

REGISTERED COMPANY NUMBER: 07527304 (England and Wales)

**REPORT OF THE GOVERNORS AND
FINANCIAL STATEMENTS FOR THE PERIOD 11 FEBRUARY 2011
TO 31 AUGUST 2011
FOR**

**WESTCLIFF HIGH SCHOOL FOR GIRLS
ACADEMY TRUST**

Goldwyns Limited
Registered Auditor
Chartered Accountants
Rutland House
90-92 Baxter Avenue
Southend on Sea
Essex
SS2 6HZ



**WESTCLIFF HIGH SCHOOL FOR GIRLS
ACADEMY TRUST**

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FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

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**WESTCLIFF HIGH SCHOOL FOR GIRLS
ACADEMY TRUST**

**REPORT OF THE GOVERNORS
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

The Governors present their report together with the financial statements of the Academy for the period 11 February 2011 to 31 August 2011. The report has been prepared in accordance with Part VI of the Charities Act 1993.

The financial statements have been prepared in accordance with the accounting policies on pages 12 and 13 of the attached financial statements, and comply with the Academy's Articles of Association, the Companies Act 2006, and the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities.

The Academy's object is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

To achieve this the responsibilities of the members for the management of the Academy are delegated to the Governors.

INCORPORATION

The charitable company was incorporated on 11 February 2011 and became an academy on 1 March 2011.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
07527304 (England and Wales)

Registered office
Westcliff High School for Girls
Kenilworth Gardens
Westcliff on Sea
Essex SS0 0BS

Members

M S C Foster	- Chair of Governors
Dr P B Hayman	- Principal
Dr O Aggarwal	- Chair of curriculum and pupil matters committee
Mrs L B Campbell	- Chair of personnel committee
M D Wilson	- Chair of finance and general purposes committee

Governors

Dr O Aggarwal	- appointed 11 2 11
Mrs H J Boyd	- appointed 11 2 11
A J Cains	- appointed 11 2 11
Mrs L B Campbell	- appointed 11 2 11
N Clark	- appointed 1 3 11
M J Driscoll	- appointed 11 2 11
M S C Foster	- appointed 11 2 11
Mrs J Harding	- appointed 11 2 11
Dr P B Hayman	- appointed 11 2 11
M Moore	- appointed 11 2 11
Mrs M Matsi	- appointed 11 2 11
Mrs E L S O'Brart	- appointed 11 2 11
A Odunsi	- appointed 9 3 11
Mrs A Sehri	- appointed 1 3 11
Miss D J Vaughan	- appointed 11 2 11
Dr L M Wilson	- appointed 11 2 11
M D Wilson	- appointed 11 2 11

Senior Leadership Team

Dr P B Hayman	- Principal
Mrs K Herlock	- Vice Principal
C L Bott	- School Business Manager
B Hayton	- Assistant Principal
N Glucksmann-Smith	- Assistant Principal

**WESTCLIFF HIGH SCHOOL FOR GIRLS
ACADEMY TRUST**

**REPORT OF THE GOVERNORS
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Goldwyns Limited
Registered Auditor
Chartered Accountants
Rutland House
90-92 Baxter Avenue
Southend on Sea
Essex SS2 6HZ

Solicitors

BTMK
19 Clifftown Road
Southend-on-Sea
Essex SS1 1AB

Bankers

Barclays
63-65 High Street
Rayleigh
Essex SS6 7EL

Lloyds TSB
77 High Street
Southend-on-Sea
Essex SS1 1HT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company, limited by guarantee, as defined by the Companies Act 2006 and is a charity by Statute. The Academy's Funding Agreement and Articles of Association are the primary governing documents of the Academy. The Chair of the Board of Governors and the Academy's Principal are Members ex officio. The three other Members of the company are nominated by either the Secretary of State for Education or by existing Members. The Articles of Association require the Members to be responsible for the statutory and constitutional affairs of the company and the management of the Academy.

Members

The Members who were in office at 31 August 2011 and served throughout the period, are listed on page 1.

During the period under review the Members met once.

