

Company Registration No. 05102934 (England and Wales)

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT AND CONSOLIDATED AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2018

SATURDAY



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THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

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THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

REFERENCE AND ADMINISTRATIVE DETAILS

Directors

Lina Alchami (Parent Governor)
Mary Amayo
Mark Beard
Helen Bunch (Resigned 4 July 2018)
Faye Craster (Representing the Principal sponsors)
David Dangoor (Representing the Principal sponsors)
Elizabeth Dangoor (Representing the Principal sponsors)
Judy Dangoor (Representing the Principal sponsors)
Mark English (Representing the Principal sponsors)
Duncan Harman-Wilson (Vice Chair of Governors)
Shamsa Hersi (Parent Governor)
Alex James (Staff Governor) (Appointed 4 July 2018)
Michael Karp (Representing the Principal sponsors) (Appointed 6 December 2017)
Ljaureta Krasniqi (Staff Governor) (Resigned 22 January 2018)
Maz Majid (Representing the Principal sponsors) (Resigned 15 May 2018)
Alastair Metcalf
Angela Piddock
Dr Saima Rana (Principal and Accounting Officer)
Shabir Randeree (Chair of Governors)
Grace Rigg (Staff Governor) (Resigned 22 September 2017)

Members

- The Principal sponsor
- Representing the principal sponsor
- Representing the principal sponsor
- Representing the principal sponsor
- Chair of Governors

The Exilarch's Foundation
David Dangoor
Judy Dangoor
Elizabeth Dangoor
Shabir Randeree

Senior management team

- Principal
- Vice-Principal
- Corporate Services Executive

Dr Saima Rana
Maka Baramidze
Penny Collins

Company registration number

05102934 (England and Wales)

Registered office

Sir Naim Dangoor Centre
255 Harrow Road
London
W2 5EZ

Independent auditor

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

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Barclays Bank Plc
Pall Mall Corporate Group
PO Box 15165
London
SW1A 1QF

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

The Directors present their annual report together with the consolidated accounts and independent auditor's report of the charitable company for the period from 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law. The accounts have been consolidated and show the results of The Westminster Academy (Westbourne Green) combined with those of its wholly owned subsidiary, WA Land Limited ('WAL'). WAL was incorporated on 25 January 2017 and its principal activity is the exploitation of property development opportunities. These accounts cover the period from 1 September 2017 to 31 August 2018.

The Academy operates an academy for pupils aged 11 to 18 serving a catchment area in Westminster. It has a pupil capacity of 1,300 and had a roll of 1,126 in the school census on 1 October 2018.

Constitution

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

Details of the Directors who served during the year are included in the Reference and Administrative Details on page 1.

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.

Directors' Indemnities

The Academy has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Directors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to an aggregate amount of £10,000,000 per year. It is not possible to quantify the Directors and Officers indemnity element from the overall cost of the RPA scheme.

Method of Recruitment and Appointment or Election of Directors

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

Policies and Procedures Adopted for the Induction and Training of Directors

The Governing Body is composed of highly experienced individuals. In terms of induction, all new Directors are provided with a Director's induction pack and advised of available training. New Directors are also supported and mentored by experienced Directors and by members of the Senior Management team.

Organisational structure

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

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Arrangements for setting pay and remuneration of key management personnel

When setting pay and remuneration of key management personnel, a review of similar educational establishments with similar characteristics and intake takes place. The Academy benchmarks via the appropriate educational groups and networking, but also researches current trends and adverts that are public. Any review of key management salaries is presented to representatives of the Governing Body for approval prior to implementation.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period

1

Full-time equivalent employee number

127

Percentage of time spent on facility time

Percentage of time

Number of employees

0%

1

1%-50%

-

51%-99%

-

100%

-

Percentage of pay bill spent on facility time

Total cost of facility time

£348

Total pay bill

£5,688,779

Percentage of the total pay bill spent on facility time

-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours

1%

Connected Organisations, including Related Party Relationships

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

Objectives, Activities, Aims and Strategies

The principal objectives and activities of the Academy are the operation of the Westminster Academy to provide education for students of different abilities between the ages of 11 and 18. The Academy has an International Business and Enterprise specialism.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The main objectives of the Academy are summarised below:

- To raise the standard of education achievement and progress of all students;
- 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 maintain close links with the immediate and wider community;
- To conduct our business in accordance with the highest standards of integrity, probity and openness.

Public Benefit

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

Strategic report

Achievements and Performance

The Academy started its eleventh year of operation in September 2017. The post of Principal is held by Dr Saima Rana.

The year has again been a challenging one for the Academy, combining joint objectives of continuing to control expenditure to maintain a surplus, whilst always maintaining a drive to provide the highest quality provision of education to ensure the very best outcomes for all students.

In 2017 - 2018, 73% of students achieved levels 9-4 in English and Maths.

Our Sixth Form students performed well in 2017-2018, with many of our IB Diploma Programme and IB Career-related Programme graduates gaining places at Russell Group universities. On the Diploma, students averaged 33 points, well above the world average of 29.8. Career-related Programme results were also excellent, with an average vocational grade of Distinction.

Curriculum Planning

- The curriculum model continued to support the Academy in its objective of delivering the Academy's specialism of International Business and Enterprise to a maximum of 1,175 students aged 11 - 18 in 2017-18.
- The timetable for the year beginning in September 2017 was produced through a consultation process with staff and students. This was issued to staff in July 2017.
- The curriculum model takes into account the Academy's Improvement Plan, policies, routines, procedures, staffing structures and job descriptions.
- The procurement of appropriate teaching and learning resources continued throughout the year.
- The International Baccalaureate Diploma Programme, introduced in September 2008, continues to be popular with students and has delivered some outstanding results.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Staffing

- Staff training continued to be a high priority throughout 2017-2018 and is linked to the Academy's Improvement Plan.

Students

- The admissions process for Year 7 in September 2017 was administered by Westminster City Council, through the pan-London Central Admissions System. 734 applications had been received for 180 available places for the September 2017-18 intake.
- The Spring 2018 school census recorded a total of 1,094 students in Years 7 - 13. The Academy continues to take "Hard to Place" students and "Pupils without School Places" (PWSP).
- In the Spring 2018 census, 887 (out of 1,094) students had a first language other than English. 302 Students were eligible for free school meals on the Spring census day.
- The Academy Student Council continued to ensure the involvement of the students in decision-making processes.
- Westminster Academy's admissions policy, contained in its Funding Agreement with the Department for Education, requires the Academy to follow the standard pan-London admissions process. Special Educational Needs students with statements, Looked After Children and siblings are prioritised thus protecting the most vulnerable families. The remaining students are admitted according to their residential distance from the Academy thus ensuring an intake which reflects the local community.

The Wider Community

- Parents continued to be involved with their children's progress through Firefly, parental meetings and parents' evenings. Weekly newsletters were also sent to parents electronically.
- Strong links are maintained with over 250 local businesses, to enable the development of the Academy's Internship Programme.
- The Principal is on the Boards of, the Paddington Development Trust, The Duke of York Inspiring Digital Enterprise Award (iDEA), International Baccalaureate Schools and Colleges Association (ISBCA) and the Mosaic Community Trust.
- Academy Sport continued to be successful with on average up to 10,000 users a month coming from the wider community including local primary schools.
- Community use of the Sir Naim Dangoor Centre, Harrow Road continued to develop throughout the year to further increase community, educational and social activities.

