
WESTFIELD ACADEMY
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

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WESTFIELD ACADEMY
(A company limited by guarantee)

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

Members

P A Rosen
D W Yuill
A L Farrer

Governors

P A Rosen
D W Yuill
T Body
A L Farrer
E Mohamed (resigned 5 January 2015)
I Riaz
R S Machen
D Needleman
L Everett (appointed 10 February 2015)
B Mallett (appointed 17 September 2014)
T Hamandi (appointed 10 February 2015)

Company registered number

08526440

Principal and registered office

Tolpits Lane, Watford, Hertfordshire, WD18 6NS

Company secretary

R S Machen

Trustees

A Farrer, Chairman of the Finance Committee
P A Rosen, Chairman of the Governors
D W Yuill, Vice Chairman of the Governors

Independent auditor

Hillier Hopkins LLP, Radius House, 51 Clarendon Road, Watford, Hertfordshire, WD17 1HP

WESTFIELD ACADEMY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

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

Structure, governance and management

a. CONSTITUTION

The Academy is a charitable company limited by guarantee and was set up by a Memorandum of Association on 13 May 2013.

1. The Academy Trust's object ("the Object") is specifically restricted to the following:
 - a. to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy");
 - b. to promote for the benefit of the inhabitants of the areas served by the Academy the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

b. MEMBERS' LIABILITY

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

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The management of the Academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Newly appointed governors are provided with key documents, including recent minutes, internal audits and external audits, SEF and the lasted Ofsted report.

As of September 2014, an induction session is planned for all new Governors with the Headteacher and Chair of Governors, an experienced governor will be allocated as a mentor on-going.

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

e. ORGANISATIONAL STRUCTURE

The organisational structure of the trust consists of the following:

Trustees – Paul Rosen, Dave Yuill, Andrew Farrer

The Trustees are responsible for the overall strategic direction of the Trust and for those statutory duties which may not be delegated to sub-committees.

Directors – Paul Rosen, Dave Yuill, Andrew Farrer, Tim Body (Headteacher)

Governing Body

The Governing Body is responsible for those statutory duties which may not be delegated to sub-committees

The Governing Body has a scheme of delegation which specifies delegated authorities to each sub-committee.

Leadership Team

The day to day management is delegated to the Senior Leadership Team consisting of:

- T Body (Headteacher)
- R S Machen (Finance and Business Director)
- P Creber (Deputy Headteacher)
- I Riaz (Deputy Headteacher)
- A Hartley (Deputy Headteacher)
- A Meyler (Assistant Headteacher - Teaching & Learning)
- N Aktar (Assistant Headteacher Post 16)

The Senior Leadership Team meets regularly to review the operation of the academy and the implementation of the policies and procedures. The Senior Leadership Team reviews the effectiveness of its activities and the quality of T&L which is presented to the Governing Body.

The Governing Body has established a number of sub-committees to review policies and Health & Safety. Reports from each of the sub-committees are received and discussed at every meeting of the full governing body.

All Governors are members of the full governing body. In addition Governors are members of committees who report to the full governing body.

Resources Committee

This meeting is primarily related to "Non-Teaching "issues such as Finance, Day to Operations (Buildings), New Build, Human Resources, Policies, Contractual Issues, Business Development, and Procurements.

Attainment & Achievement Committee

This meeting is primarily focused on Academic performance of the Students and Monitoring systems that have been put in place to ensure that targets are met.

These concentrate on KS3, KS4,KS5.

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

The terms of reference for each of these sub-committees have been written and accepted by the Governing Body, and each Committee in turn.

The full governing body meets formally eight times during the year

The Headteacher is appointed by the Governing Body to manage the day-to-day operations of the School. In order to facilitate effective operations, the Headteacher has delegated authority with the terms approved by the Governors for operational matters within the School's Senior Leadership Team.

- T Body (Headteacher)
- R.S Machen (Finance and Business Director)
- P Creber (Deputy Headteacher)
- I Riaz (Deputy Headteacher)
- A Hartley (Deputy Headteacher)
- A Meyler (Assistant Headteacher - Teaching & Learning)
- N Aktar (Assistant Headteacher Post 16)

f. RISK MANAGEMENT

The Trustees have assessed the major risks to which the Academy is exposed, in particular those related to the operations and finances of the Academy, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Objectives and Activities

a. OBJECTS AND AIMS

The Academy's aims are:

- To enable all students to grow into responsible and fulfilled adults with the skills and confidence to shape their futures;
- To provide a high quality learning environment that embraces respect, care, tolerance and trust;
- To ensure academic excellence and outstanding achievement for all students.

