

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 2010

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THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Jeremy Witts
	Nigel Hugill
	David Dangoor
	Judy Dangoor
	Michael Dangoor
	Elie Dangoor
Secretary	Elie Dangoor
Charity number	1103958
Company number	05102934
Registered office	The Naim Dangoor Centre
	255 Harrow Road
	London
	W2 5EZ
Auditors	Citroen Wells
	Devonshire House
	1 Devonshire Street
	London
	W1W 5DR
Bankers	Barclays Bank Plc
	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 2010

The Directors present their report and audited accounts for the year ended 31 August 2010

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

In setting the Academy's objectives and planning its activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

Developments, Activities and Achievements

The Westminster Academy started its fourth year of operation in September 2009. The post of Principal has been held throughout the year by Ms. Smita Bora.

The year has been a challenging one for the Academy, with an objective of controlling expenditure and achieving a small surplus going hand in hand with a drive to raise standards and to get the Academy out of 'Notice to Improve'. The Directors are pleased to note that both of these objectives have now been achieved, although the removal of 'Notice to Improve' was achieved early in the financial year 2010-2011.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2010

The Summer 2010 examination results were very good for both 6th form students and Year 11 students. Seventy-six percent (76%) of Sixth Form students achieved grades A – C at 'A' Level with 100% of students who applied to go to university being successful in gaining a place. Seventy-four percent (74%) of Year 11 students achieved five or more A*-C grades in their GCSE's.

Curriculum Planning

- An innovative curriculum model was developed last year and is proving invaluable in helping the Academy realise its objective to deliver the Academy's specialism of International Business and Enterprise to 1,175 students aged 11 – 19 by 2011.
- The timetable for September 2010 was produced through a consultation process with staff and students. This was issued to staff in July 2010.
- The curriculum model was implemented taking into account the strategic plan, policies, routines, procedures, staffing structures and job descriptions.
- The strategic plan for the Academy has been updated throughout the year to reflect staffing changes in the Senior Leadership Team.
- The procurement of appropriate teaching and learning resources continued in September 2009 and Capitation will again be devolved for the year from September 2010 to August 2011.
- The International Baccalaureate Diploma Programme introduced in September 2008, continues to be popular with students and has delivered some outstanding results.

Staffing

- The Senior Leadership Team has been relatively stable throughout the year and although some restructuring of staffing is needed to deliver the Academy's ongoing objectives, good progress has been made during the year as demonstrated in the results referred to above.
- Throughout the year, the Academy's successful recruitment strategy has again led to an improvement in the quality of staffing.
- In the Spring 2010 census, there were 88 teachers and 60 education support staff at the Academy.
- Staff training continued to be a high priority throughout 2009-10, linked to the Academy's Personal and Professional Development (PPD) strategy.

Students

- The admissions process for Year 7 in September 2009 was administered by Westminster City Council, through the pan-London Central Admissions System. 406 applications had been received for 180 available places for September 2009 entry.
- The Spring 2010 school census recorded a total of 935 students in Years 7 – 13. The Academy continues to take "Hard to Place" students and "Pupils without School Places" (PWSP).
- In the Spring 2010 census, 824 (of 935) students had a first language other than English. 516 Students were eligible for free school meals.
- The Academy Council and House Councils continued to ensure the involvement of the students in decision-making processes.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2010

- Westminster Academy's admissions policy, contained in its funding agreement with the Department for Education, requires the Academy to follow the standard Pan-London admissions process. Special Educational Needs students with statements, Looked After Children and siblings are prioritised thus protecting the most vulnerable families. The remaining students are admitted according to their residential distance from the Academy thus ensuring an intake which reflects the local community.

The Wider Community

- Parents continued to be involved with their children's progress through regular progress review days, parents' evenings and the web-based Connetix system. Monthly newsletters were also sent to parents.
- Through working with Westminster Community Partnerships and local enterprise agencies, strong links are maintained with over 250 local businesses, to enable the development of the Academy's internship programme.
- The Principal is on the board of both Westbourne Forum and Paddington Development Trust.
- Academy Sport continued to be successful with on average 9,000 users a month coming from the wider community including local primary schools.
- Community use of The Naim Dangoor Centre, Harrow Road continued to develop throughout the year to further increase community, educational and social activities.

