overseen by a management group involving the Academy, Westminster City Council and community / user representatives. Academy Sport has proved very successful with 9,000 users a month coming from the wider community by the end of the year.
- Community Use of the Naim Dangoor Centre, Harrow Road continued to develop throughout the year culminating in the launch of Academy Com in August 2008. This ambitious initiative is aimed at further increasing community use and wider activity educational and social of the Academy's resources. The Academy has produced a community plan and developed further the school travel plan.

Liaison with the Department for Children, Schools and Families (DCSF)

- Meetings with the DCSF continued throughout 2007- 08 and the DCSF link officer Pamela Stenson visited regularly and attended meetings of the Governing Body.
- A satisfactory HMI inspection took place in June 2008, recognising progress made and the Academy's capacity for improvement.
- Paul Hann, DCSF Adviser for Academies and the School Improvement Partner (SIP) Tim Royle continued to visit termly and encouraging reports continued to be submitted to the DCSF and the Governing Body.

Awards for the Academy

- Specialist Schools and Academies Trust Future Vision Award - October 2007.
- Future Vision Award – October 2007
- RIBA 2008 Award for Architecture - May 2008
- BCSE Industry for Inspiring Design (Secondary School) - June 2008
- RIBA London Building of the Year Award - July 2008
- RIBA National Award for Architecture - July 2008
- Design Week Wayfinding & Environmental Graphics Award – March 2008
- RIBA 2008 Stirling Prize for Architecture – shortlisted
- RIBA Sorrell Foundation School Award 2008 – shortlisted

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

Operating and Financial Review

In the accounting period, the Academy received income from three major sources: the DCSF, Westminster City Council and the Principal Sponsor, the Exilarch Foundation. The grants received during the year ended 31 August 2008 and the associated expenditure are shown in the Statement of Financial Activities.

Restricted capital grants received from the DCSF and its sponsors of £5,171,456 and £300,000 respectively are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Unrestricted incoming resources for the year amounted to £316,120 against expenses incurred of £234,602, resulting in a surplus for the year of £81,518. Restricted incoming resources amounted to £8,009,635 and comprised mainly of the General Annual Grants (GAG) receivable from DCSF. Restricted expenditure for the year amounted to £7,713,057. The surplus for the year of £219,697 together with a small surplus of £3,868 from the previous is carried forward at the year end.

At 31 August 2008 the net book value of fixed assets was £32,754,333 and movements in tangible fixed assets are shown in note 13 to the financial statements. 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 Directors

The Directors of the Company who served during the year were:-

George Cochrane	Chair of Governing Body and initial sponsor's representative / project lead
Nigel Hugill	previous MD of Chelsfield (initial sponsor for the Westminster Academy) currently Chairman of Lend Lease Europe.
David Dangoor Judy Dangoor Michael Dangoor Elie Dangoor	} representing the sponsors, the Exilarch Foundation

Rehan UI-Haq (DCSF nominee) and Brian Connell (LA Nominee – City of Westminster Councillor) also attended board meetings.

The Directors met once during the 2007/2008 year on 27 June 2008:

- To approve the 2006/2007 Accounts
- To approve the annual return to the Charity Commission
- To appoint Auditors for the coming year

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

Governance of the Academy

During the year 2007/08, the Academy Governing Body met six times on 18 September 2007, 13 December 2007, 13 February 2008, 2 April 2008, 23 April 2008 and 16 July 2008. One of its Sub-Committees, Finance and Site, met twice on 18 March 2008 and on 24 June 2008, whilst its other Sub-Committee, Curriculum and Personnel, met once on 28 February 2008.

Minutes of all these meetings are made available in the public domain through enquiries in the administrative office.

The Governing Body had the following members:

Ambia Ali (parent Governor)

Mary Amayo

Alison Banks (ex officio)

Maka Baramidze (elected teaching Governor)

George Cochrane

David Dangoor (sponsor)

Judy Dangoor (sponsor)

Annie Diamond (parent Governor)

Linda Heavey

Nigel Hugill

Arezki Lounes (parent Governor)

Neil McNaughton (appointed a Governor - 2 April 2008)

Debra Okitikpi

Ed Partridge (appointed a Governor - 2 April 2008)

Shrupti Shah

Nathalie Stewart

Sandra Taylor (elected non-teaching staff Governor)

Jeremy Witts

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 Governing Body, the development of the Academy was led by the Directors of the Company and the Sponsors.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

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. 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. They 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 of disposition;
- The proper records are maintained and financial information used within the Academy or for publication is reliable;
- The Academy complies with relevant laws and regulations.