Liaison with the Department for Education (DfE)/ Education and Skills Funding Agency (ESFA)

- Meetings with the DfE and ESFA continued throughout 2017-2018.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Awards for the Academy

- Specialist School and Academies Trust Future Vision Award 2007
- BCSE Industry Award for Inspiring Design-Secondary School 2008
- Best Incorporation of Daylight Award, Lighting and Architecture Foundation Awards 2008
- Designshare Citation Award 2008
- Design Week Wayfinding and Environment Graphics 2008
- RIBA London Building of the Year 2008
- RIBA Sorrell Foundation School Award 2008
- RIBA Stirling Prize shortlist 2008
- Building Magazine - Public Building of the Year 2009
- Civic Trust Award 2009
- International Schools Award 2009
- STARS Sustainable travel (bronze level accreditation) 2010
- Sustrans Bike it School Mark bronze 2010
- SSAT Most Improved School 2011
- SSAT Outstanding Continuous Improvement 2013
- SSAT Outstanding Student Progress 2013
- Volunteer Centre Organisation Award 2013
- TES Secondary School of the Year Award 2013
- Lord Adonis' Most Transformed Academy 2013
- Deputy Prime Minister's Pupil Premium Award 2013
- Mayor of London's Gold Club Award 2013
- British Empire Medal for member of support staff 2014
- Healthy Schools Bronze 2014
- International Schools Award 2015
- STARS Sustainable travel (gold level accreditation 2017-2018), January 2017
- SSAT Educational Outcomes Award 2017 for exceptional student attainment, March 2017
- SSAT Educational Outcomes Award 2017 for exceptional student progress, March 2017
- Highly commended BTEC Performing Arts Student of the Year, July 2017
- Mayor of London's Schools for Success, September 2017
- Healthy Schools Gold, December 2017
- SSAT Educational Outcomes Award 2018 for exceptional student attainment, March 2018
- SSAT Educational Outcomes Award 2018 for exceptional student progress, March 2018
- BTEC School of the Year, July 2018
- BTEC Creative Media Student of the Year, July 2018
- Nominated for TES Healthy School of the Year, July 2018
- Mayor of London's Schools for Success, September 2018

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason the Governing Body continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Key Financial Performance Indicators

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

	2018	2017
Staffing costs as a percentage of main grant income	78.22%	77.87%
Average teaching costs per pupil	£4,651	£4,558
Income per pupil	£8,797	£9,282
Total learning resources per pupil	£492	£892

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Financial review

The Academy's main source of income is derived from the ESFA. The grants received during the year ended 31 August 2018 and the associated expenditure are shown in the Statement of Financial Activities on pages 24 and 25.

The restricted fixed asset fund is reduced by annual depreciation charges over the expected useful lives of the assets concerned.

Unrestricted incoming resources for the year amounted to £688,422 against net expenses incurred of £543,153 resulting in a surplus for the year of £145,269. There is an overall surplus of unrestricted funds of £656,212 carried forward at the end of the year.

Restricted general funds received amounted to £8,895,218 and comprised mainly of the General Annual Grant (GAG) receivable from ESFA. Restricted general fund expenditure for the year amounted to £8,157,039 resulting in a surplus on restricted general funds of £738,179 before transfers and the recognition of the pension adjustment.

At the year end, the Academy's pension liability is a proportion of the City of Westminster Fund and is valued in line with FRS102. Restricted general funds also include the Academy's share of these pension liabilities of £842,500. This is represented by the liability of £1,402,500 brought forward at 1 September 2017, resources expended of £255,000 and an actuarial gain of £815,000 on the pension scheme.

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

At 31 August 2018, the net book value of fixed assets was £24,624,133 and movements in tangible fixed assets are shown in note 14 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.

In the prior year, the Academy set up a wholly owned subsidiary, WA Land Limited ('WAL'), whose sole purpose is to exploit a property development opportunity on a site within the boundary of the land leased to the Academy for the purpose of providing affordable housing for teachers employed at the Academy.

For this purpose, WAL entered into a facility agreement with The Exilarch's Foundation (TEF) to fund its initial working capital requirements. During the year, the facility agreement increased from £180,000 to £360,000 and it continues to be provided on an interest free and unsecured basis. It is only repayable in the event of WAL entering into a development agreement with a developer on terms approved by TEF. The expenses incurred by WAL during the year amounted to £71,236 and at the year end, WAL was indebted to TEF in the amount of £194,077.

Reserves policy

The Directors have delegated to the Finance Team the responsibility to review the reserve levels of the Academy on a regular basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors' view is that free reserves should provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies. The Academy's current level of free reserves (total funds less amounts held under fixed assets and other restricted funds) is a surplus of £656,212. The level of reserves at the year end has increased compared to the previous year and the Academy hopes to be able to continue building up free reserves in the future.

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

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Investment Policy

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

Principal Risks and Uncertainties

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

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

In 2012-13 the Academy implemented a new Risk Management Strategy which continued in 2017-18. This improved the Academy's ability to manage risk. The major risks identified were:

- Demand risk. This concerns student numbers vis a vis new Free Schools and Sixth Form Academies. To manage these, the Academy has kept a watching brief and fostered strong links with Primary Schools and developed a robust Sixth Form curriculum. Much work has focused on the transition process and the impact of this has seen our highest numbers of Year 7 starting the new academic year.
- Funding risk. This concerns current and future funding levels. The Academy is directly engaging with the ESFA to mitigate this risk.
- Organisational Change risk. A restructure of the Senior Leadership team took place to ensure the Academy was equipped to deliver the changes that educational reform has placed on them. This structure has remained in place and continues to work effectively.

Fundraising

The Academy did not actively fundraise during the year to 31 August 2018 and does not hold any agreements with professional fundraisers or commercial participators. The costs for raising funds relates to expenses incurred by its subsidiary undertaking.

Future Plans

It is the intention to continue to raise the standards of Teaching and Learning within the Academy by catering for all students via personalised learning, meeting the needs of mainstream, gifted and talented and special educational needs students. The Academy will also continue to review and improve the use of literacy cross-curricular. Another priority is to continue to enhance the provision offered to students and staff via the use of IT, and the Academy is working collaboratively with Google to support this.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Disclosure of Information to Auditors

In so far as the Directors are aware:

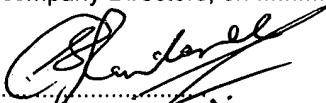
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that ought to be taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution proposing that Citroen Wells be reappointed as auditor of the charitable company will be put to the members.