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

- Meetings with the DCSF continued throughout 2009-10 and the DCSF link officer Pamela Stenson attended meetings of the Governing Body.
- The Academy's Department for Education (DfE) Advisor, Louise Soden, continued to provide excellent support and challenge throughout the year.

Awards for the Academy

- RIBA Sorrell Foundation School Award 2008
- Best Incorporation of Daylight Award, Lighting and Architecture 2009
- Designshare Citation Award 2008
- Architecture Foundation Award 2008
- Building Magazine - Public Building of the Year 2009
- Civic Trust Award 2009

Operating and Financial Review

The Academy's main source of income is derived from the DfE. The grants received during the year ended 31 August 2010 and the associated expenditure are shown in the Statement of Financial Activities on page 11.

Restricted capital grants received from the DfE and its sponsors of £11,750 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.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2010

Unrestricted incoming resources for the year amounted to £337,610 against net expenses incurred of £(9,289) resulting in a surplus for the year of £346,899. Included in the current year expenditure is an adjustment of £37,000 in order to satisfy the requirements of FRS17, Retirement Benefits, in relation to the Academy's pension scheme liabilities. The surplus for the year (after ignoring the adjustment made for the pension scheme liabilities) of £309,899 was transferred to the restricted general funds and utilised in the year.

Restricted general funds received amounted to £8,664,418 and comprised mainly of the General Annual Grants (GAG) receivable from DfE. Restricted general fund expenditure for the year amounted to £8,693,702. The deficit for the year was therefore £29,284 and this deficit was reduced by a transfer from unrestricted funds and when taken together with the deficit brought forward of £463,542 resulted in a net surplus of £51,428 carried forward at the year end.

The Academy's pension liability, valued in line with FRS17, continues to cause concern, as it does for many other Academies in the UK. Note 17 to the accounts explains the commitments more clearly and shows that as at 31 August 2010, there was a shortfall of £457,500 for the City of Westminster Pension Fund, an improvement of £83,200 compared to the previous year. The Academy will continue to liaise with the DfE to determine how these commitments may be managed.

At 31 August 2010 the net book value of fixed assets was £29,870,105 and movements in tangible fixed assets are shown in note 13 to the accounts. These assets are used by the Academy in order to provide education and associated support services to pupils of the Academy and the wider community.

The Directors

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

Jeremy Witts	Chair of Governing Body Appointed on 1 September 2009
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
George Cochrane	Chair of Governing Body and initial sponsor's representative/project lead Resigned on 1 September 2009

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

The Directors met once during the 2009/2010 year on 10 December 2009 to approve the 2008/2009 Accounts.

Governance of the Academy

During the year 2009/10, the Academy's Governing Body met six times on 6 October 2009, 10 December 2009, 2 March 2010, 29 April 2010, 24 June 2010 and 15 July 2010. One of its Sub-Committees, Finance and General Purposes, met six times on 17 September 2009, 3 December 2009, 8 February 2010, 25 March 2010, 13 May 2010 and 17 June 2010. The Curriculum Sub-Committee, met three times on 15 October 2009, 28 January 2010 and on 10 June 2010. The Audit Sub-Committee met twice on 3 December 2009 and 8 July 2010.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2010

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

The affairs of the Company are conducted by the directors of the Company. Governance of the Academy is achieved through the governing body of the Academy (the "Governing Body"), which is a committee of the board of directors. Members of the Governing Body serve at the pleasure of the board, or the applicable nominating body, if different.

The Governing Body had the following members

Mary Amayo

Maka Baramidze (elected teaching Governor)

Smita Bora (Principal)

Brian Connell

David Dangoor (sponsor)

Judy Dangoor (sponsor)

Linda Heavey

Nigel Hugill

Arezki Lounes (parent Governor)

Paul McCombie

Neil McNaughton

Ed Partridge

Angela Piddock

Shrupti Shah (resigned November 2009)

Nathalie Stewart (resigned 22 July 2010)

Sandra Taylor (elected non-teaching staff Governor)

Jeremy Witts (Chair of Governing Body)

David Boothroyd

Movell Dash

Rebecca Allen

Helen Bunch

Nigel Tristem

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2010

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 have given clear direction to the Principal and her Senior Leadership Team.

Aside from the Governing Body, the development of the Academy continues to be led by the Directors of the Company and the Sponsors.