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.

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.

The Governing Body appointed Jeremy Witts, a governor, as "Responsible Officer" within the Academy for financial matters. On a termly basis, the Responsible Officer reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

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 AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2008

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 is 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.

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 the amount held in fixed assets and restricted funds) is £98,027 which is less than is needed. The Academy intends to continue building up free reserves to the level needed.

Future Plans

The Academy continues to be extremely positive about fully meeting the company objectives, the generation of income from the new building and achieving its challenging academic targets.

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.

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 16 January 2009 and signed on its behalf by:



George Cochrane

Director and Chair of 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 2008 set out on pages 11 to 34. These accounts have been prepared under the accounting policies set out on pages 15 to 16.

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 7, 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 company 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 company'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 company's affairs as at 31 August 2008 and of its incoming resources and application of resources including its income and expenditure in the year then ended;

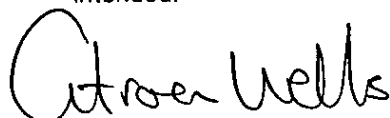
the accounts have been properly prepared in accordance with the Companies Act 1985;

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 Children, Schools and Families in respect of the relevant financial year;

proper accounting records have been kept by the Company throughout the financial year;

grants made by the Department for Children, Schools and Families have been applied for the purposes intended.



Citroen Wells

Chartered Accountants

Registered Auditor

Devonshire House

1 Devonshire Street

London

W1W 5DR

Dated: 16 January 2009

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2008

	Notes	Unrestricted funds £	Restricted fixed asset funds £	Restricted general funds £	Total 2008 £	Total 2007 £
<u>Income resources</u>						
Incoming resources from generated funds						
Sponsorship	3	707	300,000	-	300,707	600,000
Activities for generating funds	4	143,417	-	-	143,417	-
Investment income	5	71,752	-	-	71,752	16,531
		<u>215,876</u>	<u>300,000</u>	<u>-</u>	<u>515,876</u>	<u>616,531</u>
Funding for the Academy's educational operations	6	-	5,171,456	7,944,951	13,116,407	24,752,855
Other incoming resources	7	100,244	-	64,684	164,928	132,214
		<u>316,120</u>	<u>5,471,456</u>	<u>8,009,635</u>	<u>13,797,211</u>	<u>25,501,600</u>
Total incoming resources						
<u>Resources expended</u>						
Charitable activities						
Educational operations:	8					
Direct costs		-	1,309,288	4,185,798	5,495,086	5,338,325
Allocated support costs		232,785	57,226	3,388,113	3,678,124	3,004,671
		<u>232,785</u>	<u>1,366,514</u>	<u>7,573,911</u>	<u>9,173,210</u>	<u>8,342,996</u>
Total charitable expenditure						
Governance costs	10	1,817	-	139,146	140,963	197,422
		<u>234,602</u>	<u>1,366,514</u>	<u>7,713,057</u>	<u>9,314,173</u>	<u>8,540,418</u>
Total resources expended						
Net incoming resources before transfers		81,518	4,104,942	296,578	4,483,038	16,961,182
Gross transfers between funds		1,243	75,638	(76,881)	-	-
		<u>82,761</u>	<u>4,180,580</u>	<u>219,697</u>	<u>4,483,038</u>	<u>16,961,182</u>
Net incoming resources for the year						
Other recognised gains and losses						
Actuarial (losses)/gains on defined benefit scheme		(59,100)	-	-	(59,100)	69,500
		<u>23,661</u>	<u>4,180,580</u>	<u>219,697</u>	<u>4,423,938</u>	<u>17,030,682</u>
Net movement in funds						
Fund balances brought forward at 1 September 2007		74,366	28,573,753	3,868	28,651,987	11,621,305
		<u>98,027</u>	<u>32,754,333</u>	<u>223,565</u>	<u>33,075,925</u>	<u>28,651,987</u>
Fund balances carried forward at 31 August 2008						