To this end the activities provided include:

- Teaching and learning opportunities for all students to attain appropriate academic qualifications;
- Training opportunities for all staff;
- A programme of extra-curricular activities for all students;
- A careers advisory and mentoring service to help students successfully move on to the next stage.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

Westfield Academy is a multicultural school with a comprehensive intake. Over the years we have thrived on being an excellent alternative to the grammar school system in Watford.

Our aim is to offer a high calibre of education to all members of the community; whether this is A-Level Latin or BTEC Sport (Football Academy), Hair and Beauty and Construction. Everyone at Westfield believes that the school has a large part to play in the lives of the local community. As the Academy develops over the next few years we aim for it to be the real focal point for educational excellence in this area. When stating this we do not simply mean during the school day but also out of hours and at weekends. We mean to develop social capital in this area, to educate and support local families, offering them a set of opportunities that were not previously available to them.

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

We would like all families to really engage with Westfield as more than just a school. We will start to prioritise literacy, but not only in lesson times and not simply for students from ages 11-19, but also for families. We will prioritise interventions and support packages at the weekend as well as in the week. These may be combined with sports clubs and extra curricular activities such as vocational programmes or "stretch" programmes for the more able. We envisage the Academy being as busy after hours and at the weekends as it is in the day time. Over the course of this year we will be reviewing Academy structures such as staffing, the curriculum and the school day itself to allow for these developments to happen over the next three years.

c. ACTIVITIES FOR ACHIEVING OBJECTIVES

To review the roles and responsibilities of all Academy staff to ensure best value for money. To enable;

- The wider community and weekend and out of hours learning.
- A high level of achievement at all levels and all groups
- The highest possible quality of Teaching and Learning across the Academy.

To review the effectiveness of the school day and where necessary redesign it to better meet the aims and objectives.

To raise the profile of literacy both in the school and in the wider community. This will involve engaging with local primary schools.

To review the curriculum in light of recent exam reform.

To reconstruct ages 11-16 into a 2 year Key Stage 3 and a 3 year Key Stage 4.

To manage recruitment through a targeted system of recruitment and retention.

d. PUBLIC BENEFIT

The governors are satisfied that the school has complied with its requirement for the public benefit of secondary education for boys and girls in the West Watford and surrounding areas. This is demonstrated by the continued excellent public examination results achieved by the students of the Academy and the destination of choice for the majority of its students is University

Strategic report

Achievements and performance

a. Westfield Academy Results analysis 2014/15

<u>KS4</u>	<u>2015</u>	<u>2014</u>
% students achieving 5A*-C inc English & Maths	56%	54%
% students achieving 5A*-G	90%	94%
% students achieving 2+ A*-C Science	49%	47%
% students achieving 1+ A*-C – MFL	43%	51%
% Students making ex prog in Maths	74%	74%
% Students making above ex prog in Maths	35%	25%
% Students making ex prog in English	74%	74%
% Students making above ex prog in English	26%	34%

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

<u>Academic Attainment</u>	<u>2015</u>	<u>2014</u>
Average point score per A level entry	202	202.44
Average point score per A level entry expressed as a grade	C-	C-
Average point score per A level student (full-time equivalent)	700	716.3
<u>Vocational Attainment</u>		<u>2014</u>
APS per vocational entry	256	244.5
APS per vocational entry expressed as a grade	Dist+	Dist+
APS per vocational student (full-time equivalent)	861	811.3

b. GOING CONCERN

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

c. REVIEW OF ACTIVITIES

The Academy has done a very successful job of creating robust systems of financial accountability. These have been looked at by the EFA. We are in a sound financial position with healthy finances.

Recent exam reforms have had an impact on the Academy, but it is responding well to them. Strategic plans are in place to ensure that outcomes for students remain at least "Good." These outcomes will ensure that the Academy is a viable concern in the future and will fill the future increased capacity.

For future places we have offered the LA the option of increasing our intake from 8 form entry to 9 as a short term measure to support them with a shortfall of school places.

Financial review

a. PRINCIPAL RISKS AND UNCERTAINTIES

The main risk to the Academy for the immediate future is how it responds to the "flat – cash " settlement, the continued economic uncertainty, and the effect this may have on the Government which is the Academy's principle source of funding.

Further uncertainty also arises from the changes of the various funding formulae now taking place through Government, as we move towards national funding rates.