Members' Liability

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

Governors

The Board is made up of 18 Governors, 6 are Partnership Governors, 2 are Community Governors, 6 are Parent Governors (elected by the parental body), 2 are teachers and 1 is a member of the support staff (both categories elected by the staff) and The Principal, who is a Governor ex officio. At the balance sheet date there was 1 vacancy for a Parent Governor. The Governors who were in office at 31 August 2011 and served throughout the period, except where shown, are listed on page 1.

During the period under review the Governors met three times.

Induction and Training of New Governors

New Governors will receive training and induction depending on their existing experience. Where necessary, induction will provide training on charity, educational, legal and financial matters. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are few changes to the Governors, induction tends to be done informally and is tailored specifically to the individual.

**WESTCLIFF HIGH SCHOOL FOR GIRLS
ACADEMY TRUST**

**REPORT OF THE GOVERNORS
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Subsidiary companies

The Academy has no subsidiary companies

Related parties

There are no organisations connected to the Academy

Risk management

The governors have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips etc) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal object and activity of the company is the operation of the Westcliff High School for Girls Academy to provide education for pupils who have met the Academy's selective entry criteria, between the ages of 11 and 19.

The main objectives of the Academy during the period ended 31 August 2011 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care,
- to secure the highest level of educational achievement of all pupils,
- 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 Higher Education institutions
- to maintain close links with industry, commerce, and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness

Strategies and activities

The Academy's main strategy is encompassed in its mission statement which is 'To be an outstanding Academy with high moral values and a national standing for its scholarship, producing citizens who are leaders and thinkers, imbued with initiative, enterprise and a quest for lifelong learning'. To this end the activities provided include:

- tuition and learning opportunities for all students to attain appropriate academic qualifications,
- training opportunities for all staff, and especially teaching staff,
- a programme of 'Activity Days' which encourage students to learn beyond their usual classroom experience,
- the promotion of outdoor adventurous activities through the Duke of Edinburgh scheme and opportunities through 'World Challenge' etc,
- a programme of sporting and extra-curricular activities for all students,
- a careers advisory service to help move on to higher education or obtain employment

Equal opportunities policy

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

Disabled persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy. The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy does this by adapting the physical environment, by making support resources available and through training and career development.

ACHIEVEMENT AND PERFORMANCE

The Academy was formed on 11th February 2011 from Westcliff High School for Girls under the procedures for highly successful schools allowed by the Academies Act 2010.

**WESTCLIFF HIGH SCHOOL FOR GIRLS
ACADEMY TRUST**

**REPORT OF THE GOVERNORS
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

ACHIEVEMENT AND PERFORMANCE

Total students in the period ended 31st August 2011 numbered 1040 with 285 in the Sixth Form

Examination results for 2011 were very pleasing

At GCSE every Year 11 student achieved 5(+) A*-C grades including English and Mathematics
There was a 98% pass rate (A*-C)

At A2 Level, 79.7% of all grades were at A*, A or B
The average points score per candidate was 440.4

To ensure that standards are further improved the Academy operates a programme of observation of lessons, is visited by inspectors, undertakes a comparison of results from entry to Key Stage 3 to GCSE and from GCSE to A level to assess the added value. The Academy also participates in national programmes looking at added value through the key stages

FINANCIAL REVIEW

Financial Report for the Period

Most of the Academy's income is obtained from the YPLA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the YPLA during the period ended 31 August 2011 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2011, total expenditure of £2,960,790 was more than covered by recurrent grant funding from the YPLA together with other incoming resources. The excess of income over expenditure for the period (excluding restricted fixed asset funds and the pension deficit) was £340,593.

On the formation of the Academy £16,925,000 of land and buildings was transferred from Westcliff High School for Girls to Westcliff High School for Girls Academy Trust.

At 31 August 2011 the net book value of fixed assets was £16,850,544 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

There is a pension deficit relating to staff employed who are members of the Local Government Pension Scheme. Details are given in note 18 to the financial statements.

Financial position

The Academy held fund balances at 31 August 2011 of £16,026,137 comprising £85,594 of restricted funds, £16,850,544 of restricted fixed asset funds and £276,999 of unrestricted general funds and a pension reserve deficit of £1,187,000.

The academy is dependent on receiving funds from the DfE (via the YPLA) for its continued operation.

Reserves Policy

The Governors will maintain the reserves at a level they deem to be prudent to match the school's development and future needs. See note 20 to the financial statements.

Investment Policy

The Academy has no material investments.