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

STATEMENT OF RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2008

	2008 £	2007 £
Net income for the year	4,483,038	16,961,182
Actuarial (loss)/gain on pension scheme	(59,100)	69,500
	<u>4,423,938</u>	<u>17,030,682</u>

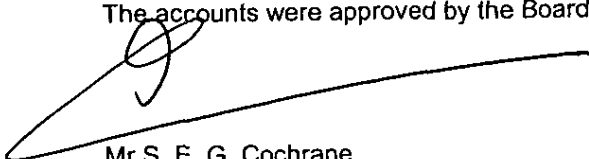
THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

BALANCE SHEET

AS AT 31 AUGUST 2008

	Notes	2008 £	£	2007 £	£
Fixed assets					
Tangible assets	13	32,754,333		28,572,508	
Current assets					
Stocks		92,811		75,893	
Debtors	14	1,848,225		4,345,584	
Cash at bank and in hand		1,064,247		652,861	
		<u>3,005,283</u>		<u>5,074,338</u>	
Creditors: amounts falling due within one year	15	<u>(2,613,791)</u>		<u>(5,002,359)</u>	
Net current assets			<u>391,492</u>		<u>71,979</u>
Total assets less current liabilities			<u>33,145,825</u>		<u>28,644,487</u>
Pension scheme (liabilities)/assets	16		<u>(69,900)</u>		<u>7,500</u>
Net assets			<u><u>33,075,925</u></u>		<u><u>28,651,987</u></u>
Income funds					
Restricted funds	17	223,565		3,868	
Restricted fixed asset funds	17	32,754,333		28,573,753	
Other charitable funds					
Unrestricted income funds		167,927		66,866	
Pension reserve	16	<u>(69,900)</u>		<u>7,500</u>	
			<u>98,027</u>		<u>74,366</u>
			<u><u>33,075,925</u></u>		<u><u>28,651,987</u></u>

The accounts were approved by the Board on 16 January 2009 and signed on their behalf by:


Mr S. E. G. Cochrane
Director

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2008

	Notes	2008 £	2007 £
Net cash inflow from operating activities	19	4,608,490	14,957,236
Capital expenditure			
Payments to acquire tangible fixed assets	(4,197,104)	(14,638,498)	
Net cash outflow from capital expenditure		(4,197,104)	(14,638,498)
Increase in cash	20	411,386	318,738

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2008

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 accounts are prepared under the historical cost convention and in accordance with applicable accounting standards and the Charities SORP.

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 DCSF and other donors to be used for specific purposes.

1.4 Incoming resources

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 DCSF which is intended to meet recurrent costs, is credited direct to the statement of financial activities.

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.

Donations

Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

Interest receivable

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

1.5 Resources expended

Resources expended are recognised in the period in which they are incurred and include irrecoverable VAT. They have been classified under headings that aggregate all costs relating to that activity.

Allocation of costs

In accordance with the Charities SORP, expenditure has been analysed between the cost of the Academy's charitable activities and governance. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. Central staff costs are allocated on the basis of time spent on each activity and depreciation charges on the basis of the proportion of the asset's use which is utilised by each activity.

Governance costs

Governance costs include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

1 Accounting Policies

(continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets acquired since the Academy was established and assets in the course of construction 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).

Generally, assets costing more than £1,000 are capitalised at cost, with the exception of desks and chairs which are written off in full in the year irrespective of cost.

Depreciation is provided on a straight line basis 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 annual rates used for each class of asset are:

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

1.7 Leasing and hire purchase commitments

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

1.8 Stock

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

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

1 Accounting Policies

(continued)

1.9 Pensions

Academy staff are members of one of two pension schemes, both of which are defined benefit schemes. More details of the schemes are given in note 16.

Defined Benefits Schemes

Teachers' Pension Scheme

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the DCSF. As the Academy is unable to identify its share of the underlying (notional) assets and liabilities of the scheme, the Academy has taken advantage of the exemption in Financial Reporting Standard (FRS) 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The pension costs for the scheme represent the contributions payable by the Academy in the year.

Local Government Pension Scheme

Non teaching members of staff are offered membership of the Local Government Scheme (LGPS). The LGPS is a defined benefit pension scheme and it is possible to identify the Academy's share of assets and liabilities and the requirements of FRS 17, Retirement Benefits, have been followed.