One further concern is the increased competition for school places in the local area, which is now becoming saturated.

b. RESERVES POLICY

Due to the new building which is due to open in October 2016 (EFA Project), with works starting in January 2015 and the Academy being in a position to ensure that there are appropriate reserve funds available to ensure that the Academy's responsibilities with the new building are fulfilled (FFE, ICT infrastructure of the whole school).

The Governors will review the anticipated needs for reserves in the future, and will review at least annually. This review will encompass the nature of the income and expenditure streams, the need to match income

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

commitments and the need of the reserves. The Governors have determined that the appropriate minimum level for free reserves should be £400,000. The reason for this is to provide sufficient working capital to cover costs for the new build. This year saw higher reserves to ensure adequate provision is available for the new school in accordance with fixtures, fittings and equipment and ICT infrastructure facilities.

Plans for future periods

a. FUTURE DEVELOPMENTS

January 2015 saw the commence with the start of the new rebuild of the whole school, this process is in partnership with the EFA (priority school bid) and will result in a new £20m new build.

The building is due to be completed in October 2016, ready for the new Academic year in September 2016 with the first school term in the old building.

Demolition of the existing Academy will commence in November 2016, and will be completed and all works reinstated by September 2017.


October 2015 saw the completion of the installation of 2 new changing rooms and the replacement of the surface of the astro pitch with new 3G surface.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

This report, incorporating the Strategic report, was approved by order of the Board of Trustees, as the company directors, on 10/12/15 and signed on the board's behalf by:


.....
P A Rosen
Chair of Trustees

WESTFIELD ACADEMY
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Westfield Academy has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Board of Trustees has formally met 6 times during the year. In addition, there have been 4 Achievement and Attainment committee meetings, and 5 Resources committee meetings. Attendance during the year at meetings of the Board of Trustees and Governors' meetings was as follows:

Governing Body	Meetings attended	Out of a possible
P A Rosen	15	15
D W Yuill	15	15
T Body	15	15
A L Farrer	15	15
E Mohamed	5	15
I Riaz	15	15
R S Machen	15	15
D Needleman	13	15
L Everett	12	12
B Mallett	15	15
T Hamandi	7	12

REVIEW OF VALUE FOR MONEY

As accounting officer, the Headteacher has responsibility for ensuring that the Academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the Academy trust has delivered improved value for money during the year by:

- Reviewing the roles and responsibilities of all academy staff to ensure best value for money and to enable;
 - the wider community and weekend and out of hours learning to be developed further
 - a high level of achievement at all levels and for all groups
 - the highest possible quality of Teaching and Learning across the Academy.
- Reviewing the effectiveness of the school day and where necessary redesign it to better meet the aims and objectives
- Raising the profile of literacy both in the school and in the wider community and this will continue to involve engaging with local primary schools
- Reviewing the curriculum in light of recent exam reform
- Reconstructing ages 11-16 into a 2 year Key Stage 3 and 3 year Key Stage 4

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GOVERNANCE STATEMENT (continued)

- Managing recruitment through a targeted system of recruitment and retention.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Westfield Academy for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The Academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the full governing body and resources body of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Hillier Hopkins LLP, the external auditor, to perform additional checks.

The auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

- Reviewing bank reconciliations;
- Reviewing expenses to gain assurance that they are authorised and recorded correctly;
- Reviewing income, ensuring that appropriate controls are in place and operating effectively;
- Reviewing the systems and controls surrounding the preparation, authorisation and review of payroll; and
- Ensuring a fixed asset register is maintained.

On a termly basis, the auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

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GOVERNANCE STATEMENT (continued)

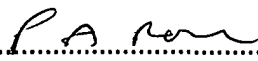
REVIEW OF EFFECTIVENESS

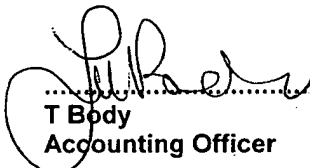
As accounting officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the full governing body and resources body and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 10/12/15 and signed on its behalf, by:


.....
P A Rosen
Chair of Trustees


.....
T Body
Accounting Officer

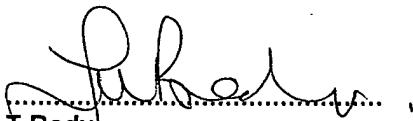
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Westfield Academy I have considered my responsibility to notify the Academy Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2015).

I confirm that I and the Academy Board of Trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook.(2015).

