

**Company Registered Number:
7560177 (England and Wales)**

West Park School
(A company limited by guarantee)

**Annual Report and Financial Statements
for the period ended 31 August 2011**

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West Park School

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West Park School

Reference and Administrative Details

Members

(all appointed 15 March 2011)

Mr N Taylor
Mr J MacLaine
Mrs S Ratcliffe
Mr P Anuzis

Governors

(all appointed 10 March 2011 unless otherwise stated)

Mr N Taylor (Chair)* (appointed 15 March 2011)
Mr J MacLaine* (appointed 15 March 2011)
Mrs J Moss*
Mrs S Ratcliffe (appointed 15 March 2011)
Mr P Anuzis (appointed 15 March 2011)
Mr H Doyle
Mr S Murray
Mrs S Harvey
Mr M Giles
Mr A Harrison*
Mr A Fooks (Responsible Officer)
Mr S Rice
Mr M Essex *
Mr A Hough*
Mr S Whiteley
Mr P Ashworth
Mr L Griffiths *
Mrs S Cooper (resigned 11 August 2011)
Mr B Paradise *
Mr T Furber
Mr B Walker (Head and Accounting Officer)

** members of the Finance and
General Purposes Committee*

Company Secretary:

Mr R Mousley

Senior Management Team:

Associate Head
Deputy Head
Deputy Head
Bursar

Mr J Payne
Mr R King
Mrs F Goddard
Mr R Mousley

Principal and Registered Office:

West Road, Spondon, Derby, DE21 7BT

Company Registration Number:

7560177 (England and Wales)

Independent Auditor:

Mazars LLP, Cartwright House, Tottle Road
Nottingham, NG2 1RT

Bankers:

The Royal Bank of Scotland, 41 Commarket,
Derby, DE2 2DG

Solicitors

Geldards, Number One Pride Place,
Pride Park, Derby, DE24 8QR

West Park School

Governors' Report for the period ended 31 August 2011

The governors present their annual report together with the financial statements and auditors' report of the charitable company for the period ended 31 August 2011

Structure, Governance and Management

Constitution

The Academy is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy.

The governors act as the trustees for the charitable activities of West Park School and are also the directors of the charitable company for the purposes of company law. The charitable company is known as West Park School.

Details of the governors who served throughout the period except as noted 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.

Governors' Indemnities

There were no third party indemnity provisions during the period.

Principal Activities

The principal activity of the Academy is the operation of West Park School to provide education for pupils of different abilities between the ages of 11 and 16 with an emphasis on mathematics and IT.

Method of Recruitment and Appointment or Election of Governors

The governors are directors of the company for the purposes of the Companies Act 2006 and trustees for the purpose of charity legislation.

The governors of the foundation school in office at the time of conversion on 1 April 2011 were re-appointed as governors of the Academy.

The members listed on page 1 may appoint up to 4 governors.

The term of office for any governor will be 4 years, except that that this time limit does not apply to the Head. Subject to remaining eligible to be a particular type of governor, any governor can be re-appointed or re-elected.

The governors who were in office in the period under review are listed on page 1.

Policies and Procedures Adopted for the Induction and Training of Governors

As there are normally only two or three new governors a year, induction tends to be done informally and is tailored specifically to the individual. Other training is conducted as necessary.

West Park School

Governors' Report for the period ended 31 August 2011 (continued)

Organisational Structure

The governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy (by the use of budgets) and making major decisions about the strategic direction of the Academy, capital expenditure and the appointment of the Head

During the period under review the governors held 2 meetings. 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

Leadership Group

For the period 2011/2012 the Leadership Group comprises the Head, one Associate Head, two Deputies, three Assistant Heads and the Bursar. These leaders manage and control the Academy at an executive level implementing the policies laid down by the governors and reporting back to them. The Leadership Group is responsible for the authorisation of spending within agreed budgets and the appointment of staff. Some spending control is devolved to Heads of Departments.