The Academy's share of the LGPS assets are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet. Any movement in the asset or liability between balance sheet dates is reflected in the Statement of Financial Activities.

1.10 Taxation

The Academy is a registered charity and as such its principal activities are exempt from Income and Corporation taxes under the provisions of the Income and Corporation Taxes Act 1988. The cost of irrecoverable Value Added Tax incurred by the Academy 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 2008

2 General Annual Grant (GAG)

	2008 £	2007 £
a) Results and Carry Forward for the Year		
GAG brought forward from previous year	(37,990)	-
Recurrent GAG allocation for current year	6,253,770	5,026,681
Total GAG available to spend	6,215,780	5,026,681
Recurrent expenditure from GAG	(5,741,020)	(5,064,671)
Fixed assets purchased from GAG	(456,032)	-
GAG carried forward to next year	18,728	(37,990)
Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	750,452	603,202
GAG to surrender to DCSF (12% rule breached if result is positive)	(731,725)	(641,192)
	(no breach)	(no breach)
b) Use of GAG brought Forward from Previous Year for Recurrent Purposes		
(Of the amount carried forward each year, a maximum of 2% of GAG can be used for recurrent purposes. Any balance, up to a maximum of 12%, can only be used for capital purposes).		
Recurrent expenditure from GAG in current year	5,741,020	
GAG allocation for current year	6,253,770	
	(512,750)	
GAG allocation for previous year x 2%	(100,534)	
GAG brought forward from previous year in excess of 2%, used on recurrent expenditure in current year	(613,284)	
(2% rule breached if result is positive)	(no breach)	

Note - included in the total Restricted General Funds carried forward for 2008 is £197,671 of Start up A grant (2007 £Nil). This is not included in the recurrent GAG funding and therefore is excluded in the above calculations.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

3 Sponsorship

	Unrestricted funds £	Designated funds £	Total 2008 £	Total 2007 £
Exilarch Foundation - principal sponsor	-	300,000	300,000	600,000
Miscellaneous donations	707	-	707	-
	<u>707</u>	<u>300,000</u>	<u>300,707</u>	<u>600,000</u>

4 Activities for generating funds

	2008 £	2007 £
Hire of facilities	<u>143,417</u>	<u>-</u>

5 Investment income

	2008 £	2007 £
Bank interest receivable	<u>71,752</u>	<u>16,531</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

6 Funding for the Academy's educational operations

	Restricted fixed asset funds £	Restricted general funds £	Total 2008 £	Total 2007 £
DCSF grants - General Grants	-	7,263,775	7,263,775	7,180,883
Government grants - Other	-	681,176	681,176	774,539
DCSF grants - Fixed Asset Fund	5,171,456	-	5,171,456	16,797,433
	<u>5,171,456</u>	<u>7,944,951</u>	<u>13,116,407</u>	<u>24,752,855</u>

Included within income relating to DCSF grants - General Grants are the following grants:

General Annual Grants	7,036,338	6,163,277
Additional funding	-	187,140
Funding for Compromise agreements	-	830,466
Other grants	227,437	-
	<u>7,263,775</u>	<u>7,180,883</u>

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

LA Standard Fund	374,736	622,314
Special Educational Needs (SEN)	72,654	83,570
Other LA grants	225,286	68,655
Other Government grants	8,500	-
	<u>681,176</u>	<u>774,539</u>

Included within income relating to DCSF grants - Fixed Asset Fund are the following grants:

DCSF Academy	5,171,456	16,530,627
DCSF Penfold Street	-	266,806
	<u>5,171,456</u>	<u>16,797,433</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)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

7 Other incoming resources

	Unrestricted funds £	Restricted funds £	Total 2008 £	Total 2007 £
School's operation - other income	100,244	64,684	164,928	132,214

8 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2008 £	Total 2007 £
Charitable activities					
Academy's educational operations					
<u>Direct costs</u>					
Activities undertaken directly	3,330,557	1,309,288	855,241	5,495,086	5,338,325
<u>Allocated support costs</u>					
Activities undertaken directly	2,075,489	432,078	1,170,557	3,678,124	3,004,671
	5,406,046	1,741,366	2,025,798	9,173,210	8,342,996
Governance costs	-	-	140,963	140,963	197,422
	5,406,046	1,741,366	2,166,761	9,314,173	8,540,418