Approval

The Directors' report, incorporating a strategic report, was approved by order of the Governing Body, as the company Directors, on 05.12.18 and signed on its behalf by:



Shabir Randeree
Chair of Governors

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

Scope of responsibility

The Governing Body acknowledges that it has overall responsibility for ensuring that the 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 Governing Body has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Westminster Academy (Westbourne Green) and the Secretary of State for Education. The Principal is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

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

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

	Meetings attended	Out of possible
Lina Alchami (Parent Governor)	4	4
Mary Amayo	4	4
Mark Beard	1	4
Helen Bunch (Resigned 4 July 2018)	2	4
Faye Craster (Representing the Principal sponsors)	2	4
David Dangoor (Representing the Principal sponsors)	2	4
Elizabeth Dangoor (Representing the Principal sponsors)	1	4
Judy Dangoor (Representing the Principal sponsors)	4	4
Mark English (Representing the Principal sponsors)	0	4
Duncan Harman-Wilson (Vice Chair of Governors)	3	4
Shamsa Hersi (Parent Governor)	2	4
Alex James (Staff Governor) (Appointed 4 July 2018)	1	1
Michael Karp (Representing the Principal sponsors) (Appointed 6 December 2017)	2	3
Ljaureta Krasniqi (Staff Governor) (Resigned 22 January 2018)	2	2
Maz Majid (Representing the Principal sponsors) (Resigned 15 May 2018)	1	4
Alastair Metcalf	3	4
Angela Piddock	3	4
Dr Saima Rana (Principal and Accounting Officer)	4	4
Shabir Randeree (Chair of Governors)	3	4
Grace Rigg (Staff Governor) (Resigned 22 September 2017)	0	0

There have been no key changes to the composition of the Governing body. The main challenges for the board continue to be recruiting experienced teachers in shortage subjects and preparing for the impact of the National Funding Formula which will see a loss of funding for Westminster Academy, and has now been pushed back to 2021.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The key areas of focus for the forthcoming academic year were shared with the Governing Body. The three key areas are; Constant focus on the quality of teaching and learning, Demanding active, confident, self-regulating and resilient learners, and fostering a proud, cohesive, and ambitious staff body. Roles and responsibilities are clear and the enhanced role of the 'link governor' continued throughout the year. The key functions of the Governing Body are to hold the Senior Management team to account, challenge and support the need for updating the Academy's website particularly with regard to the statutory information required by the reference to the Academies Financial Handbook and Governors Handbook.

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

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

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

Committee Member	Meetings attended	Out of possible
David Dangoor (Representing the Principal sponsors)	3	3
Elizabeth Dangoor (Representing the Principal sponsors)	3	3
Judy Dangoor (Representing the Principal sponsors)	3	3
Duncan Harman-Wilson (Vice Chair of Governors)	3	3
Michael Karp (Representing the Principal sponsors) (Appointed 6 December 2017)	2	2
Maz Majid (Representing the Principal sponsors) (Resigned 15 May 2018)	1	3
Alastair Metcalf	2	3
Dr Saima Rana (Principal and Accounting Officer)	2	3

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

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

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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

Committee Member	Meetings attended	Out of possible
David Dangoor (Representing the Principal sponsors)	2	2
Duncan Harman-Wilson (Vice Chair of Governors)	2	2
Michael Karp (Representing the Principal sponsors) (Appointed 6 December 2017)	1	1
Maz Majid (Representing the Principal sponsors) (Resigned 15 May 2018)	1	2
Alastair Metcalf	1	2
Dr Saima Rana (Principal and Accounting Officer)	1	2
Shabir Randeree (Chair of Governors)	2	2

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

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

Committee Member	Meetings attended	Out of possible
Mark English (Chairman)	4	4
Dr Saima Rana	4	4
Mary Amayo	4	4
Helen Bunch	0	4
Judy Dangoor	3	4
Elizabeth Dangoor	1	4
Angela Piddock	3	4
Grace Rigg	1	1
Faye Craster	3	4
Ljaureta Krasniqi	0	2
Lina Alchami	4	4

Review of value for money

As Accounting Officer the Principal has responsibility for ensuring that the Academy 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 WESTMINSTER ACADEMY (WESTBOURNE GREEN)

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year and reports to the Governing Body where value for money can be improved, including making use of benchmarking data where available. The Accounting Officer for the Academy has delivered improved value for money during the year by:

The Governors' Approach

Governors have applied the four principles of best value:

- Challenge - Is the Academy's performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do parents want?
- Compare - How does the Academy's student performance and financial performance compare with all Academies? How does it compare with LEA schools? How does it compare with similar schools?
- Consult - How does the Academy seek the views of stakeholders about the services the Academy provides?
- Compete - How does the Academy secure efficient and effective services? Are services of appropriate quality, economic?

The Governors and Academy managers apply these principles when making decisions about:

- the allocation of resources to best promote the aims and values of the Academy.
- the targeting of resources to best improve standards and the quality of provision.
- the use of resources to best support the various educational needs of all students.

Governors, and the Academy managers, will:

- use data from other/similar schools using data provided by the LEA and the Government, e.g. benchmarking tools, quality of teaching and learning and levels of expenditure.
- challenge proposals, examining them for effectiveness, efficiency and cost, e.g. setting of annual student achievement targets.
- require suppliers to tender, ensuring best value whilst maintaining quality/suitability of services/products/backup.
- consult with individuals and organisations on quality/suitability of the service we provide to parents and students and services we receive from providers, e.g. Sex and Relationships Education, student reports, OFSTED, external consultants, energy suppliers.

This will apply in particular to:

- staffing
- use of resources
- quality of teaching
- quality of learning
- purchasing
- students' welfare
- health and safety

Governors and Academy managers do not waste time and resources on investigating minor areas where few improvements can be achieved, e.g. on making minor savings in costs, or on seeking tenders for minor supplies and services. Governors recognise that the pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs and that time wasted on minor improvements or savings can also distract management from more important or valuable areas.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Teaching and Learning

Governors and Academy Leadership review the quality of curriculum provision and quality of teaching and review the quality of children's learning, by cohort, class and group, to provide teaching which enables children to achieve nationally expected progress, e.g. setting of annual student achievement targets and striving to improve on or maintain previous years' exam results and attendance.

Governors and Academy Leadership also review the quality of the Academy environment and the Academy ethos, in order to provide a supportive secure and safe environment conducive to learning and recreation which translates into success for our students.

Allocation of Resources

Governors and Academy Leadership deploy staff to provide best value in terms of quality of teaching, quality of learning, adult to student ratio and curriculum management and to ensure appropriate facilities, equipment, materials and services provide students and staff with resources which support quality of teaching and learning.

The Governing Body have established finance policies to control purchasing and through the budget process agree the allocation of resources for the year.

Monitoring

In order to provide input and to monitor delivery of best value the Governing Body has established active Curriculum, Audit and Finance and General Purpose committees which are supported by a Health & Safety committee.

Health & Safety

Governors and Academy managers review the quality of the Academy environment and equipment, carrying out termly risk assessments supplemented by one off investigations where appropriate, in order to provide a safe working environment for students, staff and visitors. The Health and Safety Committee also meet once a term.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Westminster Academy (Westbourne Green) for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Directors 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 period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Governing Body, and is contained in the CalQRisk online system.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The risk and control framework

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

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

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

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included grants received, payroll and pensions, procurement activities, bank reconciliations and any correspondence with the ESFA.