Statement of Directors' responsibilities for the accounts

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).

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the directors are required to

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

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Academy and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the 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 accounts 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 or disposition,

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2010

- 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. 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. In order to be in line with DCSF guidance, Jeremy Witts resigned that post as he was also a member of the Finance and General Purposes Sub-Committee. A new temporary appointment has since been made.

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 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.

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. Unfortunately, there was a deficit on both the unrestricted and restricted general funds at the end of the previous year, and therefore the level of reserves at the end of that year was a concern. The Governors have successfully addressed the issue of the diminishing reserves over the course of the year such that the Academy has recorded a small surplus as at 31 August 2010. The Governors anticipate that with support from the DfE in the coming years, they will be able to establish the undistributed reserves at an acceptable level.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT AND ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2010

Future Plans

The Academy continues to be extremely positive about fully meeting its 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 17 December 2010 and signed on its behalf by



Jeremy Witts
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 2010 set out on pages 11 to 36. These accounts have been prepared in accordance with the accounting policies set out on pages 15 to 17.

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

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, 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) and for being satisfied that the accounts give a true and fair view.

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, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with those accounts.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's accounts are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit 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 of the state of the company's affairs as at 31 August 2010, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the accounts have been prepared in accordance with the Companies Act 2006, and
- 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,
- grants made by the Department for Children, Schools and Families have been applied for the purposes intended, and
- the information given in the Directors' Report is consistent with the accounts



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

Chartered Accountants

Statutory Auditor

Devonshire House
1 Devonshire Street
London
W1W 5DR

Dated 20/12/10

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2010

		Unrestricted funds	Restricted fixed asset funds	Restricted general funds	Total 2010	Total 2009
	Notes	£	£	£	£	£
Incoming resources from generated funds						
Sponsorship and other donations	3	1,480	300,000	-	301,480	301,570
Activities for generating funds	4	283,325	-	-	283,325	317,255
Investment income	5	224	-	-	224	16,609
		285,029	300,000	-	585,029	635,434
Funding for the Academy's educational operations	6	-	11,750	8,572,610	8,584,360	8,224,753
Other incoming resources	7	52,581	-	91,808	144,389	216,264
Total incoming resources		337,610	311,750	8,664,418	9,313,778	9,076,451
Resources expended						
Charitable activities						
Direct costs		-	1,851,156	5,077,980	6,929,136	6,941,221
Allocated support costs		(37,000)	-	3,485,411	3,448,411	3,954,463
Costs of generating funds		21,884	-	-	21,884	-
Total charitable expenditure		(15,116)	1,851,156	8,563,391	10,399,431	10,895,684
Governance costs		5,827	-	130,311	136,138	187,368
Total resources expended		(9,289)	1,851,156	8,693,702	10,535,569	11,083,052
Net incoming/(outgoing) resources before transfers		346,899	(1,539,406)	(29,284)	(1,221,791)	(2,006,601)
Gross transfers between funds		(309,899)	(234,355)	544,254	-	-
Net incoming/(outgoing) resources		37,000	(1,773,761)	514,970	(1,221,791)	(2,006,601)
Other recognised gains and losses						
Gains/(losses) on investment assets		46,200	-	-	46,200	(429,700)
Net movement in funds		83,200	(1,773,761)	514,970	(1,175,591)	(2,436,301)
Fund balances at 1 September 2009		(540,700)	31,643,866	(463,542)	30,639,624	33,075,925
Fund balances at 31 August 2010		(457,500)	29,870,105	51,428	29,464,033	30,639,624

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

STATEMENT OF RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2010

	2010 £	2009 £
Net expenditure for the year	(1,221,791)	(2,006,601)
Unrealised gains/(losses) on investment assets	46,200	(429,700)
	<u>(1,175,591)</u>	<u>(2,436,301)</u>

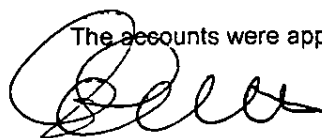
THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