PLANS FOR FUTURE PERIODS

The Academy will continue striving to secure the highest levels of performance of its students at all levels and will continue its efforts to ensure its students get a place in higher education or jobs once they leave.

The Governors have an expressed desire to extend and improve the Academy's premises and facilities within the constraints of financial prudence.

**WESTCLIFF HIGH SCHOOL FOR GIRLS
ACADEMY TRUST**

**REPORT OF THE GOVERNORS
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

STATEMENT OF GOVERNORS RESPONSIBILITIES

The governors (who are also the directors of Westcliff High School for Girls Academy Trust for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the governors are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charity SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the governors are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each governor has taken all the steps that they ought to have taken as a governor in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Goldwyns Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD



M S C Foster - Chair of Governors

Date

8/12/11

**WESTCLIFF HIGH SCHOOL FOR GIRLS
ACADEMY TRUST**

**STATEMENT ON THE SYSTEM OF INTERNAL FINANCE CONTROL
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

As Governors, we acknowledge we have overall responsibility for ensuring that Westcliff High School for Girls Academy has an effective and appropriate system of control, financial and otherwise. We are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Academy and enable us to ensure the financial statements comply with the Companies Act 2006.

We also acknowledge responsibility for safeguarding the assets of the Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that -

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

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

Governors take responsibility for monitoring the Academy's activities in specific areas. Partnership and Community Governors are chosen so that the skills mix of the Governors on both the full governing body and its committees, ensures that the Board has all the necessary skills required to contribute fully to the Academy's development.


The Governing Body is responsible for ensuring that high standards of corporate governance are maintained. It performs largely a strategic leadership role and addresses matters including,

- Policy development and strategic development,
- Ensuring sound management and administration of the Academy,
- Ensuring compliance with legal requirements,
- Establishing and maintaining effective internal controls,
- The oversight of all resources,
- The monitoring of performance,
- Helping the Academy to be responsive to the needs of parents, carers and the community,
- Assessing and managing risk,
- Capital expenditure, and
- Senior Staff appointments

The Principal is directly responsible for the day to day running of the Academy and is assisted by a Senior Leadership Team of the Vice Principal, the School Business Manager and the Assistant Principals. Together the Senior Leadership Team control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them on a regular basis so that they can effectively monitor and evaluate activities.

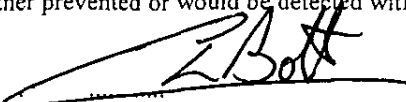
The Governors have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. As permitted by the DfE Financial Handbook for Academies, the tasks of the Responsible Officer (RO) have been outsourced. On a quarterly basis a report is provided to the RO on the operation of the systems of control to assist the RO in their responsibilities.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.


M S C Foster – Chair of Governors

Date

8/12/11


C L Bott – School Business Manager

Date

8/12/11

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WESTCLIFF HIGH SCHOOL FOR GIRLS ACADEMY TRUST

We have audited the financial statements of Westcliff High School for Girls Academy Trust for the period ended 31 August 2011 on pages eight to twenty three. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of Governors and auditors

As explained more fully in the Statement of Governors' Responsibilities, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2011 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements.

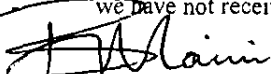
Opinion on other matter prescribed by the academy's funding agreement with the Secretary of State for Education

In our opinion grants made by the Young People's Learning Agency have been applied for the purposes intended.

Matters on which we are required to report by exception

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

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



Bhooshan Maini BA FCA (Senior Statutory Auditor)