Risk Management

The governors 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. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) 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 (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls.

Connected Organisations including Related Party Relationships

West Park became a specialist school in 2005 with the supporting sponsorship of the Landau Foundation. Part of the arrangement included a seat on West Park's Governing Body for the Head and Chair of Governors of Landau Forte School (now Academy). This arrangement continues. There is no federation or relationship which impacts on operating policies.

As West Park School we were a member of the Derby Education Improvement Partnership. The partnership is a collaborative arrangement between Derby Secondary Schools and the LA, to provide mutually beneficial support. This arrangement continues. West Park has no relationships within the partnership which impact on operating policies.

As a school with outstanding achievement and standards West Park converted to an Academy with the active recommendation of Chellaston and Landau Forte. Three strong outstanding Academies provide Derby with a significant alternative structure to LA control. We work closely with Chellaston in supporting Sinfon School. Additionally support is provided for a partner primary school, Springfield, particularly to raise standards in English and Maths.

West Park School

Governors' Report for the period ended 31 August 2011 (continued)

Objectives and Activities

Objects, aims and objectives

The principal object and activity of the charitable company is the operation of West Park School to provide education for pupils of different abilities between the ages of 11 and 16 with an emphasis on mathematics and IT

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education and skills. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the Academy, the catchment area from which the pupils are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on mathematics and IT and their practical applications.

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 raise the standard 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 industry and 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 vision statement 'A caring school where we put pupils and their achievement first'. This is delivered through four areas of activity:

- Provide high quality teaching for all pupils. Teachers setting and maintaining high standards
- Provide high quality learning for all pupils. Pupils experiencing improvement and success
- Secure the right to learn and teach without disruption and provide the highest standards in personal care and individual development. A caring and disciplined environment
- Prepare pupils for an advanced technological society. Extensive use of ICT

Achievement, Confidence and Responsibility will drive the ethos and culture of the Academy

Public Benefit

In setting our objectives and planning our activities the governors have given careful consideration to the Charity Commissions general guidelines in public benefit.

West Park School

Governors' Report for the period ended 31 August 2011 (continued)

Objectives and Activities (continued)

Achievement and Performance

The Academy is now in its first period of operation. Total pupils in the period ended 31 August 2011 numbered as follows against a PAN of 250

Year 7	254
Year 8	277
Year 9	240
Year 10	287
Year 11	228

Examination results for 2011 were outstanding. 100% of pupils achieved 5 or more GCSE A* - C passes (or equivalent) and 78% including English and mathematics. This represents an upward trend over the past fourteen years. The table below sets out key data for a three year period.

	5 A* - C	5 A* - C including English and Maths	Attendance	Exclusions
2008/2009	92%	56%	94.1%	17 Fixed Term 1 Permanent
2009/2010	100%	72%	94.1%	6 Fixed Term 1 Permanent
2010/2011	100%	78%	94.2%	18 Fixed Term 4 Permanent

All pupil groups performed beyond, or in line with targets.

To ensure that standards are continually raised the Academy closely evaluates its performance in all outcomes. We will continue with the independent scrutiny of a School Improvement Partner contracted to submit four reports annually based upon data analysis, observation and interviews with staff and pupils. We will also continue with the main elements of the Ofsted Self-Evaluation Form which is the distillation of a self-evaluation process now deeply embedded in all aspects of school life.

Going Concern

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

Financial Review

The majority of the Academy's income is obtained from the Young People's Learning Agency (YPLA) in the form of recurrent grants, which are restricted for particular purposes. The grants received from the YPLA during the initial financial accounting period of the Academy ending on 31 August 2011 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Grants and income during the short initial accounting period exceeded expenditure on running costs.

The land, buildings and other assets were transferred to the Academy on conversion. Land and buildings were professionally valued on 31 August 2011 to give a value of £6.9m. Other assets have been included in the financial statements at a best estimate taking into account purchase price and remaining useful lives. The assets are used exclusively for providing education and associated support services to the pupils of the Academy.