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


.....
T Body
Accounting Officer

Date: 10/12/2015

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**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees (who act as governors of Westfield Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

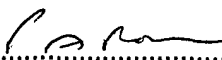
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 10/12/15 and signed on its behalf by:


.....
P A Rosen
Chair of Trustees

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTFIELD ACADEMY

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

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an 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 academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

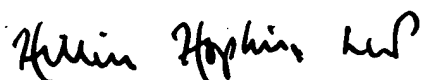
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTFIELD ACADEMY

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Alexander Bottom ACA (Senior statutory auditor)

for and on behalf of

Hillier Hopkins LLP

Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP
17 December 2015

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INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WESTFIELD ACADEMY AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 21 June 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Westfield Academy during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Westfield Academy and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Westfield Academy and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Westfield Academy and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF WESTFIELD ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Westfield Academy's funding agreement with the Secretary of State for Education dated 11 March 2013, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material misstatement and irregularity across the Academy Trust's activities.
- Testing and review of areas identified through risk assessment including enquiry, observation, inspection and review of supporting evidence.
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime
- Consideration of evidence obtained through the work performed as part of our financial statements audit in order to support the regularity conclusion.

WESTFIELD ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WESTFIELD
ACADEMY AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Hillier Hopkins LLP

Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

Date: 17 December 2015

WESTFIELD ACADEMY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted Fixed Asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds:						
Assets transferred on conversion	2	-	-	-	-	15,950,759
Other voluntary income	2	-	-	180,628	180,628	-
Activities for generating funds	3	774	-	-	774	4,549
Investment income	4	5,404	-	-	5,404	2,260
Incoming resources from charitable activities	5	307,332	6,242,293	-	6,549,625	7,042,585
TOTAL INCOMING RESOURCES		313,510	6,242,293	180,628	6,736,431	23,000,153
RESOURCES EXPENDED						
Charitable activities		298,515	5,854,001	347,859	6,500,375	6,650,016
Governance costs	7	-	14,110	-	14,110	7,500
TOTAL RESOURCES EXPENDED	10	298,515	5,868,111	347,859	6,514,485	6,657,516
NET INCOMING RESOURCES BEFORE TRANSFERS		14,995	374,182	(167,231)	221,946	16,342,637

WESTFIELD ACADEMY
(A company limited by guarantee)

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

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted Fixed Asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
	Note					
Transfers between Funds	20	-	(116,240)	116,240	-	-
NET INCOME FOR THE YEAR		14,995	257,942	(50,991)	221,946	16,342,637
Actuarial gains and losses on defined benefit pension schemes		-	(29,000)	-	(29,000)	106,000
NET MOVEMENT IN FUNDS FOR THE YEAR		14,995	228,942	(50,991)	192,946	16,448,637
<i>Total funds at 1 September 2014</i>		<i>112,086</i>	<i>(219,992)</i>	<i>16,556,543</i>	<i>16,448,637</i>	<i>-</i>
TOTAL FUNDS AT 31 AUGUST 2015		127,081	8,950	16,505,552	16,641,583	16,448,637

All activities relate to continuing operations.

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

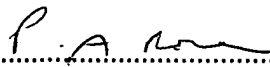
The notes on pages 21 to 39 form part of these financial statements.

WESTFIELD ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08526440

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	17		16,505,552		16,556,542
CURRENT ASSETS					
Debtors	18	261,954		147,245	
Cash at bank and in hand		1,765,964		1,348,222	
		<u>2,027,918</u>		<u>1,495,467</u>	
CREDITORS: amounts falling due within one year	19	<u>(825,887)</u>		<u>(613,372)</u>	
NET CURRENT ASSETS			<u>1,202,031</u>		<u>882,095</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>17,707,583</u>		<u>17,438,637</u>
Defined benefit pension scheme liability	25		<u>(1,066,000)</u>		<u>(990,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>16,641,583</u></u>		<u><u>16,448,637</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	20	1,074,950		770,008	
Restricted fixed asset funds	20	16,505,552		16,556,543	
		<u>17,580,502</u>		<u>17,326,551</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(1,066,000)</u>		<u>(990,000)</u>	
Total restricted funds			<u>16,514,502</u>		<u>16,336,551</u>
Unrestricted funds	20		<u>127,081</u>		<u>112,086</u>
TOTAL FUNDS			<u><u>16,641,583</u></u>		<u><u>16,448,637</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 10/12/2015 and are signed on their behalf, by:


P A Rosen
Chair of Trustees

The notes on pages 21 to 39 form part of these financial statements.