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

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- 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 finance and general purposes committee and audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Governing Body on 05.12.18 and signed on its behalf by:



Shabir Randeree
Chair of Governors



Dr Saima Rana
Principal and Accounting Officer

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2018

As accounting officer of The Westminster Academy (Westbourne Green) I have considered my responsibility to notify the Academy Governing Body and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the Academy's Governing Body are able to identify any material irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2017.

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 Governing Body and ESFA.

Approved on 05.12.18 and signed by:



Dr Saima Rana
Accounting Officer

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2018

The Directors (who also act as Trustees for The Westminster Academy (Westbourne Green)) are responsible for preparing the Directors' Report and the accounts in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the Directors are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors 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 accounts 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 Directors 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 that grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the Governing Body on 05.12.18 and signed on its behalf by:


Shabir Randeree
Chair of Governors

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

FOR THE YEAR ENDED 31 AUGUST 2018

Opinion

We have audited the accounts of The Westminster Academy (Westbourne Green) and its subsidiary for the year ended 31 August 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Academy's Balance Sheet, the Consolidated Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2018 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the Directors have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Directors are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WESTMINSTER ACADEMY (WESTBOURNE GREEN) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Directors' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report, including the incorporated strategic report.

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

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

Responsibilities of Directors

As explained more fully in the statement of Directors' responsibilities, the Directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Directors are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WESTMINSTER ACADEMY (WESTBOURNE GREEN) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Use of our report

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 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

06.12.18

Chartered Accountants
Statutory Auditor

Devonshire House
1 Devonshire Street
London
W1W 5DR

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WESTMINSTER ACADEMY (WESTBOURNE GREEN) AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2018

In accordance with the terms of our engagement letter and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Westminster Academy (Westbourne Green) during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Westminster Academy (Westbourne Green)'s accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Westminster Academy (Westbourne Green)'s funding agreement with the Secretary of State for Education dated 28 March 2007 and the Academies Financial Handbook, extant from 1 September 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WESTMINSTER ACADEMY (WESTBOURNE GREEN) AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The work undertaken to draw to our conclusion includes:

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Stephen Simou FCA
Reporting Accountant

Citroen Wells
Devonshire House
1 Devonshire Street
London
W1W 5DR

Dated: 06.12.18

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £	Restricted funds: General £ Fixed asset £	Total 2018 £	Total 2017 £
Income and endowments from:					
Donations and capital grants	4	-	65,000	40,484	105,484
Charitable activities:					
- Funding for educational operations	5	55,837	8,830,218	-	8,886,055
Other trading activities	6	628,740	-	-	628,740
Investments	7	3,845	-	-	3,845
Total income and endowments		<u>688,422</u>	<u>8,895,218</u>	<u>40,484</u>	<u>9,624,124</u>
Expenditure on:					
Raising funds	8	5,792	-	-	5,792
Charitable activities:					
- Educational operations	9	537,361	8,157,039	703,735	9,398,135
Total expenditure	8	<u>543,153</u>	<u>8,157,039</u>	<u>703,735</u>	<u>9,403,927</u>
Net income/(expenditure)		145,269	738,179	(663,251)	220,197
Transfers between funds		-	(189,602)	189,602	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	24	-	815,000	-	815,000
Net movement in funds		<u>145,269</u>	<u>1,363,577</u>	<u>(473,649)</u>	<u>1,035,197</u>
Reconciliation of funds					
Total funds brought forward		510,943	(773,592)	25,097,783	24,835,134
Total funds carried forward		<u>656,212</u>	<u>589,985</u>	<u>24,624,134</u>	<u>25,870,331</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

Comparative year information Year ended 31 August 2017	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £
Income and endowments from:					
Donations and capital grants	4	-	45,000	81,182	126,182
Charitable activities:					
- Funding for educational operations	5	60,597	9,540,939	-	9,601,536
Other trading activities	6	565,183	-	-	565,183
Investments	7	322	-	-	322
Total income and endowments		<u>626,102</u>	<u>9,585,939</u>	<u>81,182</u>	<u>10,293,223</u>
Expenditure on:					
Raising funds	8	4,297	-	-	4,297
Charitable activities:					
- Educational operations	9	427,879	9,200,950	695,734	10,324,563
Total expenditure	8	<u>432,176</u>	<u>9,200,950</u>	<u>695,734</u>	<u>10,328,860</u>
Net income/(expenditure)		193,926	384,989	(614,552)	(35,637)
Transfers between funds		-	(41,964)	41,964	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	24	-	1,126,000	-	1,126,000
Net movement in funds		<u>193,926</u>	<u>1,469,025</u>	<u>(572,588)</u>	<u>1,090,363</u>
Reconciliation of funds					
Total funds brought forward		317,017	(2,242,617)	25,670,371	23,744,771
Total funds carried forward		<u>510,943</u>	<u>(773,592)</u>	<u>25,097,783</u>	<u>24,835,134</u>

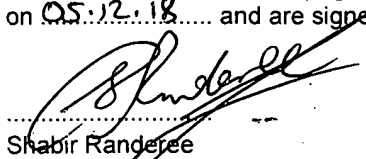
THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

BALANCE SHEETS

AS AT 31 AUGUST 2018

	Notes	Group 2018 £	2017 £	Company 2018 £	2017 £
Fixed assets					
Tangible assets	14	24,624,133	25,097,783	24,624,133	25,097,783
Investments	15	-	-	1	2
		<u>24,624,133</u>	<u>25,097,783</u>	<u>24,624,134</u>	<u>25,097,785</u>
Current assets					
Stocks	17	188,723	122,963	-	-
Debtors	18	462,501	660,684	462,501	660,684
Cash at bank and in hand		2,484,445	1,249,785	2,478,998	1,232,615
		<u>3,135,669</u>	<u>2,033,432</u>	<u>2,941,499</u>	<u>1,893,299</u>
Current liabilities					
Creditors: amounts falling due within one year	19	(852,894)	(753,299)	(844,176)	(750,298)
Net current assets		<u>2,282,775</u>	<u>1,280,133</u>	<u>2,097,323</u>	<u>1,143,001</u>
Total assets less current liabilities		<u>26,906,908</u>	<u>26,377,916</u>	<u>26,721,457</u>	<u>26,240,786</u>
Creditors: amounts falling due after more than one year	20	(194,077)	(140,282)	-	-
Net assets excluding pension liability		<u>26,712,831</u>	<u>26,237,634</u>	<u>26,721,457</u>	<u>26,240,786</u>
Defined benefit pension liability	24	(842,500)	(1,402,500)	(842,500)	(1,402,500)
Net assets		<u>25,870,331</u>	<u>24,835,134</u>	<u>25,878,957</u>	<u>24,838,286</u>
Funds of the Academy:					
Restricted funds	22				
- Fixed asset funds		24,624,134	25,097,783	24,624,134	25,097,785
- Restricted income funds		1,432,485	628,908	1,432,485	628,908
- Pension reserve		(842,500)	(1,402,500)	(842,500)	(1,402,500)
Total restricted funds		<u>25,214,119</u>	<u>24,324,191</u>	<u>25,214,119</u>	<u>24,324,193</u>
Unrestricted income funds	22	<u>656,212</u>	<u>510,943</u>	<u>664,838</u>	<u>514,093</u>
Total funds		<u>25,870,331</u>	<u>24,835,134</u>	<u>25,878,957</u>	<u>24,838,286</u>