West Park School

Governors' Report for the period ended 31 August 2011 (continued)

Reserves Policy

The governors policy is to review the reserve levels of the Academy annually. The policy of the Academy is to carry forward a prudent level of resources designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies plus a contribution towards future capital projects, subject to the constraint that the level of resources does not exceed the level permitted by the YPLA.

Funds in deficit

The restricted fund as at 31 August 2011 is in deficit by £913,825. This is as a result of the inherited Local Government Pension Scheme deficit amount of £1,166,000. There are plans in place to repay this balance over future years.

Investment Policy

Due to the nature of the funding cycle, the Academy may at times hold large cash balances which may not be required for immediate use. The governors have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

Plans for Future Periods

The Academy will continue striving to improve the levels of performance of its pupils at all levels and will continue its efforts to ensure its pupils get jobs or a place in further education once they leave. The School Development Plan contains details of how objectives are reached over time.

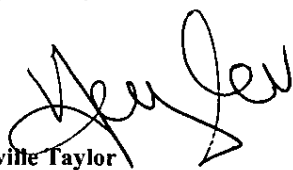
Auditor

In so far as the governors are aware:

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

The auditors, Mazars LLP, were appointed during the period and are willing to continue in office. A resolution to appoint them will be proposed at the annual general meeting.

Approved by the order of the members of the Governing Body on 7/12/11 and signed on its behalf by


Neville Taylor
Chair

West Park School

Statement on Internal Control for the period ended 31 August 2011

Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that West Park School 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 Head as Accounting Officer, for ensuring financial controls conform with the requirements of both property and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between West Park School and the Secretary of State for Education. He is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risk to the achievement of West Park School 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 West Park School for the period ended 31 August 2011 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the West Park School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing West Park School's significant risks that has been in place for the period ended 31 August 2011 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The Risk and Control Framework

West Park School'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 period 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,

West Park School

Statement on Internal Control for the period ended 31 August 2011 (continued)

The Risk and Control Framework (continued)

- 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 not to appoint an internal auditor. However, the governors have appointed Andrew Fooks, a governor, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on West Park School's financial systems. On a termly basis, the RO reports to the Governing Body 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 the Head has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the Accounting Officer has been kept informed by

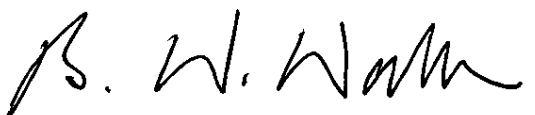
- the work of the Responsible Officer,
- the work of the external auditor,
- the financial management and governance self assessment process,
- the work of the executive managers within West Park School who have responsibility for the development and maintenance of the internal control framework

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 a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 7/12/11 and signed on its behalf by



Neville Taylor
Chair



Brian Walker
Head

West Park School

Statement of Governors' Responsibilities for the period ended 31 August 2011

The governors (who act as trustees for charitable activities of West Park School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the governors' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Young People's Learning Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

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

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare that the charitable company will continue in business

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

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

Approved by order of the members of the Governing Body on 7/12/11 and signed on its behalf by

Neville Taylor
Chair



West Park School

Report of the Independent Auditors' to the members of West Park School

We have audited the financial statements of West Park School for the period ended 31 August 2011 which comprise the Statement of Financial Activities, the Summary Income and Expenditure account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of governors and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 9, the governors (who are also the directors of the charitable company for the purposes of company law and trustees for the purposes of charity 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 (APB's) Ethical Standards for Auditors. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the 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 the Accounts Direction 2010/11 issued by the YPLA,
- have been prepared in accordance with the requirements of the Companies Act 2006, and
- grants from the YPLA / Department for Education and Skills have been applied for the purposes intended.