for and on behalf of Goldwyns Limited

Registered Auditor

Chartered Accountants

Rutland House

90-92 Baxter Avenue

Southend on Sea

Essex SS2 6HZ

Date 23.12.2011

**WESTCLIFF HIGH SCHOOL FOR GIRLS
ACADEMY TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	262,654	-	16,925,000	17,187,654
Activities for generating funds	3	180,044	-	-	180,044
Investment income	4	236	-	-	236
Incoming resources from charitable activities	5				
Academy's education operations		-	2,794,274	21,719	2,815,993
Total incoming resources		442,934	2,794,274	16,946,719	20,183,927
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising trading cost of goods sold and other costs	7	165,935	-	-	165,935
Charitable activities					
Academy's education operations	8	-	2,684,819	101,786	2,786,605
Governance costs	9	-	8,250	-	8,250
Other resources expended	18	-	32,000	-	32,000
Total resources expended		165,935	2,725,069	101,786	2,992,790
NET INCOMING RESOURCES before transfers		276,999	69,205	16,844,933	17,191,137
Gross transfers between funds	20	-	(5,611)	5,611	-
Net incoming resources before other recognised gains and losses		276,999	63,594	16,850,544	17,191,137
Other recognised gains/losses					
Actuarial loss on defined benefit schemes		-	(1,165,000)	-	(1,165,000)
Net movement in funds		276,999	(1,101,406)	16,850,544	16,026,137
TOTAL FUNDS CARRIED FORWARD		276,999	(1,101,406)	16,850,544	16,026,137

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities

The notes form part of these financial statements

**WESTCLIFF HIGH SCHOOL FOR GIRLS
ACADEMY TRUST**

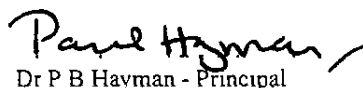
**BALANCE SHEET
AT 31 AUGUST 2011**

	Notes	£
FIXED ASSETS		
Tangible assets	13	16,850,544
CURRENT ASSETS		
Stocks	14	80,928
Debtors amounts falling due within one year	15	255,607
Cash at bank and in hand		<u>861,137</u>
		1,197,672
CREDITORS		
Amounts falling due within one year	16	(835,079)
NET CURRENT ASSETS		<u>362,593</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		17,213,137
PENSION LIABILITY	18	(1,187,000)
NET ASSETS/(LIABILITIES)		<u><u>16,026,137</u></u>
FUNDS	19	
Unrestricted funds		276,999
Restricted funds		(1,101,406)
Restricted fixed asset funds		<u>16,850,544</u>
TOTAL FUNDS		<u><u>16,026,137</u></u>

The financial statements were approved by the Board of Governors on **8 Dec 2011** and were signed on its behalf by



M S C Foster – Chair of Governors



Dr P B Hayman - Principal

The notes form part of these financial statements

**WESTCLIFF HIGH SCHOOL FOR GIRLS
ACADEMY TRUST**

**CASH FLOW STATEMENT
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

	Notes	£
Net cash inflow from operating activities	1	866,512
Returns on investments and servicing of finance	2	236
Capital expenditure and financial investment	2	(5,611)
Increase in cash in the period		<u><u>861,137</u></u>

Reconciliation of net cash flow to movement in net debt 3

Increase in cash in the period	<u>861,137</u>
Change in net debt resulting from cash flows	<u>861,137</u>
Movement in net debt in the period	861,137
Net debt at 11 February	<u>-</u>
Net debt at 31 August	<u><u>861,137</u></u>

The notes form part of these financial statements

**WESTCLIFF HIGH SCHOOL FOR GIRLS
ACADEMY TRUST**

**NOTES TO THE CASH FLOW STATEMENT
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	£
Net incoming resources	17,191,137
Depreciation charges	101,786
Interest received	(236)
Capital grants from DfE and other capital income	(16,946,719)
Increase in stocks	(80,928)
Increase in debtors	(255,607)
Increase in creditors	835,079
FRS17 pension cost less contributions payable	(10,000)
FRS17 pension finance expense	32,000
Net cash inflow from operating activities	<u>866,512</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	£
Returns on investments and servicing of finance	
Interest received	<u>236</u>
Net cash outflow for returns on investments and servicing of finance	<u>236</u>
 Capital expenditure and financial investment	
Capital grants from DfE and other capital income	16,946,719
Purchase of fixed assets	<u>(16,952,330)</u>
Net cash outflow for capital expenditure and financial investment	<u>(5,611)</u>

3 ANALYSIS OF CHANGES IN NET DEBT

	At 11 2 11 £	Cash flow £	At 31 8 11 £
Net cash			
Cash at bank and in hand	-	861,137	861,137
	<u>-</u>	<u>861,137</u>	<u>861,137</u>
Total	<u>-</u>	<u>861,137</u>	<u>861,137</u>

**WESTCLIFF HIGH SCHOOL FOR GIRLS
ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards, the Companies Act 2006, the financial reporting and annual accounts requirements issued by the Young People's Learning Agency and the requirements of the Statement of Recommended Practice Accounting and Reporting by Charities

Incoming resources

All incoming resources are recognised when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability

- **Grants receivable**
Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.
- **Donations**
Donations are recognised on a receivable basis where there is certainty of receipt 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 goods have been provided or on completion of the service.
- **Donated Services and Gifts in Kind**
The value of donated services and gifts in kind provided to the Academy are recognised at an estimate of their gross value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy's policies.