WESTFIELD ACADEMY
(A company limited by guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	22	709,207	18,235,624
Returns on investments and servicing of finance	23	5,404	2,259
Capital expenditure and financial investment	23	(296,869)	(16,889,661)
INCREASE IN CASH IN THE YEAR		417,742	1,348,222

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

	2015 £	2014 £
Increase in cash in the year	417,742	1,348,222
MOVEMENT IN NET FUNDS IN THE YEAR	417,742	1,348,222
Net funds at 1 September 2014	1,348,222	-
NET FUNDS AT 31 AUGUST 2015	1,765,964	1,348,222

The notes on pages 21 to 39 form part of these financial statements.

WESTFIELD ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Trustees.

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

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

Investment income, gains and losses are allocated to the appropriate fund.

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. For legacies, entitlement is the earlier of the academy being notified of an impending distribution or the legacy being received.

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

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

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

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

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

WESTFIELD ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

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

1.4 Resources expended

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

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

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

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

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy.

The value of the school's leasehold has been included at depreciated replacement cost.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	2% straight line
Long-term leasehold land	-	Over the length of the lease
Fixtures and fittings	-	25% straight line
Computer equipment	-	33.3% Straight line

WESTFIELD ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.8 Taxation

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

1.9 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 25, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

1.10 Agency Arrangements

The Academy trust acts as an agent in distributing 16-19 bursary funds from the EFA. Payments received from the EFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy does not have control over the charitable application of the funds. The academy trust can use up to 2% of the allocation towards its own administration costs and this is recognised in the statement of the financial activities. The funds received and paid and any balances held are disclosed in note 29.

WESTFIELD ACADEMY
(A company limited by guarantee)

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

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Assets transferred on conversion	-	-	-	15,950,759
Football Foundation Grants	-	180,628	180,628	-
Voluntary income	-	180,628	180,628	15,950,759

3. FUNDRAISING INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Fundraising	774	-	774	4,549

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Investment income	5,404	-	5,404	2,260

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Educational Activities	-	6,229,866	6,229,866	6,732,224
Rent of facilities income	15,155	-	15,155	21,794
Catering Income	161,816	-	161,816	164,349
Other Income	31,002	12,427	43,429	61,734
Music tuition income	8,461	-	8,461	8,907
Trip income	89,683	-	89,683	52,655
Exam fee income	1,215	-	1,215	922
	307,332	6,242,293	6,549,625	7,042,585

WESTFIELD ACADEMY
(A company limited by guarantee)

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

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	5,917,266	5,917,266	6,111,994
Start up Grant	-	-	-	25,000
Pupil Premium	-	220,819	220,819	268,780
EFA Capital Grant	-	-	-	40,832
Other DfE Income	-	11,805	11,805	27,484
	-	6,149,890	6,149,890	6,474,090
Other government grants				
Other Government Grants	-	59,283	59,283	204,934
Mainstream Grants	-	20,693	20,693	53,200
	-	79,976	79,976	258,134
	-	6,229,866	6,229,866	6,732,224

6. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Educational Activities	298,515	6,201,860	6,500,375	6,650,016

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2015 £	Depreciation 2015 £	Other costs 2015 £	Total 2015 £	Total 2014 £
Educational Activities	4,402,944	347,859	1,749,572	6,500,375	6,650,016

WESTFIELD ACADEMY
(A company limited by guarantee)

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

7. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Governance Auditors' remuneration	-	7,500	7,500	7,500
Governance Auditors' non audit costs	-	6,610	6,610	-
	<u>-</u>	<u>14,110</u>	<u>14,110</u>	<u>7,500</u>

8. DIRECT COSTS

	Educational Activities	Total 2015	Total 2014
Teaching and educational supplies	250,201	250,201	282,324
Examination Fees	90,601	90,601	128,457
Staff Development	45,313	45,313	45,100
Educational consultancy	33,800	33,800	75,825
Maintenance of equipment	41,818	41,818	50,378
Other costs	73,582	73,582	72,297
Wages and salaries	3,150,931	3,150,931	3,123,749
National insurance	222,692	222,692	227,520
Pension cost	366,236	366,236	408,772
	<u>4,275,174</u>	<u>4,275,174</u>	<u>4,414,422</u>

WESTFIELD ACADEMY
(A company limited by guarantee)