The accounts set out on pages 24 to 54 were approved by the Governing Body and authorised for issue on 05.12.18 and are signed on its behalf by:


Shabir Randeree
Chair of Governors

Company Number 05102934

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Net cash provided by operating activities	25		1,366,621		355,383
Cash flows from investing activities					
Dividends, interest and rents from investments		3,845		322	
Capital grants from DfE and ESFA		23,620		23,796	
Capital funding from sponsors and others		16,864		57,386	
Payments to acquire tangible fixed assets		(230,085)		(123,145)	
			(185,756)		(41,641)
Cash flows from financing activities					
New loan		53,795		140,282	
			53,795		140,282
Change in cash and cash equivalents in the reporting period			1,234,660		454,024
Cash and cash equivalents at 1 September 2017			1,249,785		795,761
Cash and cash equivalents at 31 August 2018			2,484,445		1,249,785

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

The Westminster Academy (Westbourne Green) is a charitable company incorporated in England and Wales. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Directors' report.

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation

The accounts of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Westminster Academy (Westbourne Green) meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy and the group to continue as a going concern. The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the Academy and the group have adequate resources to continue in operation existence for the foreseeable future and there are no material uncertainties about the Academy and the group's ability to continue as going concerns, thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Basis of consolidation

The consolidated accounts incorporate the financial statements of the Academy and all its subsidiaries. All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

In the parent company financial statements, investments in subsidiaries are accounted for at cost less impairment.

1.4 Income

All incoming resources are recognised when the Group has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

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 meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Sponsorship income

Sponsorship income provided to the Academy which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Academy has provided the goods or services.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure on raising funds

This includes all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

These are costs incurred on the Academy's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

Governance costs

These include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management, Directors' meetings and reimbursed expenses.

All expenditure is shown net of VAT.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.6 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful life, as follows:

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

1.7 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.8 Leased assets

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

1.9 Investments

The Academy's shareholding in its wholly owned subsidiary, WA Land Limited, is included in the balance sheet at the cost of the share capital owned less any impairment.

1.10 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy and their measurement basis are as follows.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Taxation

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

1.12 Pensions benefits

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 quadrennial valuations using a projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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 credit 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 the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.13 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 Directors.

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 with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

2 Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Academy makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The Academy's accounting policy for tangible fixed assets is set out in note 1.6. The carrying value of fixed assets as at 31 August 2018 was £24,624,133 and the depreciation charge for the year was £703,735. The estimated useful economic lives of fixed assets are based on management's judgement and experience. Asset lives and residual values are reviewed annually and an adjustment is made for any material difference arising from the difference between the actual and estimated useful lives. Historically, however, any changes to the estimates of useful economic lives of any assets have not been material.

3 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Academy was subject to limits at 31 August 2018 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy has not exceeded these limits during the year ended 31 August 2018.

4 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Private sponsorship	-	65,000	65,000	45,000
Capital grants	-	23,620	23,620	23,796
Other donations	-	16,864	16,864	57,386
	-	105,484	105,484	126,182

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

5 Funding for the Academy's educational operations

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
DfE / ESFA grants				
General annual grant (GAG)	-	8,142,481	8,142,481	8,560,189
Other DfE group grants	-	565,949	565,949	535,365
	-	8,708,430	8,708,430	9,095,554
Other government grants				
Local authority grants	-	75,206	75,206	145,385
Other funding				
Other incoming resources	55,837	46,582	102,419	360,597
Total funding	55,837	8,830,218	8,886,055	9,601,536

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.

6 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Hire of sports centre	371,298	-	371,298	402,913
Catering income	159,171	-	159,171	128,792
Hire of Academy	53,726	-	53,726	29,324
Other income	44,545	-	44,545	4,154
	628,740	-	628,740	565,183

7 Investment income

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Interest from short term deposits	3,845	-	3,845	322

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

8 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2018 £	Total 2017 £
Expenditure on raising funds	-	-	5,792	5,792	4,297
Academy's educational operations					
- Direct costs	5,088,316	703,735	611,001	6,403,052	6,829,057
- Allocated support costs	1,500,683	592,532	901,868	2,995,083	3,495,506
	<u>6,588,999</u>	<u>1,296,267</u>	<u>1,518,661</u>	<u>9,403,927</u>	<u>10,328,860</u>

Net income/(expenditure) for the year includes:	2018	2017
	£	£
Fees payable to auditor for:		
- Audit	26,000	26,000
- Other services	14,115	20,460
Operating lease rentals	20,989	29,017
Depreciation of tangible fixed assets	703,735	691,519
Loss on disposal of fixed assets	-	4,215
Net interest on defined benefit pension liability	35,000	50,000

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Direct costs - educational operations	-	6,403,052	6,403,052	6,829,057
Support costs - educational operations	537,361	2,457,722	2,995,083	3,495,506
	<u>537,361</u>	<u>8,860,774</u>	<u>9,398,135</u>	<u>10,324,563</u>
Analysis of costs			2018	2017
			£	£
Direct costs				
Teaching and educational support staff costs			5,088,316	5,055,049
Depreciation and amortisation			703,735	695,734
Educational supplies and services			192,691	583,556
Examination fees			132,341	124,091
Educational consultancy			110,346	244,567
Other direct costs			175,623	126,060
			<u>6,403,052</u>	<u>6,829,057</u>
Support costs				
Support staff costs			1,500,683	1,787,556
Technology costs			176,150	376,046
Maintenance of premises and equipment			257,280	286,413
Cleaning			26,509	22,392
Energy costs			184,534	155,457
Rent and rates			91,706	78,504
Insurance			32,503	34,489
Catering			231,155	214,785
Finance costs			35,000	50,000
Other support costs			223,201	212,255
Governance costs			236,362	277,609
			<u>2,995,083</u>	<u>3,495,506</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

10 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Amounts included in support costs				
Legal and professional fees	-	33,070	33,070	78,113
Auditor's remuneration				
- Audit of financial statements	-	26,000	26,000	23,000
- Other audit costs	-	15,915	15,915	20,460
Other governance costs	6,512	154,865	161,377	156,036
	<u>6,512</u>	<u>229,850</u>	<u>236,362</u>	<u>277,609</u>

11 Staff

Staff costs

Staff costs during the year were:

	2018 £	2017 £
Wages and salaries	4,693,669	4,824,920
Social security costs	443,384	472,380
Pension costs	802,707	733,986
Staff costs	<u>5,939,760</u>	<u>6,031,286</u>
Agency staff costs	649,239	811,319
Total staff expenditure	<u>6,588,999</u>	<u>6,842,605</u>

Staff numbers

The average number of persons employed by the Academy during the year was as follows:

	2018 Number	2017 Number
Teachers	79	78
Administration and support	45	49
Management	3	3
	<u>127</u>	<u>130</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

11 Staff

(Continued)

Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2018 Number	2017 Number
£60,001 - £70,000	3	4
£70,001 - £80,000	2	1
£120,000 - £130,000	-	1
£130,001 - £140,000	1	-
	<u> </u>	<u> </u>

Key management personnel

The key management personnel of the Academy comprise the Directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £390,473 (2017: £410,678).