BALANCE SHEET

AS AT 31 AUGUST 2010

	Notes	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	13	29,870,104		31,643,866	
Investments	14		1		-
		<u>29,870,105</u>		<u>31,643,866</u>	
Current assets					
Stocks		54,946		85,375	
Debtors	15	493,045		580,686	
Cash at bank and in hand		988,842		79,564	
		<u>1,536,833</u>		<u>745,625</u>	
Creditors' amounts falling due within one year	16	<u>(1,485,405)</u>		<u>(1,209,167)</u>	
Net current assets/(liabilities)			51,428		(463,542)
Total assets less current liabilities			<u>29,921,533</u>		<u>31,180,324</u>
Deferred income			<u>(457,500)</u>		<u>(540,700)</u>
Net assets			<u><u>29,464,033</u></u>		<u><u>30,639,624</u></u>
Funds					
Restricted general funds	18		51,428		(463,542)
Restricted fixed asset funds			29,870,105		31,643,866
Unrestricted funds					
General fund		-		-	
Pension reserve	17	<u>(457,500)</u>		<u>(540,700)</u>	
			<u>(457,500)</u>		<u>(540,700)</u>
			<u><u>29,464,033</u></u>		<u><u>30,639,624</u></u>

The accounts were approved by the Board on 17/12/10 and signed on their behalf by



Mr J Witts
Director

Company Registration No. 05102934

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2010

	Notes	2010 £	2009 £
Net cash inflow/(outflow) from operating activities	20	985,128	(328,715)
Capital expenditure			
Payments to acquire tangible fixed assets		<u>(75,850)</u>	<u>(655,968)</u>
Net cash outflow from capital expenditure		<u>(75,850)</u>	<u>(655,968)</u>
Increase/(decrease) in cash	21	<u>909,278</u>	<u>(984,683)</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2010

1 Accounting policies

1.1 Format of accounts

The standard format for the accounts as required by the Companies Act 2006 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 have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006

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

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 2010

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

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

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

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 Investments

Fixed asset investments are stated at market value

1.9 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 2010

1 Accounting Policies

(continued)

1 10 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 17.

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, Retirement Benefits, 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 11 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 2010

2 General Annual Grant (GAG)

	2010 £	2009 £
a) Results and Carry Forward for the Year		
GAG brought forward from previous year	(1,015,029)	18,728
Transfer of Start Up A funds to GAG	-	197,671
Recurrent GAG allocation for current year	7,787,049	6,850,857
	<u>6,772,020</u>	<u>7,067,256</u>
Total GAG available to spend		
Recurrent expenditure from GAG	(8,032,040)	(7,832,629)
Fixed assets purchased from GAG	(9,167)	(249,657)
	<u>(1,269,187)</u>	<u>(1,015,029)</u>
GAG carried forward to next year		
Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	934,446	822,103
GAG to surrender to DCSF (12% rule breached if result is positive)	(2,203,633)	(1,837,132)
	<u>(no breach)</u>	<u>(no breach)</u>
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	8,032,040	
GAG allocation for current year	(7,787,049)	
	<u>244,991</u>	
GAG allocation for previous year x 2%	(137,017)	
	<u>107,974</u>	
GAG brought forward from previous year in excess of 2%, used on recurrent expenditure in current year		

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

3 Sponsorship and other donations

	Unrestricted funds £	Designated funds £	Total 2010 £	Total 2009 £
Exilarch Foundation - principal sponsor	-	300,000	300,000	300,000
Miscellaneous donations	1,480	-	1,480	1,570
	<u>1,480</u>	<u>300,000</u>	<u>301,480</u>	<u>301,570</u>

4 Activities for generating funds

	2010 £	2009 £
Hire of facilities	<u>283,325</u>	<u>317,255</u>

5 Investment income

	2010 £	2009 £
Bank interest receivable	<u>224</u>	<u>16,609</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

6 Funding for the Academy's educational operations

	Restricted fixed asset funds £	Restricted general funds £	Total 2010 £	Total 2009 £
DCSF grants - General Grants	-	8,201,622	8,201,622	7,741,039
Government grants - Other	-	370,988	370,988	305,188
DCSF grants - Fixed Asset Fund	11,750	-	11,750	178,526
	<u>11,750</u>	<u>8,572,610</u>	<u>8,584,360</u>	<u>8,224,753</u>

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

General Annual Grants	7,512,250	6,682,303
Other grants	689,372	1,058,736
	<u>8,201,622</u>	<u>7,741,039</u>

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

LA Standard Fund	-	12,960
Special Educational Needs (SEN)	172,125	130,087
Other LA grants	163,024	132,260
Other Government grants	35,839	29,881
	<u>370,988</u>	<u>305,188</u>