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

9. SUPPORT COSTS

	Educational Activities	Total 2015	Total 2014
Pension income	21,000	21,000	39,000
Staff Development	8,732	8,732	11,250
Technology Costs	42,821	42,821	50,481
Travel and Subsistence	16,604	16,604	7,440
Recruitment	46,537	46,537	80,601
Maintenance of premises	129,178	129,178	185,879
Maintenance of equipment	19,492	19,492	27,383
Cleaning	127,017	127,017	128,946
Rent and Rates	47,571	47,571	54,245
Energy	217,331	217,331	143,789
Insurance	28,409	28,409	38,876
Catering	187,236	187,236	232,714
Bank Interest and charges	1,655	1,655	2,031
Printing, postage & Stationary	16,527	16,527	42,343
Other costs	96,006	96,006	101,228
Management fees	31,965	31,965	21,513
Lease costs	5,383	5,383	20,390
Legal and professional	16,987	16,987	64,797
Telephone	9,374	9,374	10,871
Marketing	34,675	34,675	20,010
Trip expenditure	92,903	92,903	51,602
Music cost	16,854	16,854	21,777
Wages and salaries	488,557	488,557	416,385
National insurance	37,876	37,876	31,935
Pension cost	136,652	136,652	96,991
Depreciation	347,859	347,859	333,118
	<u>2,225,201</u>	<u>2,225,201</u>	<u>2,235,595</u>

10. RESOURCES EXPENDED

	Staff costs	Non Pay Premises	Expenditure Other costs	Total	Total
	2015	2015	2015	2015	2014
	£	£	£	£	£
Educational Activities	3,739,859	-	535,315	4,275,174	4,414,422
Support costs - Educational Activities	663,085	841,717	720,399	2,225,201	2,235,595
Charitable activities	<u>4,402,944</u>	<u>841,717</u>	<u>1,255,714</u>	<u>6,500,375</u>	<u>6,650,017</u>
Governance	-	-	14,110	14,110	7,500
	<u>4,402,944</u>	<u>841,717</u>	<u>1,269,824</u>	<u>6,514,485</u>	<u>6,657,517</u>

WESTFIELD ACADEMY
(A company limited by guarantee)

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

11. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2015 £	Support costs 2015 £	Total 2015 £	Total 2014 £
Educational Activities	4,275,174	2,225,201	6,500,375	6,650,017

12. NET INCOMING RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the charity	347,759	333,119
Auditor's remuneration	7,500	7,500

13. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	3,175,068	3,284,589
Social security costs	260,569	259,455
Other pension costs (Note 25)	502,887	505,763
	3,938,524	4,049,807
Supply teacher costs	464,420	255,546
	4,402,944	4,305,353

WESTFIELD ACADEMY
(A company limited by guarantee)

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

13. STAFF (continued)

b. Staff numbers

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

	2015 No.	2014 No.
Teachers	53	54
Support and admin	37	36
Management	9	9
	<u>99</u>	<u>99</u>

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0
	<u>4</u>	<u>3</u>

3 of the above employees participated in the Teachers Pension Scheme and 1 to the Local Government Pension Scheme during the period ended 31 August 2015. Employer contributions for these staff under the Teachers Pension Scheme amounted to £30,221 (2014: £30,804). Employer contributions for these staff under the Local Government Pension Scheme amounted to £16,396 (2014: £Nil).

14. DIRECTORS' REMUNERATION AND EXPENSES

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

WESTFIELD ACADEMY
(A company limited by guarantee)

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

One or more Directors has been paid remuneration or has received other benefits from an employment with the academy trust. The Headteacher and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Directors. The value of Directors' remuneration and other benefits was as follows:

	2015 £	2014 £
T Body	85,000-90,000	80,000-85,000
T Body - employer's pension contributions	10,000-15,000	10,000-15,000

During the year, no Directors received any benefits in kind (2014 - £NIL).

During the year, no Directors received any reimbursement of expenses (2014 - £NIL).

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees 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. The cost for the year ended 31 August 2015 is included in the cost of the risk protection arrangement in place during the financial year. This is included in total insurance costs (2014 - £98 paid to third party).

16. OTHER FINANCE INCOME

	2015 £	2014 £
Expected return on pension scheme assets	51,000	38,000
Interest on pension scheme liabilities	(72,000)	(77,000)
	<u>(21,000)</u>	<u>(39,000)</u>

WESTFIELD ACADEMY
(A company limited by guarantee)

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

17. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Astro turf £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2014	16,750,000	-	69,861	69,800	16,889,661
Additions	39,690	216,876	2,532	37,771	296,869
Disposals	-	-	-	(299)	(299)
At 31 August 2015	16,789,690	216,876	72,393	107,272	17,186,231
Depreciation					
At 1 September 2014	296,426	-	15,510	21,183	333,119
Charge for the year	296,426	-	15,512	35,821	347,759
On disposals	-	-	-	(199)	(199)
At 31 August 2015	592,852	-	31,022	56,805	680,679
Net book value					
At 31 August 2015	16,196,838	216,876	41,371	50,467	16,505,552
At 31 August 2014	16,453,574	-	54,351	48,617	16,556,542