Opinion on the other matter prescribed by the Companies Act 2006

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

West Park School

Report of the Independent Auditors' to the members of West Park School (continued)

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



Martin Rogers (Senior Statutory Auditor)

For and on behalf of

Mazars LLP, Chartered Accountants (Statutory auditor)

Cartwright House

Tottle Road

Nottingham

NG2 1RT

Dated 12 December 2011

West Park School

Statement of Financial Activities for the period to 31 August 2011

(including Income and Expenditure Account and Statement of Recognised Gains and Losses)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2011 £
Incoming resources					
<i>Incoming resources from generated funds</i>					
- Voluntary income	3	105,245	(1,089,000)	7,931,137	6,947,382
- Activities for generating funds	4	41	9,968	-	10,009
Investment income	5	326	-	-	326
<i>Incoming resources from charitable activities</i>					
- Funding for the Academy's educational operations	6	-	2,625,353	134,258	2,759,611
<i>Other incoming resources</i>	7	54,229	76,960	-	131,189
Total incoming resources		<u>159,841</u>	<u>1,623,281</u>	<u>8,065,395</u>	<u>9,848,517</u>
Resources expended					
<i>Cost of generating funds</i>					
-Costs of generating voluntary income		-	-	-	-
<i>Charitable activities</i>					
-Academy's educational operations	9	2,208	2,413,538	82,423	2,498,169
<i>Governance costs</i>	10	-	64,568	-	64,568
Total resources expended	8	<u>2,208</u>	<u>2,478,106</u>	<u>82,423</u>	<u>2,562,737</u>
Net incoming resources before transfers		<u>157,633</u>	<u>(854,825)</u>	<u>7,982,972</u>	<u>7,285,780</u>
Transfers					
Gross transfers between funds	16	-	-	-	-
Net incoming resources before other recognised gains and losses		<u>157,633</u>	<u>(854,825)</u>	<u>7,982,972</u>	<u>7,285,780</u>
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	25	-	(59,000)	-	(59,000)
Net movement in funds		<u>157,633</u>	<u>(913,825)</u>	<u>7,982,972</u>	<u>7,226,780</u>
Reconciliation of funds					
Brought forward at 1 April 2011		-	-	-	-
Funds carried forward at 31 August 2011	16	<u>157,633</u>	<u>(913,825)</u>	<u>7,982,972</u>	<u>7,226,780</u>

All of the Academy's activities derive from continuing operations during the above period

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities

West Park School

Balance Sheet as at 31 August 2011

Company Registered Number 7560177 (England and Wales)

	Notes	2011 £	2011 £
Fixed Assets			
Tangible assets	13		7,846,434
Current Assets			
Debtors	14	95,399	
Cash at bank and in hand		697,001	
Total current assets		792,400	
Liabilities:			
Creditors: Amounts falling due within one year	15	(246,054)	
Net current assets			546,346
Total assets less current liabilities			8,392,780
Net assets excluding pension liability			8,392,780
Pension scheme liability	25		(1,166,000)
Net assets including pension liability			7,226,780
Funds of the academy:			
Restricted funds			
- Fixed asset fund(s)	16		7,982,972
- General fund(s)	16		252,175
- Pension reserve			(1,166,000)
Total restricted funds			7,069,147
Unrestricted funds	16		157,633
Total funds			7,226,780

The financial statements were approved by the Governing Body, and authorised for issue on 7/12/11 2011 and signed on their behalf by

Neville Taylor
Chair



West Park School

Cash Flow Statement for the period ended 31 August 2011

	Notes	2011 £
Net Cash inflow from operating activities	20	715,387
Returns on investments and servicing of finance	21	326
Capital expenditure	22	(18,712)
		<hr/>
Increase in cash in the year	23	697,001
		<hr/>
Reconciliation of net cash flow to movement in net funds		
Net funds at 1 April 2011		-
		<hr/>
Net funds at 31 August 2011		697,001
		<hr/>

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011

1 Statement of Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction issued by the YPLA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, are set out below.

Going Concern

The governors 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 company to continue as a going concern. The governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

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.

- **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 is certainty of receipt.

- **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 their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy policies.