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

DCSF Academy	11,750	178,526
	<u>11,750</u>	<u>178,526</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

7 Other incoming resources

	Unrestricted funds £	Restricted funds £	Total 2010 £	Total 2009 £
School's operation - other income	<u>52,581</u>	<u>91,808</u>	<u>144,389</u>	<u>216,264</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

8 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2010 £	Total 2009 £
Charitable activities					
Academy's educational operations					
<u>Direct costs</u>					
Activities undertaken directly	4,316,999	1,851,156	760,981	6,929,136	6,941,221
<u>Allocated support costs</u>					
Activities undertaken directly	2,126,980	-	1,321,431	3,448,411	3,954,463
<u>Costs of generating funds</u>					
Activities undertaken directly	-	-	21,884	21,884	-
	<u>6,443,979</u>	<u>1,851,156</u>	<u>2,104,296</u>	<u>10,399,431</u>	<u>10,895,684</u>
Governance costs					
	<u>-</u>	<u>-</u>	<u>136,138</u>	<u>136,138</u>	<u>187,368</u>
	<u><u>6,443,979</u></u>	<u><u>1,851,156</u></u>	<u><u>2,240,434</u></u>	<u><u>10,535,569</u></u>	<u><u>11,083,052</u></u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

9 Academy's educational operations

	2010 £	2009 £
Other costs relating to direct costs comprise		
Books, learning resources and stationery	161,158	184,660
Curriculum ICT	-	54,159
Examination fees	179,762	82,281
Awards and hospitality	14,915	18,484
Educational consultancy	405,146	556,661
	<u>760,981</u>	<u>896,245</u>

Other costs relating to allocated support costs comprise

Uniforms	31,684	27,812
Transport hire	-	17,165
Out of hours and agencies	20,171	100,915
Rent and rates	56,613	56,370
Insurance	142,248	132,636
Heat and light	300,457	136,199
Maintenance of premises and equipment	94,496	94,384
Cleaning	34,427	26,693
Printing postage and stationery	222,024	279,394
Technology costs	195,765	75,965
Catering	230,546	232,680
Irrecoverable VAT	-	250,714
Provision for sports pitch resurfacing	30,000	57,500
Other support costs	(37,000)	47,357
	<u>1,321,431</u>	<u>1,535,784</u>

Other costs relating to costs of generating funds comprise

Bad debt	21,884	-
	<u>21,884</u>	<u>-</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

10 Governance costs

	2010 £	2009 £
Other governance costs comprise		
Bank charges	5,827	3,772
Legal and professional fees	30,574	73,269
Auditors' remuneration	15,000	15,000
Auditors' fees for non-audit work	24,303	13,708
Sundry expenses	1,884	115
Subscriptions	-	15,327
Management and administration	58,549	66,177
	<u>136,138</u>	<u>187,368</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 2010 was £500.

11 Directors

Travel expenses of £216 were reimbursed to two directors for an out of London trip during the year.

No other 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 2010

12 Employees

Number of employees

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

	2010 Number	2009 Number
Teachers	81	66
Support staff	66	95
Administration	11	14
	<u>158</u>	<u>175</u>

Employment costs

	2010 £	2009 £
Wages and salaries	5,510,826	5,757,188
Social security costs	404,163	384,118
Other pension costs	528,990	488,399
	<u>6,443,979</u>	<u>6,629,705</u>

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

	2010 Number	2009 Number
£60,001 - £70,000	7	2
£70,001 - £80,000	1	1
£90,001 - £100,000	1	-
£100,001 and over	1	1
	<u>10</u>	<u>4</u>

All the employees earning more than £60,000 per annum participated in either the Teachers' Pension Scheme or the Local Government Pension Scheme. During the year ended 31 August 2010, pension contributions for these staff amounted to £92,982 (2009 £42,923). The highest paid employee was the Principal whose salary, excluding pension contributions was £105,000 (2009 £105,000). During the year ended 31 August 2010, contributions to her pension amounted to £14,805 (2009 £14,805).