18. DEBTORS

	2015 £	2014 £
Trade debtors	146,583	15,112
Other debtors	93,294	65,795
Prepayments and accrued income	22,077	66,338
	<u>261,954</u>	<u>147,245</u>

**19. CREDITORS:
Amounts falling due within one year**

	2015 £	2014 £
Trade creditors	297,076	226,206
Other taxation and social security	77,886	74,617
Other creditors	62,841	62,116
Accruals and deferred income	388,084	250,433
	<u>825,887</u>	<u>613,372</u>

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19. CREDITORS:
Amounts falling due within one year (continued)

	£
Deferred income	
Deferred income at 1 September 2014	47,525
Resources deferred during the year	81,054
Amounts released from previous years	(47,525)
	<u>81,054</u>
Deferred income at 31 August 2015	<u><u>81,054</u></u>

20. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	112,086	313,510	(298,515)	-	-	127,081
	<u>112,086</u>	<u>313,510</u>	<u>(298,515)</u>	<u>-</u>	<u>-</u>	<u>127,081</u>
Restricted funds						
GAG	770,008	5,929,071	(5,507,889)	(116,240)	-	1,074,950
Pupil Premium	-	220,819	(220,819)	-	-	-
Other government grants	-	92,403	(92,403)	-	-	-
Pension reserve	(990,000)	-	(47,000)	-	(29,000)	(1,066,000)
	<u>(219,992)</u>	<u>6,242,293</u>	<u>(5,868,111)</u>	<u>(116,240)</u>	<u>(29,000)</u>	<u>8,950</u>
Restricted Fixed Asset funds						
Restricted Fixed Asset Funds - all funds	16,556,543	180,628	(347,859)	116,240	-	16,505,552
	<u>16,556,543</u>	<u>180,628</u>	<u>(347,859)</u>	<u>116,240</u>	<u>-</u>	<u>16,505,552</u>
Total restricted funds	<u>16,336,551</u>	<u>6,422,921</u>	<u>(6,215,970)</u>	<u>-</u>	<u>(29,000)</u>	<u>16,514,502</u>
Total of funds	<u><u>16,448,637</u></u>	<u><u>6,736,431</u></u>	<u><u>(6,514,485)</u></u>	<u><u>-</u></u>	<u><u>(29,000)</u></u>	<u><u>16,641,583</u></u>

Reserves are higher at the year end compared to 2014 due to funds being held in preparation for furnishing and fitting out the new school building.

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20. STATEMENT OF FUNDS (continued)

The specific purposes for which the funds are to be applied are as follows:

The General Annual Grant (GAG) represents the core funding for the educational activities of the Academy that has been provided via the Education Funding Agency (EFA) by the Department for Education. The GAG fund must be used for the normal running costs of the Academy.

Pupil Premium is a grant allocated to Academies with pupils that are known to be eligible for free school meals. The purpose is to raise attainment for pupils from low income families.

The pension reserve represents the net deficit on the LGPS defined benefit pension scheme. The deficit arose because of the pension scheme deficit inherited upon conversion and future GAG funding agreed by the EFA is expected to be sufficient to take the fund back into surplus.

The restricted fixed asset fund includes all significant items of fixed assets. Depreciation charged on the assets is allocated to the fund. The transfer of GAG funds to the fixed asset reserve fund represents the spending of GAG monies for fixed asset additions.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	112,086	313,510	(298,515)	-	-	127,081
Restricted funds	(219,992)	6,242,293	(5,868,111)	(116,240)	(29,000)	8,950
Restricted Fixed Asset funds	16,556,543	180,628	(347,859)	116,240	-	16,505,552
	<u>16,448,637</u>	<u>6,736,431</u>	<u>(6,514,485)</u>	<u>-</u>	<u>(29,000)</u>	<u>16,641,583</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted Fixed Asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	16,505,552	16,505,552	16,556,543
Current assets	127,081	1,900,837	-	2,027,918	1,495,466
Creditors due within one year	-	(825,887)	-	(825,887)	(613,374)
Provisions for liabilities and charges	-	(1,066,000)	-	(1,066,000)	(990,000)
	<u>127,081</u>	<u>8,950</u>	<u>16,505,552</u>	<u>16,641,583</u>	<u>16,448,637</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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22. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	221,946	16,342,637
Returns on investments and servicing of finance	(5,404)	(2,259)
Depreciation of tangible fixed assets	347,759	333,117
Deficit on disposal of tangible fixed assets	100	-
Increase in debtors	(114,709)	(147,245)
Increase in creditors	212,515	613,374
FRS 17 adjustments	47,000	63,000
LGPS inherited upon conversion	-	1,033,000
Net cash inflow from operations	709,207	18,235,624