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011 (continued)

1 Statement of Accounting Policies (continued)

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.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £1,000 or more are considered for capitalisation 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. 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 policy.

Donated assets are valued either by an external valuer or by management based on their best estimate of the market value of these items.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line or reducing balance basis over its expected useful lives, as follows:

Freehold buildings	2 % straight line
Long leasehold buildings	2 % straight line
Fixtures, fittings and equipment	12.5 % straight line
ICT equipment	33.3 % straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011 (continued)

1 Statement of Accounting Policies (continued)

Leased Assets

Rentals under operating leases are charged on straight line basis over the lease term

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

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, 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 25, the TPS is a multi employer scheme and the Academy 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

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 and the 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 and the Department for Education

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011 (continued)

2 General Annual Grant (GAG)

Results and Carry Forward for the Period	2011 £
GAG brought forward from previous year	-
GAG allocation for current period	2,205,827
Total GAG available to spend	2,205,827
Recurrent expenditure from GAG	(2,040,580)
Fixed assets purchased from GAG	-
Transfer from unrestricted fund	-
GAG carried forward to next year	165,247
Maximum permitted GAG carry forward at end of Current year (12% of allocation for current period)	(264,699)
GAG to surrender to DfE (12% rule breached if result is positive)	(99,542)

3 Voluntary Income

	Unrestricted Funds £	Restricted Funds £	2011 Total £
Donated assets	-	7,906,137	7,906,137
Inherited defined benefit pension scheme liability	-	(1,089,000)	(1,089,000)
Donations	-	25,000	25,000
Surplus on conversion	105,245	-	105,245
	<u>105,245</u>	<u>6,842,137</u>	<u>6,947,382</u>

4 Activities for Generating Funds

	Unrestricted Funds £	Restricted Funds £	2011 Total £
Hire of Facilities	-	2,374	2,374
Catering Income	-	60	60
Income from services	41	7,534	7,575
	<u>41</u>	<u>9,968</u>	<u>10,009</u>

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011 (continued)

5 Investment Income

	2011 £
Short term deposits	326

6 Funding for Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	2011 Total £
DfE/YPLA capital grant			
- Devolved Formula Capital allocations	-	10,758	10,758
- Academy main building grants	-	123,500	123,500
	-	134,258	134,258
DfE/YPLA revenue grants			
- General Annual Grant (GAG) (note 2)	-	2,205,827	2,205,827
- Start up Grants	-	25,000	25,000
- School Standards Fund	-	393,809	393,809
- Other DfE / YPLA grants	-	717	717
	-	2,625,353	2,625,353
Other Government grants			
- School Standards Funds	-	-	-
- Special educational projects	-	-	-
	-	-	-
	-	2,759,611	2,759,611

7 Other incoming resources

	Unrestricted Funds £	Restricted Funds £	2011 Total £
Academy trips	47,361	76,960	124,321
Sundry income	6,868	-	6,868
	54,229	76,960	131,189

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011 (continued)

8 Resources Expended

	Staff Costs £	Premises £	Other Costs £	Total 2011 £
Costs of generating voluntary income	-	-	-	-
Academy's educational operations				
- Direct costs	1,683,406	65,335	131,288	1,880,029
- Allocated support costs	337,749	237,491	42,900	618,140
- Implementation costs	-	-	-	-
	<u>2,021,155</u>	<u>302,826</u>	<u>174,188</u>	<u>2,498,169</u>
Governance costs including allocated support costs	<u>18,000</u>	<u>-</u>	<u>46,568</u>	<u>64,568</u>
	<u><u>2,039,155</u></u>	<u><u>302,826</u></u>	<u><u>220,756</u></u>	<u><u>2,562,737</u></u>
Net incoming resources for the period include:				2011 £
Operating leases				5,428
Fees payable to auditor – audit				9,200
- other services				-
				<u>14,628</u>

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011 (continued)