12 Directors' remuneration and expenses

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

The value of Directors' remuneration and other benefits was as follows:

Dr Saima Rana (Principal):

- Remuneration £130,000 - £135,000 (2017: £125,000 - £130,000)
- Employer's pension contributions £20,000 - £25,000 (2017: £20,000 - £25,000)

Alice Pugh (staff governor):

- Remuneration £0 (2017: £35,000 - £40,000)
- Employer's pension contributions £0 (2017: £5,000 - £10,000)

Grace Rigg (staff governor):

- Remuneration £0- £5,000 (2017: £35,000 - £40,000)
- Employer's pension contributions £0 - £5,000 (2017: £5,000 - £10,000)

Ljaureta Krasniqi (staff governor):

- Remuneration £10,000 - £15,000 (2017: £20,000 - £25,000)
- Employer's pension contributions £0 - £5,000 (2017: £0 - £5,000)

Alex James (staff governor):

- Remuneration £5,000 - £10,000 (2017: £0)
- Employer's pension contributions £0 - £5,000 (2017: £0)

Other related party transactions involving the Directors are set out within the related parties note.

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

13 Directors and officers insurance

The Academy has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where the UK government funds cover losses that arise. This scheme protects Directors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to an aggregate amount of £10,000,000 per year. It is not possible to quantify the Directors and Officers indemnity element from the overall cost of the RPA scheme.

14 Tangible fixed assets

Group and Company

	Long leasehold property	Computer equipment and software	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 September 2017	31,117,880	422,152	1,446,686	32,986,718
Additions	-	162,706	67,379	230,085
At 31 August 2018	31,117,880	584,858	1,514,065	33,216,803
Depreciation				
At 1 September 2017	6,214,181	279,099	1,395,655	7,888,935
Charge for the year	622,358	51,774	29,603	703,735
At 31 August 2018	6,836,539	330,873	1,425,258	8,592,670
Net book value				
At 31 August 2018	24,281,341	253,985	88,807	24,624,133
At 31 August 2017	24,903,699	143,053	51,031	25,097,783

The land on which the Academy is sited is leased from Westminster City Council on a 125 year lease commencing on 13 March 2008 at a peppercorn rent. No value has been attributed to this land in the financial statements.

15 Fixed asset investments

	Group £	Company £
Market value		
At 1 September 2017	-	2
Disposals at opening book value	-	(1)
At 31 August 2018	-	1

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

15 Fixed asset investments

(Continued)

Historical cost:

At 31 August 2018

-

-

At 31 August 2017

-

2

Holdings of more than 20%

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

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
WA Land Limited - Co No. 10584444	England and Wales	Ordinary	100

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

	Principal activities	Capital and reserves £	Profit/(loss) for the year £
WA Land Limited - Co No. 10584444	Property development	(8,625)	(5,476)

16 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	2,515,340	1,278,885
Carrying amount of financial liabilities		
Measured at amortised cost	842,813	555,296

17 Stocks

	Group 2018 £	2017 £	Company 2018 £	2017 £
Property development costs	188,723	122,963	-	-

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

18	Debtors	Group	Company
		2018	2017
		£	£
	VAT recoverable	242,665	105,292
	Other debtors	30,895	29,101
	Prepayments and accrued income	188,941	526,291
		<u>462,501</u>	<u>660,684</u>
19	Creditors: amounts falling due within one year	Group	Company
		2018	2017
		£	£
	Trade creditors	308,881	36,861
	Other taxation and social security	123,060	130,305
	Accruals and deferred income	420,953	583,132
		<u>852,894</u>	<u>750,298</u>
20	Creditors: amounts falling due after more than one year	Group	Company
		2018	2017
		£	£
	Other loans	<u>194,077</u>	<u>140,282</u>
	Analysis of loans		
	Wholly repayable within five years	<u>194,077</u>	<u>140,282</u>
21	Deferred income	2018	2017
	Group and Company	£	£
	Deferred income is included within:		
	Creditors due within one year	<u>78,406</u>	<u>207,733</u>
	Deferred income at 1. September 2017	207,733	132,017
	Released from previous years	(207,733)	(132,017)
	Amounts deferred in the year	<u>78,406</u>	<u>207,733</u>
	Deferred income at 31 August 2018	<u>78,406</u>	<u>207,733</u>

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

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

22 Funds

Group	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	583,908	8,142,481	(7,155,358)	(189,602)	1,381,429
Other DfE / ESFA grants	-	565,949	(565,949)	-	-
Other government grants	-	75,206	(75,206)	-	-
Other restricted funds	45,000	111,582	(105,526)	-	51,056
Pension reserve	(1,402,500)	-	(255,000)	815,000	(842,500)
	<u>(773,592)</u>	<u>8,895,218</u>	<u>(8,157,039)</u>	<u>625,398</u>	<u>589,985</u>
Restricted fixed asset funds					
DfE group capital grants	24,012,696	23,620	(580,086)	-	23,456,230
Capital expenditure from GAG	143,055	-	(56,398)	189,602	276,259
Private sector capital sponsorship	942,032	16,864	(67,251)	-	891,645
	<u>25,097,783</u>	<u>40,484</u>	<u>(703,735)</u>	<u>189,602</u>	<u>24,624,134</u>
Total restricted funds	<u>24,324,191</u>	<u>8,935,702</u>	<u>(8,860,774)</u>	<u>815,000</u>	<u>25,214,119</u>
Unrestricted funds					
General funds	510,943	688,422	(543,153)	-	656,212
Total funds	<u>24,835,134</u>	<u>9,624,124</u>	<u>(9,403,927)</u>	<u>815,000</u>	<u>25,870,331</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

22 Funds

(Continued)

Company	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	583,908	8,142,481	(7,155,358)	(189,602)	1,381,429
Other DfE / ESFA grants	-	565,949	(565,949)	-	-
Other government grants	-	75,206	(75,206)	-	-
Other restricted funds	45,000	111,582	(105,526)	-	51,056
Pension reserve	(1,402,500)	-	(255,000)	815,000	(842,500)
	<u>(773,592)</u>	<u>8,895,218</u>	<u>(8,157,039)</u>	<u>625,398</u>	<u>589,985</u>
Restricted fixed asset funds					
DfE group capital grants	24,012,696	23,620	(580,086)	-	23,456,230
Capital expenditure from GAG	143,055	-	(56,398)	189,602	276,259
Private sector capital sponsorship	942,032	16,864	(67,251)	-	891,645
	<u>25,097,783</u>	<u>40,484</u>	<u>(703,735)</u>	<u>189,602</u>	<u>24,624,134</u>
Total restricted funds	<u>24,324,191</u>	<u>8,935,702</u>	<u>(8,860,774)</u>	<u>815,000</u>	<u>25,214,119</u>
Unrestricted funds					
General funds	<u>514,093</u>	<u>688,422</u>	<u>(537,677)</u>	<u>-</u>	<u>664,838</u>
Total funds	<u>24,838,284</u>	<u>9,624,124</u>	<u>(9,398,451)</u>	<u>815,000</u>	<u>25,878,957</u>

The Restricted General Funds comprise of funds received from the ESFA and other local government bodies and are used to finance ongoing expenditure of the normal day to day educational activities of the Academy. Under the funding agreement with the Secretary of State, the Academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2018. Note 3 discloses whether the limit was exceeded.