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

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	5,404	2,260
Interest paid	-	(1)
Net cash inflow from returns on investments and servicing of finance	5,404	2,259

	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(296,869)	(46,312)
Assets inherited on conversion	-	(16,843,349)
Net cash outflow capital expenditure	(296,869)	(16,889,661)

24. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	1,348,222	417,742	-	1,765,964
Net funds	1,348,222	417,742	-	1,765,964

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25. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hertfordshire County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £60,221 were payable to the scheme at 31 August 2015 (2014 - £60,239) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

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25. PENSION COMMITMENTS (continued)

The pension costs paid to TPS in the period amounted to £289,704 (2014: £287,941).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £237,000, of which employer's contributions totalled £188,000 and employees' contributions totalled £49,000. The agreed contribution rates for future years are 26.1% for employers and 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(2,167,000)	(1,810,000)
Fair value of scheme assets	1,101,000	820,000
	<u> </u>	<u> </u>
Net liability	<u>(1,066,000)</u>	<u>(990,000)</u>

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

	2015 £	2014 £
Current service cost	(214,000)	(185,000)
Interest on obligation	(72,000)	(77,000)
Expected return on scheme assets	51,000	38,000
	<u> </u>	<u> </u>
Total	<u>(235,000)</u>	<u>(224,000)</u>
	<u> </u>	<u> </u>
Actual return on scheme assets	<u>44,000</u>	<u>79,000</u>

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

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

	2015 £	2014 £
Opening defined benefit obligation	1,810,000	1,575,000
Current service cost	214,000	185,000
Interest cost	72,000	77,000
Contributions by scheme participants	49,000	49,000
Actuarial Losses/(gains)	22,000	(64,000)
Benefits paid	-	(12,000)
	<u>2,167,000</u>	<u>1,810,000</u>
Closing defined benefit obligation	<u>2,167,000</u>	<u>1,810,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	820,000	542,000
Expected return on assets	51,000	38,000
Actuarial gains and (losses)	(7,000)	42,000
Contributions by employer	188,000	161,000
Contributions by employees	49,000	49,000
Benefits paid	-	(12,000)
	<u>1,101,000</u>	<u>820,000</u>
	<u>1,101,000</u>	<u>820,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £77,000 (2014 - £106,000).

The Academy expects to contribute £181,000 to its Defined benefit pension scheme in 2016.

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

	2015	2014
Equities	62.00 %	67.00 %
Bonds	27.00 %	23.00 %
Property	7.00 %	7.00 %
Cash	4.00 %	3.00 %

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

	2015	2014
Discount rate for scheme liabilities	3.70 %	3.70 %
Expected return on scheme assets at 31 August	3.70 %	5.40 %
Rate of increase in salaries	4.00 %	3.90 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %

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25. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	22.3	22.3
Females	24.5	24.5
Retiring in 20 years		
Males	24.3	24.3
Females	26.7	26.7

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2015 £	2014 £
Defined benefit obligation	(2,167,000)	(1,810,000)
Scheme assets	1,101,000	820,000
Deficit	(1,066,000)	(990,000)
Experience adjustments on scheme liabilities	(22,000)	64,000
Experience adjustments on scheme assets	(7,000)	42,000

26. OPERATING LEASE COMMITMENTS

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

	2015 £	2014 £
Expiry date:		
Within 1 year	4,354	1,229
Between 2 and 5 years	1,076	4,687

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NOTES TO THE FINANCIAL STATEMENTS
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27. RELATED PARTY TRANSACTIONS

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

During the year Nil (2014:£1,385) was paid to Croxley Community Cars where a Trustee's son is a taxi driver. Nil (2014:£804) was paid to the individual personally for provision of delivery services.

28. CONTROLLING PARTY

In the opinion of the trustees there is no ultimate controlling party.

29. AGENCY ARRANGEMENTS

The Academy distributes 16-19 bursary funds to students as an agent for the EFA. For the year ended 31 August 2015, the academy received £32,393 and disbursed £32,393 from the fund. An amount of £19,057 is included in other creditors relating to undistributed funds that is repayable to the EFA.