9 Charitable Activities – Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	2011 Total £
<i>Direct costs</i>			
Teaching and educational support staff costs	-	1,683,406	1,683,406
Depreciation	-	65,335	65,335
Educational supplies	-	35,591	35,591
Examination fees	-	4,153	4,153
Staff development	-	15,888	15,888
School trips	2,208	51,784	53,992
Other direct costs	-	21,664	21,664
	<hr/> 2,208	<hr/> 1,877,821	<hr/> 1,880,029
<i>Allocated support costs</i>			
Support staff costs	-	337,749	337,749
Depreciation	-	13,080	13,080
Recruitment and support	-	806	806
Maintenance of premises and equipment	-	142,155	142,155
Expenditure relating to grants	-	4,008	4,008
Cleaning	-	9,313	9,313
Rent & rates	-	39,320	39,320
Insurance	-	26,491	26,491
Security and transport	-	7,132	7,132
Catering	-	21,327	21,327
Bank interest and charges	-	815	815
Other support costs	-	15,944	15,944
	<hr/> -	<hr/> 618,140	<hr/> 618,140
	<hr/> 2,208	<hr/> 2,495,961	<hr/> 2,498,169

10 Governance costs

	Unrestricted Funds £	Restricted Funds £	2011 Total £
Legal and professional fees	-	36,304	36,304
Auditors' remuneration	-		
- Audit of financial statements	-	9,200	9,200
Support costs	-	18,000	18,000
Governors' reimbursed expenses	-	1,064	1,064
	<hr/> -	<hr/> 64,568	<hr/> 64,568

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011 (continued)

11 Staff costs	2011 £
Wages and salaries	1,651,071
Social security costs	107,004
Other pension costs	227,437
	<hr/>
	1,985,512
Supply teacher costs	44,048
	<hr/>
	2,029,560

The average number of persons (including senior management team) employed by the Academy during the period were

	No
Teachers	79
Administration and support	85
Management	6
	<hr/>
	170

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

	2011 No
£60,001 - £70,000	3
£70,001 - £80,000	1

All of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2011, pension contributions for these staff amounted to £16,735.

12 Governors' remuneration and expenses

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the Academy in respect of their role as governors. The value of the Principal's remuneration was £26,912 in 2011. The value of staff governor's remuneration was £17,006.

During the period ended 31 August 2011, no expenses were reimbursed to the governors.

Related party transactions involving the trustees are set out in note 26.

Governors' and Officers' Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2011 was £1,540. The costs of this insurance is included in the total insurance costs.

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011 (continued)

13 Tangible Fixed Assets

	Freehold Land and Buildings £	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost						
Additions	-	-	18,712	-	-	18,712
Inherited assets	6,900,000	-	712,530	293,607	-	7,906,137
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2011	6,900,000	-	731,242	293,607	-	7,924,849
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation						
Charged for the period	-	-	37,228	41,187	-	78,415
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2011	-	-	37,228	41,187	-	78,415
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Values						
At 31 August 2011	6,900,000	-	694,014	252,420	-	7,846,434
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

14 Debtors	2011 £
Trade debtors	25,866
Prepayments	17,749
VAT recoverable	51,784
	<hr/>
	95,399
	<hr/>

15 Creditors: amounts falling due within one year	2011 £
Trade creditors	7,392
Taxation and social security	96,518
Other creditors	18,144
Accruals and deferred income	124,000
	<hr/>
	246,054
	<hr/>

Deferred income	2011 £
Deferred income at 1 April 2011	-
Resources deferred in the period	18,347
Amounts released from previous period	-
	<hr/>
Deferred Income at 31 August 2011	18,347
	<hr/>

The above deferred income consists of -

- 1 £3,787 L A Delegated Funding relating to January 2012
- 2 £14,560 Devolved Formula Capital relating to 1 September 2011 to 31 March 2012

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011 (continued)