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

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

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

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

22 Funds

(Continued)

Comparative information in respect of the preceding period is as follows:

Group	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	36,690	8,560,189	(7,971,007)	(41,964)	583,908
Other DfE / ESFA grants	-	535,365	(535,365)	-	-
Other government grants	-	145,385	(145,385)	-	-
Other restricted funds	22,193	345,000	(322,193)	-	45,000
Pension reserve	(2,301,500)	-	(227,000)	1,126,000	(1,402,500)
	<u>(2,242,617)</u>	<u>9,585,939</u>	<u>(9,200,950)</u>	<u>1,084,036</u>	<u>(773,592)</u>
Restricted fixed asset funds					
DfE group capital grants	24,580,230	23,796	(591,328)	-	24,012,698
Capital expenditure from GAG	139,143	-	(38,052)	41,964	143,055
Private sector capital sponsorship	951,000	57,386	(66,354)	-	942,032
	<u>25,670,373</u>	<u>81,182</u>	<u>(695,734)</u>	<u>41,964</u>	<u>25,097,785</u>
Total restricted funds	<u>23,427,756</u>	<u>9,667,121</u>	<u>(9,896,684)</u>	<u>1,126,000</u>	<u>24,324,193</u>
Unrestricted funds					
General funds	<u>317,017</u>	<u>626,102</u>	<u>(432,176)</u>	<u>-</u>	<u>510,943</u>
Total funds	<u>23,744,773</u>	<u>10,293,223</u>	<u>(10,328,860)</u>	<u>1,126,000</u>	<u>24,835,136</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

22 Funds

(Continued)

Company	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	36,690	8,560,189	(7,971,007)	(41,964)	583,908
Other DfE / ESFA grants	-	535,365	(535,365)	-	-
Other government grants	-	145,385	(145,385)	-	-
Other restricted funds	22,193	345,000	(322,193)	-	45,000
Pension reserve	(2,301,500)	-	(227,000)	1,126,000	(1,402,500)
	<u>(2,242,617)</u>	<u>9,585,939</u>	<u>(9,200,950)</u>	<u>1,084,036</u>	<u>(773,592)</u>
Restricted fixed asset funds					
DfE group capital grants	24,580,230	23,796	(591,328)	-	24,012,698
Capital expenditure from GAG	139,143	-	(38,052)	41,964	143,055
Private sector capital sponsorship	951,000	57,386	(66,354)	-	942,032
	<u>25,670,373</u>	<u>81,182</u>	<u>(695,734)</u>	<u>41,964</u>	<u>25,097,785</u>
Total restricted funds	<u>23,427,756</u>	<u>9,667,121</u>	<u>(9,896,684)</u>	<u>1,126,000</u>	<u>24,324,193</u>
Unrestricted funds					
General funds	<u>317,017</u>	<u>626,102</u>	<u>(429,026)</u>	<u>-</u>	<u>514,093</u>
Total funds	<u>23,744,773</u>	<u>10,293,223</u>	<u>(10,325,710)</u>	<u>1,126,000</u>	<u>24,838,286</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

22 Funds

(Continued)

A current year 12 months and prior year 12 months combined position is as follows:

Group	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	36,690	16,702,670	(15,126,365)	(231,566)	1,381,429
Other DfE / ESFA grants	-	1,101,314	(1,101,314)	-	-
Other government grants	-	220,591	(220,591)	-	-
Other restricted funds	22,193	456,582	(427,719)	-	51,056
Pension reserve	(2,301,500)	-	(482,000)	1,941,000	(842,500)
	<u>(2,242,617)</u>	<u>18,481,157</u>	<u>(17,357,989)</u>	<u>1,709,434</u>	<u>589,985</u>
Restricted fixed asset funds					
DfE group capital grants	24,580,230	47,416	(1,171,414)	-	23,456,232
Capital expenditure from GAG	139,141	-	(94,450)	231,566	276,257
Private sector capital sponsorship	951,000	74,250	(133,605)	-	891,645
	<u>25,670,371</u>	<u>121,666</u>	<u>(1,399,469)</u>	<u>231,566</u>	<u>24,624,134</u>
Total restricted funds	<u>23,427,754</u>	<u>18,602,823</u>	<u>(18,757,458)</u>	<u>1,941,000</u>	<u>25,214,119</u>
Unrestricted funds					
General funds	317,017	1,314,524	(975,329)	-	656,212
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u>23,744,771</u>	<u>19,917,347</u>	<u>(19,732,787)</u>	<u>1,941,000</u>	<u>25,870,331</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

22 Funds

(Continued)

Company	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	36,690	16,702,670	(15,126,365)	(231,566)	1,381,429
Other DfE / ESFA grants	-	1,101,314	(1,101,314)	-	-
Other government grants	-	220,591	(220,591)	-	-
Other restricted funds	22,193	456,582	(427,719)	-	51,056
Pension reserve	(2,301,500)	-	(482,000)	1,941,000	(842,500)
	<u>(2,242,617)</u>	<u>18,481,157</u>	<u>(17,357,989)</u>	<u>1,709,434</u>	<u>589,985</u>
Restricted fixed asset funds					
DfE group capital grants	24,580,230	47,416	(1,171,414)	-	23,456,232
Capital expenditure from GAG	139,141	-	(94,450)	231,566	276,257
Private sector capital sponsorship	951,000	74,250	(133,605)	-	891,645
	<u>25,670,371</u>	<u>121,666</u>	<u>(1,399,469)</u>	<u>231,566</u>	<u>24,624,134</u>
Total restricted funds	<u>23,427,754</u>	<u>18,602,823</u>	<u>(18,757,458)</u>	<u>1,941,000</u>	<u>25,214,119</u>
Unrestricted funds					
General funds	317,017	1,314,524	(966,703)	-	664,838
	<u>317,017</u>	<u>1,314,524</u>	<u>(966,703)</u>	<u>-</u>	<u>664,838</u>
Total funds	<u>23,744,771</u>	<u>19,917,347</u>	<u>(19,724,161)</u>	<u>1,941,000</u>	<u>25,878,957</u>

23 Analysis of net assets between funds

Group	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2018 £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	24,624,133	24,624,133
Current assets	859,008	2,276,661	-	3,135,669
Creditors falling due within one year	(8,719)	(844,175)	-	(852,894)
Creditors falling due after one year	(194,077)	-	-	(194,077)
Defined benefit pension liability	-	(842,500)	-	(842,500)
	<u>656,212</u>	<u>589,986</u>	<u>24,624,133</u>	<u>25,870,331</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