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

13 Tangible fixed assets

	Long leasehold property	Computer equipment and software	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 September 2009	31,106,130	2,226,217	1,898,422	35,230,769
Additions	11,750	6,728	58,916	77,394
At 31 August 2010	31,117,880	2,232,945	1,957,338	35,308,163
Depreciation				
At 1 September 2009	1,235,317	1,419,544	932,042	3,586,903
Charge for the year	622,358	739,463	489,335	1,851,156
At 31 August 2010	1,857,675	2,159,007	1,421,377	5,438,059
Net book value				
At 31 August 2010	29,260,205	73,938	535,961	29,870,104
At 31 August 2009	29,870,813	806,673	966,380	31,643,866

Source of funding for assets acquired (cumulative to date)

	£
DCSF capital grants	32,583,204
Private sector funding	1,500,000
Other DCSF Grants	1,224,959
Cost of fixed assets at 31 August 2010	35,308,163
Less Accumulated depreciation	(5,438,059)
Net book value of fixed assets at 31 August 2010	29,870,104

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

14 Fixed asset investments

	£
Acquisitions at cost	1
Market value at 31 August 2010	1
Historical cost	
At 31 August 2010	1

Holdings of more than 20%

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

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

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

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

15 Debtors

	2010	2009
	£	£
Prepayments and other debtors	493,045	580,686

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

16 Creditors amounts falling due within one year	2010 £	2009 £
Trade creditors	232,431	158,769
Taxes and social security costs	135,866	124,788
Accruals and other creditors	1,117,108	925,610
	<u>1,485,405</u>	<u>1,209,167</u>

17 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 for the Academy during the year ended 31 August 2010 was £528,990 (2009 - £488,399) of which £412,338 (2009 - £358,517) relates to the TPS and £116,652 (2009 - £129,882) 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 2010. 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 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, Budgeting and Valuation 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 Budgeting and Valuation 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 2010

17 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 2010 was £412,338 (2009 £358,517) 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 2010 was £174,379 (2009 £194,531) of which employer's contributions totalled £116,652 (2009 £129,882) and employees' contributions totalled £57,727 (2009 £64,648). The agreed contribution rates for the year ended 31 August 2010 were 13.1% for employers and 6.5% for employees.

Regular employer contributions to the fund for the year ending 31 August 2011 are estimated to be £122,000. 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 2010

17 Pension costs

(continued)

The following information is based upon a full actuarial valuation of the fund at 31 March 2007, updated to 31 August 2010 by a qualified independent actuary

The major assumptions used by the actuary were

	2010 %	2009 %	2008 %
Rate of increase in salaries	4.90	5.20	5.50
Rate of increase in pensions payment	2.70	3.70	4.00
Discount rate	4.90	5.10	6.40
Inflation assumption	3.40	3.70	4.00

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)	22.30	24.70
Life expectancy for an active member - female aged 65 (years)	24.30	26.50

The long term expected rates of return are as follows:

	2010 %	2009 %	2008 %
Equities	7.70	7.50	7.60
Bonds	3.70	4.00	4.60
Property	7.20	6.50	6.60
Other assets	7.70	0.70	5.70

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

17 Pension costs

(continued)

The assets in the scheme are as follows

	2010 £	2009 £	2008 £
Equities	662,450	495,300	428,500
Bonds	264,800	208,800	133,100
Other assets	1,850	3,500	11,800
Total market value of assets	929,100	707,600	573,400
Present value of scheme liabilities	(1,386,600)	(1,248,300)	643,300
Deficit in scheme	(457,500)	(540,700)	(69,900)
Net pension liability	(457,500)	(540,700)	(69,900)

In accordance with Paragraph 77(o) of FRS17 (as revised), the assets for the current period and previous three periods are measured at current bid price. Asset values previously measured at mid-market value for periods ending 2008 and 2007 have been re-measured for this purpose.

Information for earlier years can be obtained from previous FRS17 disclosures.