Resources expended

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

- **Costs of generating funds**
These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- **Charitable activities**
These are costs incurred on the Academy's educational operations.
- **Governance Costs**
These include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses.

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.

Leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**WESTCLIFF HIGH SCHOOL FOR GIRLS
ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment

It is the policy of the Academy not to recognise in the financial statements assets (other than freehold property) transferred to the Academy on inception

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

Freehold property	- Straight line over 50 years
Temporary classrooms	- Straight line over 20 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

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 governors

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Young People's Learning Agency or Department for Education where the asset acquired or created is held for a specific purpose

Restricted general funds comprise all other restricted funds received and include grants from the Young People's Learning Agency/Department for Education

Pension costs and other post-retirement 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, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 18, the TPS is a multi employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

**WESTCLIFF HIGH SCHOOL FOR GIRLS
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

2 VOLUNTARY INCOME

	£
Capital donations	16,925,000
Other donations	<u>262,654</u>
	<u>17,187,654</u>

3 ACTIVITIES FOR GENERATING FUNDS

	£
Catering income	77,105
School uniform income	52,033
Exam fees income	19,420
Music lessons income	15,485
Other income	<u>16,001</u>
	<u>180,044</u>

4 INVESTMENT INCOME

	£
Deposit account interest	<u>236</u>

**WESTCLIFF HIGH SCHOOL FOR GIRLS
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

5 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted Funds	Restricted Fixed Asset Funds	Total 2011
	£	£	£
DfE/YPLA capital grant			
Devolved formula grant	-	21,719	21,719
	-	21,719	21,719
DfE/YPLA revenue grants			
General annual grant (GAG)	2,679,962	-	2,679,962
	2,679,962	-	2,679,962
Other government grants			
School standards funds	19,602	-	19,602
Special educational projects	2,367	-	2,367
Other government grants	92,343	-	92,343
	114,312	-	114,312
	2,794,274	21,719	2,815,993

6 GENERAL ANNUAL GRANT

a Results and carry forward for the year	2011
	£
GAG brought forward from previous year	-
GAG allocation for current period	2,679,962
GAG allocation for current period (capital)	21,719
Total GAG available to spend	2,701,681
Recurrent expenditure from GAG	(2,609,990)
Fixed assets purchased from GAG	(27,330)
GAG carried forward to next year	64,361
Maximum permitted GAG carry forward at end of current period (12% of allocation for current period)	(324,202)
GAG to surrender to DfE	(259,841)
(12% rule breached if result is positive)	<i>No breach</i>

The maximum permitted amount of GAG that can be carried forward is 12% of the current period's GAG allocation. Only 2% of the current year allocation can be used for future recurrent expenditure, any excess is to be used for capital expenditure.

**WESTCLIFF HIGH SCHOOL FOR GIRLS
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

7 RESOURCES EXPENDED

	Staff Costs £	Premises Costs £	Other Costs £	Total 2011 £
Costs of generating voluntary income	-	-	-	-
Costs of activities for generating funds	64,522	5,314	96,099	165,935
Academy's educational operations (note 8)				
Direct costs	1,847,176	101,786	257,959	2,206,921
Allocated support costs	257,598	171,998	150,088	579,684
	<u>2,169,296</u>	<u>279,098</u>	<u>504,146</u>	<u>2,952,540</u>
Governance costs including allocated support costs	-	-	8,250	8,250
Other resources expended	-	-	32,000	32,000
	<u>2,169,296</u>	<u>279,098</u>	<u>544,396</u>	<u>2,992,790</u>