16 Funds	Balance at 1 April 2011	Incoming resources	Resources expended	Gains, losses and transfers	Balance at 31 August 2011
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	-	2,205,827	(2,058,580)	18,000	165,247
Start Up Grant	-	25,000	(25,000)	-	-
Other DfE/YPLA grants	-	394,526	(394,526)	-	-
Other restricted	-	86,928	-	-	86,928
	-	2,712,281	(2,478,106)	18,000	252,175
Restricted fixed asset funds					
DfE/YPLA capital grants	-	134,258	-	-	134,258
Capital expenditure from GAG	-	-	-	-	-
Capital donations	-	7,931,137	(82,423)	-	7,848,714
	-	8,065,395	(82,423)	-	7,982,972
Restricted pension reserve	-	(1,089,000)	-	(77,000)	(1,166,000)
Total restricted funds	-	9,688,676	(2,560,529)	(59,000)	7,069,147
Unrestricted funds	-	159,841	(2,208)	-	157,633
Total funds	-	9,848,517	(2,562,737)	(59,000)	7,226,780

The transfers between funds relate to the pension scheme movements during the period

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

- 1) General Annual Grant this fund must be used for the normal running costs of the Academy
- 2) Start Up Grant this relates to funds to be used in connection with the initial set up the Academy
- 3) Other DfE/YPLA Grants this fund relates to other grants received which must be used for the purpose intended
- 4) Other restricted this fund relates to all other restricted funds received which must be used for the purpose intended
- 5) Restricted fixed asset fund this fund relates to resources which must be applied for specific capital purposes imposed

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011 (continued)

17 Analysis of net assets between funds

Fund balances at 31 August 2011 are represented by

	Unrestricted general fund £	Restricted general fund £	Restricted fixed asset fund £	Total 2011 £
Tangible fixed assets	-	-	7,846,434	7,846,434
Current assets	157,633	498,229	136,538	792,400
Current liabilities	-	(246,054)	-	(246,054)
Pension scheme liability	-	(1,166,000)	-	(1,166,000)
Total net assets	157,633	(913,825)	7,982,972	7,226,780

18 Capital commitments

The Academy is committed to spending a grant received from the YPLA totalling £123,500 in relation to work on the academy buildings

19 Financial commitments

Operating leases

At 31 August 2011 the Academy had annual commitments under non-cancellable operating leases as follows

	2011 £
<u>Other</u>	
Expiring within one year	676
Expiring within two and five years inclusive	13,742
Expiring in over five years	-

20 Reconciliation of operating surplus to net cash inflow from operating activities

	2011 £
Surplus on continuing operations after depreciation of assets at valuation	7,285,780
Inherited defined benefit liability pension scheme	1,089,000
Donated assets	(7,906,137)
Depreciation (note 13)	78,415
Interest receivable (note 5)	(326)
FRS 17 pension cost less contributions payable (note 25)	(3,000)
FRS 17 pension finance income (note 25)	21,000
Increase in debtors	(95,399)
Increase in creditors	246,054
Net cash inflow from operating activities	715,387

21 Returns on investments and servicing of finance

Interest received	326
Net cash inflow from returns on investment and servicing of finance	326

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011 (continued)

22 Capital expenditure and financial investment

	2011 £
Purchase of tangible fixed assets	18,712
Net cash outflow from capital expenditure and financial investment	18,712

23 Analysis of changes in net funds

	At 1 April 2011 £	Cash Flows £	At 31 August 2011 £
Cash at bank and in hand	-	697,001	697,001

24 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 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

25 Pension and similar obligations

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

The pension costs are assessed with the advice of independent qualified actuaries The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 August 2011

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

Teacher's 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 contributions rates

The pensions cost is normally assessed no less than every four years in accordance with the advice of the Government Actuary The assumptions and other data have the most significant effect on the determination of the contribution levels are as follows

Latest actuarial valuation (under the new provisions)	31 March 2004
Actuarial method	Prospective benefits
Investments returns per annum	6.5 % per annum
Salary scale increases per annum	5.0 % per annum
Notional value of assets at date of last valuation	£162,650 million
Proportion of members' accrued benefits Covered by the notional value of the assets	98.88%