Analysis of the amount chargeable to income and expenditure account:

	2010 £	2009 £
Employer Service Cost (net of employee contributions)	223,100	161,500
Total Operating Charge	223,100	161,500

Analysis of the amount credited to other finance income

	2010 £	2009 £
Expected return on employer's share of pension scheme assets	46,900	38,700
Interest on pension scheme liabilities	(70,700)	(48,200)
Pension finance (costs)/income	(23,800)	(9,500)

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

17 Pension costs

(continued)

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

	2010 £	2009 £
Actual return less expected return on pension scheme assets	3,900	(95,400)
Experience gains and losses arising on scheme liabilities	42,300	(334,300)
	<u>46,200</u>	<u>(429,700)</u>
Actual gain/(loss) recognised in the statement of total recognised gains and losses	<u>46,200</u>	<u>(429,700)</u>

Movement in surplus during the year

	2010 £	2009 £
Deficit in scheme at 1 September 2009	(540,700)	(69,900)
Current service cost	(223,100)	(161,500)
Employer contributions	116,400	129,900
Past service costs	167,500	-
Pension finance (costs)/income	(23,800)	(9,500)
Actuarial gain/(loss)	46,200	(429,700)
	<u>(457,500)</u>	<u>(540,700)</u>
Deficit in scheme at 31 August 2010	<u>(457,500)</u>	<u>(540,700)</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

17 Pension costs

(continued)

History of experience gains and losses

	2010 £	2009 £	2008 £
Difference between the expected and actual return on scheme assets			
Amount	3,900	(95,400)	(57,600)
Percentage of scheme assets	0.4%	-13.5%	-10%
Experience gains and losses on scheme liabilities			
Amount	42,300	(334,300)	(1,500)
Percentage of the present value of the scheme liabilities	3.05%	-26.8%	-0.2%
Total amount recognised in statement of recognised gains and losses			
Amount	46,200	(429,700)	(59,100)
Percentage of the present value of scheme liabilities	3.33%	-34.4%	-9.15%

In accordance with Paragraph 79 of FRS17 (as revised), unfunded liabilities are disclosed separately for periods beginning on or after 6 April 2007. The history of experience gain/(loss) on liabilities shown has not been restated for the period ending 2007.

Prudential AVC Pension Scheme

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

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

18 Restricted funds

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

	Movement in funds				Balance at 31 08 10 £
	Balance at 01 09 09 £	Incoming resources £	Resources expended £	Transfers £	
Restricted General Funds	(463,542)	8,664,418	(8,693,702)	544,254	51,428
Restricted Fixed Asset Funds	31,643,866	311,750	(1,851,156)	(234,355)	29,870,105
	<u>31,180,324</u>	<u>8,976,168</u>	<u>(10,544,858)</u>	<u>309,899</u>	<u>29,921,533</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

19 Analysis of net assets between funds

	Unrestricted funds	Restricted fixed asset funds	Restricted general funds	Total
	£	£	£	£
Fund balances at 31 August 2010 are represented by				
Tangible fixed assets	-	29,870,104	-	29,870,104
Investments	-	1	-	1
Current assets	-	435,058	1,101,775	1,536,833
Creditors amounts falling due within one year	-	(435,058)	(1,050,347)	(1,485,405)
Pension reserve	(457,500)	-	-	(457,500)
	<u>(457,500)</u>	<u>29,870,105</u>	<u>51,428</u>	<u>29,464,033</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 have been used to finance the construction costs of the Academy and other facilities as well as funding all other fixed asset acquisitions.

Pension Reserve

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

20 Net cash inflow/(outflow) from operating activities

	2010 £	2009 £
Net incoming resources for the year	(1,221,791)	(2,006,601)
Depreciation of tangible fixed assets	1,851,156	1,833,950
Decrease in stocks	30,429	7,436
Decrease in debtors	87,641	1,267,539
Increase/(decrease) in creditors	237,693	(1,431,039)
	<u>985,128</u>	<u>(328,715)</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2010

21 Reconciliation of net cash flow to movement in net funds	2010 £	2009 £
Increase/(decrease) in cash	909,278	(984,683)
Net funds at 1 September 2009	79,564	1,064,247
Net funds at 31 August 2010	<u>988,842</u>	<u>79,564</u>

22 Analysis of net cash balances

	At 1 September 2009 £	Cash flow £	Non-cash changes £	At 31 August 2010 £
Cash at bank and in hand	79,564	909,278	-	988,842
	<u>79,564</u>	<u>909,278</u>	<u>-</u>	<u>988,842</u>

23 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 2010

24 Commitments under operating leases

At 31 August 2010 the company had annual commitments under non-cancellable operating leases as follows

	2010 £	2009 £
Expiry date		
Within one year	-	20,771
Between two and five years	18,987	-
	<u>18,987</u>	<u>20,771</u>

25 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 £34.2 million (2009: £34.1 million) has been expended as at 31 August 2010.