8. CHARITABLE ACTIVITIES – ACADEMY'S EDUCATIONAL ACTIVITIES

	2011 £
Direct Costs	
Wages	1,522,010
Social security	114,316
Pensions	210,850
Staff development	20,063
Educational supplies	125,140
Examination fees	110,744
Depreciation	101,786
Other costs	2,012
	<u>2,206,921</u>
Support Costs	
Wages	222,319
Social security	12,429
Pensions	22,850
Recruitment and support	8,658
Maintenance of premises and equipment	69,904
Cleaning	14,257
Rent and rates	13,702
Insurance	45,191
Security and transport	7,228
Catering	5,191
Utilities	28,944
Printing, postage and stationery	64,021
Telephone	6,163
Professional services	27,558
Bank charges	1,253
Other costs	30,016
	<u>579,684</u>
	<u>2,786,605</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

9 GOVERNANCE COSTS

Auditors' remuneration	£ <u>8,250</u>
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10 NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

Auditors' remuneration	£ 8,250
Operating leases	11,848
Depreciation - owned assets	<u>101,786</u>

11. GOVERNORS' REMUNERATION AND BENEFITS

The Principal and the teacher and staff governors only received remuneration in respect of services they provide undertaking the roles of Principal, teachers and staff and not in respect of their services as governors. The value of the Principal, teachers and staff governors' remuneration was £103,064. Other governors did not receive any payments from the Academy in respect of their role as governors.

Governors' Expenses

There were no governors' expenses paid for the period ended 31 August 2011.

12. STAFF COSTS

Wages and salaries	£ 1,801,280
Social security costs	128,039
Other pension costs	<u>239,977</u>
	<u>2,169,296</u>

The average monthly number of employees during the period expressed as full time equivalents was as follows

Teachers	94
Administration and support	<u>38</u>
	132

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

£60,000 to £70,000	1
£70,001 to £80,000	-
£80,001 to £90,000	<u>1</u>
	2

**WESTCLIFF HIGH SCHOOL FOR GIRLS
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

13 TANGIBLE FIXED ASSETS

	Freehold property £	Temporary classrooms £	Totals £
COST			
Additions	<u>16,925,000</u>	<u>27,330</u>	<u>16,952,330</u>
DEPRECIATION			
Charge for period	<u>100,420</u>	<u>1,366</u>	<u>101,786</u>
NET BOOK VALUE			
At 31 August 2011	<u>16,824,580</u>	<u>25,964</u>	<u>16,850,544</u>

Included in cost or valuation of land and buildings is freehold land of £6,883,000

The freehold property was valued during the year by Lambert Smith Hampton, a firm of professional valuers. The valuation was as at 1 March 2011 and the basis used was depreciated replacement cost.

14 STOCKS

Uniform stocks	£ <u>80,928</u>
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15 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade debtors	£ 9,534
Other debtors	65,294
Prepayments and accrued income	<u>180,779</u>
	<u>255,607</u>

16 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade creditors	£ 130,523
Other creditors	367,771
Accruals and deferred income	<u>336,785</u>
	<u>835,079</u>

17 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Other operating leases £
Expiring Between one and five years	<u>24,094</u>

**WESTCLIFF HIGH SCHOOL FOR GIRLS
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

18 PENSION COMMITMENTS

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 Essex County Council Both are defined benefit schemes

The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2010

There were no outstanding or prepaid contributions at either the beginning or the end of the period

Teachers' Pension Scheme

The TPS is an unfunded defined benefit scheme Contributions on a "pay-as-you-go" basis are credited to the Exchequer under arrangements governed by the Superannuation Act 1972 A notional asset value is ascribed to the scheme for the purpose of determining contribution rates

Under the definitions set out in Financial Reporting Standards (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme The Academy is unable to identify its share of underlying assets and liabilities of the scheme

Accordingly, the Academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme

Further details on the Teachers' Pension Scheme can be found within the Department for Education's most recent Financial Note

Local Government Pension Scheme

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

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method The total contribution made for the period ended 31 August 2011 was £101,964, of which employer's contributions totalled £67,121 and employees' contributions totalled £34,843 The agreed contribution rates for future years are 12.5% for employers and between 5.5% and 7.5% for employees depending on the employee's annual salary

Principal Actuarial Assumptions

	At 31 August 2011
Rate of increase in salaries	4.2%
Rate of increase in pensions	2.7%
Discount rate for scheme liabilities	5.3%
Inflation assumption (RPI)	3.2%
Inflation assumption (CPI)	2.7%