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

9 Academy's educational operations

	2008 £	2007 £
Other costs relating to direct costs comprise:		
Books, learning resources and stationery	295,171	466,474
Curriculum ICT	45,903	72,516
Examination fees	66,801	69,990
Awards and hospitality	7,307	14,636
Educational consultancy	440,059	262,515
	<u>855,241</u>	<u>886,131</u>

Other costs relating to allocated support costs comprise:

Uniforms	80,851	121,618
Transport hire	2,745	73,881
Out of hours and agencies	39,771	82,854
Rent and rates	33,304	30,438
Insurance	116,861	33,520
Heat and light	39,071	121,231
Maintenance of premises and equipment	90,635	54,424
Cleaning	69,442	117,361
Printing postage and stationery	192,190	180,697
Technology costs	112,281	97,810
Catering	166,749	105,755
Irrecoverable VAT	206,921	221,139
Other support costs	19,736	74,289
Penfold Street costs	-	266,806
	<u>1,170,557</u>	<u>1,581,823</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

10 Governance costs

	2008	2007
	£	£
Other governance costs comprise:		
Bank charges	1,817	2,183
Legal and professional fees	8,963	8,260
Auditors' remuneration	15,000	10,500
Auditors' fees for non-audit work	21,376	1,172
Sundry expenses	370	4,466
Subscriptions	11,235	14,712
Management and administration	82,202	156,129
	<u>140,963</u>	<u>197,422</u>

In accordance with normal commercial practice, the Academy has purchased insurance to protect its governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2008 was £500.

11 Directors

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

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

12 Employees

Number of employees

The average monthly number of employees, excluding the directors, during the year was:

	2008 Number	2007 Number
Teachers	63	65
Support staff	73	67
Administration	10	13
	<u>146</u>	<u>145</u>

Employment costs

	2008 £	2007 £
Wages and salaries	4,644,348	5,085,977
Social security costs	310,973	322,933
Other pension costs	450,725	460,281
	<u>5,406,046</u>	<u>5,869,191</u>

The number of employees whose annual emoluments were £60,000 or more were:

	2008 Number	2007 Number
£60,001 - £70,000	-	3
£70,001 - £80,000	2	-
£100,001 and over	1	1
	<u>3</u>	<u>4</u>

All the employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the year ended 31 August 2008, pension contributions for these staff amounted to £36,474 (2007: £89,191). The highest paid employee was the Principal whose salary, excluding pension contributions was £118,336 (2007 : £107,640). During the year ended 31 August 2008, her pension contributions amounted to £16,690 (2007: £16,379).

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

13 Tangible fixed assets

	Long leasehold property	Computer equipment and software	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 September 2007	26,214,544	1,335,193	1,037,358	28,587,095
Additions	4,445,143	685,659	792,389	5,923,191
Disposals	-	(3,000)	-	(3,000)
At 31 August 2008	30,659,687	2,017,852	1,829,747	34,507,286
Depreciation				
At 1 September 2007	-	14,587	-	14,587
On disposals	-	(3,000)	-	(3,000)
Charge for the year	613,194	670,736	457,436	1,741,366
At 31 August 2008	613,194	682,323	457,436	1,752,953
Net book value				
At 31 August 2008	30,046,493	1,335,529	1,372,311	32,754,333
At 31 August 2007	26,214,544	1,320,606	1,037,358	28,572,508
Source of funding for assets acquired (cumulative to date)			£	
DCSF capital grants			32,677,320	
Private sector funding			900,000	
Other DCSF Grants			929,966	
Cost of fixed assets at 31 August 2008			34,507,286	
Less: Accumulated depreciation			(1,752,953)	
Net book value of fixed assets at 31 August 2008			32,754,333	

14 Debtors	2008	2007
	£	£
Other debtors	1,848,225	4,345,584

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

15 Creditors: amounts falling due within one year	2008 £	2007 £
Trade creditors	277,047	2,478,913
Taxes and social security costs	119,170	104,945
Accruals and other creditors	2,217,574	1,963,138
Deferred income	-	455,363
	<u>2,613,791</u>	<u>5,002,359</u>

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.

The total pension cost to the Academy during the year ended 31 August 2008 was £450,726 (2007 - £460,280) of which £316,771 (2007 - £333,777) relates to the TPS and £133,955 (2007 - £126,503) relates to LGPS.