Following the implementation of Teacher's Pension (Employers' Supplementary Contributions) Regulations 2000, the Government Actuary carried out a further review on the level of employer contributions For the period from 1 April 2011 to 31 August 2011 the employer contributions was 14.1% The employee rate was for the same period

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011 (continued)

25 Pension and similar obligations (continued)

Teacher's Pension Scheme (continued)

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy is unable to identify its share of the 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. The Academy has set out above the information available on the scheme and the implications for the Academy in terms of the anticipated contributions rates.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme with the assets held in separate trustee-administrated funds. The total contribution made for the period ended 31 August 2011 was £87,982, of which employer's contributions totalled £67,134 and employees' contributions totalled £20,848. The agreed contribution rates for future years are 13.8% for employers and 6% for employees.

Principal Actuarial Assumptions

At 31 August
2011

Rate of increase in salaries	4.45%
Rate of increase for pensions in payment/inflation	2.70%
Discount rate for scheme liabilities	5.30%
Inflation assumption (CPI)	2.70%
Commutation of pensions to lump sums	50%

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

At 31 August
2011

<i>Retiring today</i>	
Males	21.7
Females	24.3
<i>Retiring in 20 years</i>	
Males	23.1
Females	25.9

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	7.00%	644,000
Government bonds	3.70%	129,000
Other bonds	4.80%	45,000
Property	6.00%	49,000
Cash/liquidity	0.5%	76,000
Total market value of assets		943,000
Present value of scheme liabilities		
- Funded		(2,109,000)
Deficit in the scheme		(1,166,000)

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011 (continued)

25 Pension and similar obligations (continued)

None of the fair values of the assets shown above include any of the Academy's own financial instruments or any property occupied by, or other assets used by, the Academy

The expected return on assets is based on the long term future expected investment return for each asset class as at the beginning of the period (i.e. As at 1 April 2011 for the period to 31 August 2011). The return on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect default risk) respectively at the relevant date. The return on equities and property is then assumed to be a margin above gilt yields.

The actual loss on the scheme assets was £35,000

Expenditure recognised in the Statement of Financial Activities

	2011 £
Current service cost (net of employee contributions)	64,000
Past service cost	-
	<hr/>
Total operating charge	64,000
	<hr/>
Analysis of pension finance income/(costs)	
Expected return on pension scheme assets	24,000
Interest on pension liabilities	(45,000)
	<hr/>
Pension finance costs	(21,000)
	<hr/>

The actuarial 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 FRS 17 is a £59,000 loss.

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

	2011 £
Opening fair value of plans' liabilities at 1 April 2011	2,005,000
Current service cost	64,000
Interest cost	45,000
Employee contributions	21,000
Actuarial (gain)/loss	-
Benefits paid	(26,000)
Past Service cost	-
Curtailments and settlements	-
	<hr/>
At 31 August 2011	2,109,000
	<hr/> <hr/>

West Park School

Notes to the Financial Statements for the Period Ended 31 August 2011 (continued)

25 Pension and similar obligations (continued)

	2011 £
Opening fair value of plans' assets as 1 April 2011	916,000
Expected return on assets	24,000
Actuarial gains/(losses)	(59,000)
Employer contributions	67,000
Employee contributions	21,000
Benefits paid	(26,000)
Assets acquired in a business combination	-
	<hr/>
At 31 August 2011	943,000
	<hr/>

The estimated value of employer contributions for the year ended 31 August 2012 is £162,000

History of experience adjustments is as follows.

	2011 £
Defined benefit obligation at end of period	(2,109,000)
Fair value of plan assets at end of period	943,000
	<hr/>
Deficit	(1,166,000)
	<hr/>
Experience adjustments on share of scheme assets	
Amount	(59,000)
Experience adjustments on scheme liabilities	
Amount	-

26 Related Party Transactions

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.