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

18 PENSION COMMITMENTS - continued

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

	At 31 August 2011
Retiring today	
Males	22.6
Females	25.2
Retiring in 20 years	
Males	24.0
Females	26.8

The Academy's share of the assets and liabilities in the scheme and the expected rates of return were

	Expected return at 31 August 2011	Fair value at 31 August 2011 £
Equities	7.0%	44,000
Bonds (government)	3.7%	5,000
Bonds (other)	4.8%	6,000
Property	6.0%	7,000
Cash	0.5%	3,000
Total market value of assets		65,000
Present value of scheme liabilities		
- Funded		<u>(1,252,000)</u>
Deficit in the scheme		<u><u>(1,187,000)</u></u>

The actuarial loss on scheme assets was £1,000

The net expected long-term rate of return is 6.1% at 31 August 2011

Amounts recognised in the statement of financial activities

	2011 £
Current service cost	57,000
Past service cost	<u>-</u>
Total operating charge	<u>57,000</u>
Analysis of pension finance income/(costs)	
Expected return on pension scheme assets	-
Interest on pension liabilities	<u>(32,000)</u>
Total operating charge	<u>(32,000)</u>

The actual gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS17 is a £1,187,000 loss.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

18 PENSION COMMITMENTS - continued

Movements in the present value of defined benefit obligations were as follows

	2011 £
At beginning of period	-
Current service cost	57,000
Past service cost	-
Interest cost	32,000
Employee contributions	35,000
Actuarial (gain)/loss	-
Business combinations	<u>1,128,000</u>
At end of period	<u>1,252,000</u>

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

	2011 £
At beginning of period	-
Expected return on assets	-
Actuarial gain/(loss)	(1,000)
Employer contributions	67,000
Employee contributions	35,000
Business combinations	<u>(36,000)</u>
At end of period	<u>65,000</u>

The history of experience adjustments is as follows

	2011 £
Present value of defined benefit obligations	(1,252,000)
Fair value of share of scheme assets	<u>65,000</u>
Surplus/(deficit) in the scheme	<u>(1,187,000)</u>
Experience adjustments on share of scheme assets	<u>(1,000)</u>
Experience adjustments on share on scheme liabilities	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Fixed assets	-	-	16,850,544	16,850,544
Current assets	390,687	783,231	23,754	1,197,672
Current liabilities	(113,688)	(697,637)	(23,754)	(835,079)
Pension liability	-	(1,187,000)	-	(1,187,000)
	<u>276,999</u>	<u>(1,101,406)</u>	<u>16,850,544</u>	<u>16,026,137</u>

20 MOVEMENT IN FUNDS

	At 11 2 11 £	Net movement in funds £	Transfers between funds £	At 31 8 11 £
Unrestricted funds				
General fund	-	276,999	-	276,999
Restricted funds				
General Annual Grant (GAG)	-	69,972	(5,611)	64,361
Eastern Leadership Team	-	7,124	-	7,124
Local Education Authority grants	-	14,109	-	14,109
Pension reserve	-	(1,187,000)	-	(1,187,000)
	-	(1,095,795)	(5,611)	(1,101,406)
Restricted fixed asset funds				
Restricted fixed assets	-	16,844,933	5,611	16,850,544
TOTAL FUNDS	<u>-</u>	<u>16,026,137</u>	<u>-</u>	<u>16,026,137</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 11 FEBRUARY 2011 TO 31 AUGUST 2011**

20 MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	442,934	(165,935)	-	276,999
	442,934	(165,935)	-	276,999
Restricted funds				
General Annual Grant (GAG)	2,679,962	(2,609,990)	-	69,972
Eastwood Graduate Teacher Programme	44,278	(44,278)	-	-
Eastern Leadership Team	15,000	(7,876)	-	7,124
Local Education Authority grants	55,034	(40,925)	-	14,109
Pension reserve	(32,000)	10,000	(1,165,000)	(1,187,000)
	2,762,274	(2,693,069)	(1,165,000)	(1,095,795)
Restricted fixed asset funds				
Restricted fixed assets	16,946,719	(101,786)	-	16,844,933
TOTAL FUNDS	<u>20,151,927</u>	<u>(2,960,790)</u>	<u>(1,165,000)</u>	<u>16,026,137</u>