Teachers pension scheme

Under the definitions set out in Financial Reporting Standard (FRS) 17, Retirement Benefits, the TPS scheme is classed as a multi-employer pension scheme. The Academy is unable to identify its share of the underlying (notional) 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 below the latest information available for the scheme.

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 1997, as amended. These regulations apply to teachers in schools and other educational establishments in England and Wales maintained by local authorities, to teachers in many independent and voluntary-aided schools, and to teachers and lecturers in establishments of further and higher education. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract.

Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Account

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension 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 (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

16 Pension costs

(continued)

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary (GA), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate (SCR) is 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 investigation, 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 last valuation of the TPS related to the period 1 April 2001 - 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR has been assessed at 19.75%, and the supplementary contribution rate has been assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years); a total contribution rate of 20.5%. This translates into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement has also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

A copy of the GA's 2004 valuation report can be found on the TeacherNet website at: www.teachernet.gov.uk/pensions.

The pension cost charged in the financial statements for this scheme for the year ended 31 August 2008 was £469,075 (2007: £483,607) which were the contributions due for the year.

Local Government Pension Scheme

The Academy is one of several employing bodies included within the Local Government Pension Scheme (LGPS).

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The Academy joined the scheme as from 1 September 2006. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation of the scheme was at 31 March 2007.

The total contribution made for the year ended 31 August 2008 was £190,762 (2007: £176,792) of which employer's contributions totalled £133,955 (2007: £126,503) and employees' contributions totalled £56,807 (2007: £50,289). The agreed contribution rates for the year ended 31 August 2008 were 15.1% for employers and 6% for employees.

Regular employer contributions to the fund for the year ending 31 August 2009 are estimated to be £125,600. In addition, Strain on Fund Contributions may be required.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

16 Pension costs

(continued)

The following information is based upon a full actuarial valuation of the fund at 31 March 2007, updated to 31 August 2008 by a qualified independent actuary.

The major assumptions used by the actuary were:

	2008 %	2007 %	2006 %
Rate of increase in salaries	5.50	4.10	4.60
Rate of increase in pensions payment	4.00	3.40	3.10
Discount rate	6.40	5.80	5.00
Inflation assumption	4.00	3.40	3.10

Mortality assumptions

The mortality assumptions are based on the PN00 series standard mortality tables with allowance for future mortality improvements in line with the "medium cohort" projection model, subject to a minimum level of annual improvement. Mortality rates in the underlying base table are further adjusted by the use of scaling factors to reflect the annual mortality experience of the Fund.

	Retiring today	Retiring in 20 years
Life expectancy for an active member - male aged 65 (years)	21.30	23.20
Life expectancy for an active member - female aged 65 (years)	23.40	24.60

The long term expected rates of return are as follows:

	2008 %	2007 %	2006 %
Equities	7.60	7.80	7.30
Bonds	4.60	4.80	4.30
Property	6.60	5.80	5.00
Other assets	5.70	6.60	4.70

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

16 Pension costs

(continued)

The assets in the scheme are as follows:

	2008 £	2007 £	2006 £
Equities	428,500	323,500	-
Bonds	133,100	82,000	-
Other assets	11,800	11,000	-
Total market value of assets	573,400	416,500	-
Present value of scheme liabilities	(643,300)	(409,000)	-
Deficit in scheme	(69,900)	7,500	-
Net pension liability	(69,900)	7,500	-

Analysis of the amount chargeable to income and expenditure account:

	2008 £	2007 £
Employer Service Cost (net of employee contributions)	149,900	184,000
Total Operating Charge	149,900	184,000

Analysis of the amount credited to other finance income:

	2008 £	2007 £
Expected return on employer's share of pension scheme assets	29,800	13,400
Interest on pension scheme liabilities	(29,500)	(16,800)
Pension finance income/(costs)	300	(3,400)

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

16 Pension costs

(continued)

Analysis of amount recognised in the statement of total recognised gains and losses:

	2008 £	2007 £
Actual return less expected return on pension scheme assets	(57,600)	17,300
Experience gains and losses arising on scheme liabilities	(1,500)	(2,100)
Changes in financial and demographic assumptions underlying the present value of the scheme liabilities	-	54,300
Actual (loss)/gain recognised in the statement of total recognised gains and losses	<u>(59,100)</u>	<u>69,500</u>