23 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	25,097,783	25,097,783
Current assets	654,225	1,379,207	-	2,033,432
Creditors falling due within one year	(3,000)	(750,299)	-	(753,299)
Creditors falling due after one year	(140,282)	-	-	(140,282)
Defined benefit pension liability	-	(1,402,500)	-	(1,402,500)
	<u>510,943</u>	<u>(773,592)</u>	<u>25,097,783</u>	<u>24,835,134</u>

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

23 Analysis of net assets between funds

(Continued)

Company	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2018 £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	24,624,133	24,624,133
Fixed asset investments	-	-	1	1
Current assets	664,838	2,276,661	-	2,941,499
Creditors falling due within one year	-	(844,176)	-	(844,176)
Defined benefit pension liability	-	(842,500)	-	(842,500)
	<u>664,838</u>	<u>589,985</u>	<u>24,624,134</u>	<u>25,878,957</u>
	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	25,097,783	25,097,783
Fixed asset investments	-	-	2	2
Current assets	514,093	1,379,206	-	1,893,299
Creditors falling due within one year	-	(750,298)	-	(750,298)
Defined benefit pension liability	-	(1,402,500)	-	(1,402,500)
	<u>514,093</u>	<u>(773,592)</u>	<u>25,097,785</u>	<u>24,838,286</u>

24 Pensions and similar obligations

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 Local Pension Fund Authority. Both are multi-employer 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 that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £14,848 (2017: £15,889) were payable to the schemes at 31 August 2018 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' 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 WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

24 Pensions and similar obligations

(Continued)

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

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)
- 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%

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £484,763 (2017: £485,583).

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

Under the definitions set out in FRS 102, the TPS is an unfunded 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 the assets held in separate Trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 14.6%-15.7% for employers and 5.5%-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 WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

24 Pensions and similar obligations

(Continued)

Total contributions made	2018 £	2017 £
Employer's contributions	103,000	90,000
Employees' contributions	50,000	46,000
Total contributions	153,000	136,000

Principal actuarial assumptions	2018 %	2017 %
Rate of increases in salaries	3.8	4.2
Rate of increase for pensions in payment	2.3	2.7
Discount rate	2.7	2.6
Inflation assumption (CPI)	3.3	3.6

Sensitivity analysis

	£'000s	£'000s	£'000s
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	6,917	7,069	7,224
Projected service cost	279	286	293
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	7,076	7,069	7,062
Projected service cost	286	286	286
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	7,218	7,069	6,924
Projected service cost	293	286	279
Adjustment to life expectancy assumptions	+1 Year	None	-1 Year
Present value of total obligation	7,325	7,069	6,823
Projected service cost	295	286	277

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

	2018 Years	2017 Years
Retiring today		
- Males	24.5	24.4
- Females	26.1	26.0
Retiring in 20 years		
- Males	26.8	26.7
- Females	28.5	28.3

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

24 Pensions and similar obligations

(Continued)

The Academy's share of the assets in the scheme

	2018 Fair value £	2017 Fair value £
Equities	4,783,000	4,601,000
Gilts	-	218,000
Other bonds	848,000	617,000
Property	547,000	520,000
Other assets	48,000	86,000
Total market value of assets	6,226,000	6,042,000
Actual return on scheme assets - gain	274,000	1,106,000

Amounts recognised in the statement of financial activities

	2018 £	2017 £
Current service cost (net of employee contributions)	323,000	267,000
Net interest cost	35,000	50,000
Total operating charge	358,000	317,000

Changes in the present value of defined benefit obligations

	2018 £
Obligations at 1 September 2017	7,444,500
Current service cost	323,000
Interest cost	191,000
Employee contributions	50,000
Actuarial gain	(697,000)
Benefits paid	(243,000)
At 31 August 2018	7,068,500

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

24 Pensions and similar obligations

(Continued)

Changes in the fair value of the Academy's share of scheme assets	2018 £
Assets at 1 September 2017	6,042,000
Interest income	156,000
Return on plan assets (excluding amounts included in net interest):	
Actuarial gain	118,000
Employer contributions	103,000
Employee contributions	50,000
Benefits paid	(243,000)
At 31 August 2018	6,226,000

The estimated value of employer contributions for the year ended 31 August 2019 is £121,000.

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.

25 Reconciliation of net income/(expenditure) to net cash flows from operating activities

	2018 £	2017 £
Net income/(expenditure) for the reporting period	220,197	(35,637)
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(40,484)	(81,182)
Investment income receivable	(3,845)	(322)
Defined benefit pension costs less contributions payable	220,000	177,000
Defined benefit pension net finance cost	35,000	50,000
Depreciation of tangible fixed assets	703,735	691,519
Loss on disposal of fixed assets	-	4,215
(Increase) in stocks	(65,760)	(114,483)
Decrease/(increase) in debtors	198,183	(272,938)
Increase/(decrease) in creditors	99,595	(62,789)
Net cash provided by operating activities	1,366,621	355,383

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

26 Commitments under operating leases Group and Company

At 31 August 2018 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2018 £	2017 £
Amounts due within one year	20,989	25,201
Amounts due in two and five years	-	20,989
	<u>20,989</u>	<u>46,190</u>

27 Contingent liabilities

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

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

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

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

THE WESTMINSTER ACADEMY (WESTBOURNE GREEN)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

28 Related party transactions

There is no ultimate controlling party.

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

David Dangoor is a Trustee of The Exhilararch's Foundation ('TEF'). During the year, the Academy received pledges of £95,557 (2017: £83,236) from TEF, of which £nil (2017: £50,000) was outstanding at the year end.

In the previous year, WA Land Limited ('WAL') entered into a facility agreement, for a sum of up to £180,000, with TEF to fund its initial working capital requirements. During the year, this facility agreement was increased to £360,000. The facility has been provided on an interest free and unsecured basis. It is only repayable in the event of WAL entering into a development agreement with a developer on terms approved by TEF. At the year end, WAL was indebted to TEF in the amount of £194,077 (2017: £140,282).

Income of £258 (2017: £nil) was received from David Dangoor for hiring of facility services provided by the Academy.

A gift for the value of £72 (2017: £50) was made to David Dangoor by the Academy.

Income of £1,425 (2017: £nil) was received from Mary Amayo for hiring of facility services provided by the Academy.

IBSCA Ltd is a Company in which Dr Rana (the Principal) is a Company Director and Co-opted Committee member. During the year, the Academy purchased professional subscription, registration and conference fees from IBSCA Ltd totalling £3,221 (2017: £1,500). The amount outstanding at 31 August 2018 was £1,200 (2017: £150). The Academy made the purchase at arms' length and in accordance with its financial regulations, which Dr Rana neither participated in, nor influenced. In entering into the transaction the Trust has complied with the requirements of ESFA's Academies Financial Handbook 2017. The element above £2,500 has been provided 'at no more than cost' and IBSCA Ltd has provided a statement of assurance confirming this.

Duncan Harman-Wilson is a Director of both the Academy and WAL. During the year, WAL was charged £36,164 (2017: £44,984) for consultancy services supplied by him. There were no amounts outstanding at the year end.

29 Members' liability

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