Movement in surplus during the year:

	2008 £	2007 £
Surplus in scheme at 1 September 2007	7,500	-
Current service cost	(149,900)	(184,000)
Employer contributions	131,300	125,400
Past service costs	-	-
Pension finance income/(costs)	300	(3,400)
Actuarial (loss)/gain	<u>(59,100)</u>	<u>69,500</u>
(Deficit)/surplus in scheme at 31 August 2008	<u>(69,900)</u>	<u>7,500</u>

History of experience gains and losses:

	2008 £	2007 £
Difference between the expected and actual return on scheme assets:		
Amount	(57,600)	17,300
Percentage of scheme assets	-8.95%	4.29%
Experience gains and losses on scheme liabilities:		
Amount	(1,500)	(2,100)
Percentage of the present value of the scheme liabilities	-0.2%	-0.5%
Change in assumptions		
Amount	-	54,300
Percentage of the present value of the scheme liabilities	-	13.39%

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

16 Pension costs

(continued)

Total amount recognised in statement of recognised gains and losses:

Amount	(59,100)	69,500
Percentage of the present value of scheme liabilities	-9.15%	17%

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.

17 Restricted funds

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

	Balance at 01.09.07 £	Movement in funds			Balance at 31.08.08 £
		Incoming resources £	Resources expended £	Transfers £	
Restricted General Funds	3,868	8,009,635	(7,713,057)	(76,881)	223,565
Restricted Fixed Asset Funds	28,573,753	5,471,456	(1,366,514)	75,638	32,754,333
	<u>28,577,621</u>	<u>13,481,091</u>	<u>(9,079,571)</u>	<u>(1,243)</u>	<u>32,977,898</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

18 Analysis of net assets between funds

	Unrestricted funds	Restricted fixed asset funds	Restricted general funds	Total
	£	£	£	£
Fund balances at 31 August 2008 are represented by:				
Tangible fixed assets	-	32,285,554	468,779	32,754,333
Current assets	167,927	2,179,745	657,611	3,005,283
Creditors: amounts falling due within one year	-	(1,710,966)	(902,825)	(2,613,791)
Pension reserve	(69,900)	-	-	(69,900)
	<u>98,027</u>	<u>32,754,333</u>	<u>223,565</u>	<u>33,075,925</u>

Restricted General Fund

The restricted general funds comprise funds received from DCSF and other local government bodies and are used to finance the ongoing expenditure of the normal day to day educational activities of the Academy. The Academy is allowed to carry forward up to 12% of the current General Annual Grant (GAG). Of the carried forward amount, up to 2% of GAG can be used for general purposes at the discretion of the Academy, but any balance over 2% must be used for capital purposes.

Restricted Fixed Asset Funds

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

19 Net cash inflow from operating activities

	2008 £	2007 £
Reconciliation to changes in resources		
Net incoming resources for the year	4,483,038	16,961,182
Depreciation of tangible fixed assets	1,741,366	5,851
Increase in stocks	(16,918)	(75,893)
Decrease/(increase) in debtors	2,497,359	(2,386,712)
(Decrease)/Increase in creditors	(4,096,355)	452,808
	<u>4,608,490</u>	<u>14,957,236</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

20 Reconciliation of net cash flow to movement in net funds	2008 £	2007 £
Increase in cash	411,386	318,738
Net funds at 1 September 2007	652,861	334,123
Net funds at 31 August 2008	<u>1,064,247</u>	<u>652,861</u>

21 Analysis of net cash balances

	At 1 September 2007 £	Cash flow £	Non-cash changes £	At 31 August 2008 £
Cash at bank and in hand	652,861	411,386	-	1,064,247
	<u>652,861</u>	<u>411,386</u>	<u>-</u>	<u>1,064,247</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 company shall, if it does not re-invest the proceeds, repay to the Secretary of State of the Department for Children, Schools and Families 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.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2008

23 Commitments under operating leases

At 31 August 2008 the company had annual commitments under non-cancellable operating leases as follows:

	2008 £	2007 £
Expiry date:		
Between two and five years	<u>22,659</u>	<u>-</u>

24 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 £34.6 million, of which approximately £33.7 million (2007: £28.7 million) has been expended as at 31 August 2008.