

# West Park School

Registered number 7560177

## Governors Report and Financial Statements

For the year ended 31 August 2013

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**WEST PARK SCHOOL**  
**(A Company Limited by Guarantee)**

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**WEST PARK SCHOOL**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS  
AND ADVISERS**  
***FOR THE YEAR ENDED 31 AUGUST 2013***

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**Governors**

Mr N Taylor, Chair  
Mr J MacLaine<sup>1</sup>  
Mrs J Moss (resigned 21 September 2013)<sup>1</sup>  
Mrs S Ratcliffe  
Mr P Anuzis  
Mr H Doyle  
Mr S Murray (resigned 22 August 2013)  
Mrs S Harvey  
Mr A Harrison (resigned 31 August 2013)<sup>1</sup>  
Mr A Fooks, Responsible Officer  
Mr S Rice  
Mr M Essex (resigned 24 September 2012)  
Mr A Hough<sup>1</sup>  
Mr S Whiteley  
Mr P Ashworth (resigned 24 September 2012)  
Mr L Griffiths<sup>1</sup>  
Mr B Paradise  
Mr B Walker, Head Teacher  
Mr N Wilson (appointed 12 December 2012)

<sup>1</sup> Members of the Finance and General Purposes Committee

**Company registered number**

7560177

**Principal and registered office**

West Road, Spondon, Derbyshire, DE21 7BT

**Company secretary**

Mr R Mousley

**Chair**

Mr N Taylor

**Senior management team**

Mr J Payne, Associate Head  
Mrs F Goddard, Deputy Head  
Mr R Mousley, Bursar

**Independent auditors**

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

**Bankers**

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

**Solicitors**

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

# **WEST PARK SCHOOL**

## **(A Company Limited by Guarantee)**

### **GOVERNORS' REPORT**

#### **FOR THE YEAR ENDED 31 AUGUST 2013**

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The Governors (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of West Park School (the academy) for the year ended 31 August 2013. The Governors confirm that the Annual Report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Constitution**

The academy is a charitable company limited by guarantee and was set up by a Memorandum of Association.

The academy is constituted under a Memorandum of Association.

The principal activity of the Academy Trust 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.

There have been no changes in the objectives since the last annual report.

##### **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 1st April 2011 were re-appointed as Governors of the academy.

The members may appoint up to 4 Governors. The term of office for any Governor will be 4 years, except that this time limit does not apply to the Head. The members may appoint Staff Governors through such process as they may determine, provided that the total number of Governors (including the Head) who are employees of the Academy Trust does not exceed one third of the total number of Governors. A Staff Governor shall only hold office for so long as he continues to be employed as a teacher or member of support staff as the case may be. Subject to remaining eligible to be a particular type of Governor, any Governor can be re-appointed or re-elected. The Governors shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the school.

The Governors who were in office during the year ended are listed on page 1.

##### **Policies and procedures adopted for the induction and training of Governors**

The training and induction provided for new Governors will depend on their existing experience. 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. Where necessary, induction will provide training on charity, educational, legal, and financial matters, including safeguarding training. All new Governors will be given a tour of the school and the chance to meet with staff and pupils.

# **WEST PARK SCHOOL**

## **(A Company Limited by Guarantee)**

### **GOVERNORS' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2013**

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#### **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. The Head is the Accounting Officer.

During the period under review the Governors held 4 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.

For the year 2012/2013 the Leadership Group comprises the Head, one Associate Head, one Deputy Head, six 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.

#### **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). The Executive Head continues to serve. 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.

#### **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 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.

The academy has a risk register that is reviewed annually by the Governing Body. It was last reviewed on 1 July 2013. The register records the risks that have been identified and the control measures it has implemented. The Governance Statement is considered annually.

#### **Governors' indemnities**

The Governors have liability insurance in place during the year with a limit of indemnity of £2,000,000.

# **WEST PARK SCHOOL**

## **(A Company Limited by Guarantee)**

### **GOVERNORS' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2013**

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#### **OBJECTIVES AND ACTIVITIES**

##### **Objects and aims**

The principal object and aim 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

##### **Objectives, strategies and activities**

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. 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 year ended 31st August 2012 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.

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 school.

##### **Public benefit**

In setting our objectives and planning our activities the Governors have given careful consideration to the Charity Commission's general guidelines on public benefit.

#### **ACHIEVEMENTS AND PERFORMANCE**

##### **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.

# **WEST PARK SCHOOL**

## **(A Company Limited by Guarantee)**

### **GOVERNORS' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2013**

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#### **Key financial performance indicators**

The educational outcomes are outstanding. This has been achieved despite relatively low funding when compared to similar academies and schools. Staffing costs are well controlled although the number of teachers employed is the minimum required to make the school operationally viable. Other key overheads such as energy and utility costs are measured and show a significant decrease in consumption year on year. Benchmarking information comparing income and expenditure to similar academies is regularly reviewed and reported to Governors.

Over £1m has been obtained in capital maintenance grants since conversion to an academy to replace roofs and windows. A 50kwh PV solar panel system has been installed during the year in conjunction with Eco-schools which will help to further reduce our carbon footprint. This investment combined with an enterprising and capable site maintenance team allow the academy to have buildings which, although elderly with condition issues, support teaching and learning well.

#### **Review of activities**

The Academy is now in its third year of operation. Total pupils in the period ended 31st August 2013 numbered as follows against a PAN 250:

Year 7	253
Year 8	251
Year 9	277
Year 10	236
Year 11	286

Examination results for 2013 were outstanding. 100% of pupils achieved 5 or more GCSE A\* - C passes (or equivalent) and 71% including English and mathematics. Expected levels of progress are outstanding. Pupils in receipt of Pupil Premium funding achieve well.

In March 2013, we were congratulated by the Deputy Prime Minister on being amongst the top performing schools for boosting the performance of disadvantaged pupils. In 2012, value added at 1061 1 placed West Park 8th nationally out of over 3,000 schools. In September 2013, the Minister of State for Schools congratulated us on being ranked first in the group of 55 similar schools with which we were compared for the 'Ofsted Dashboard' data.

Attainment indicators A\* - C have been significantly above the national average for four years, and in 2012 and 2013 the following key subjects met this benchmark: art and design, design and technology, English, French, geography, history, mathematics, physical education, religious studies and core and additional science. All these subjects are also significantly above the national average at A\*/A, except for French and design and technology which are both above the national average.

The attainment and progress of pupils in the majority of groups has been significantly above the national average for four years. For example, in 2013, 67% of all pupils and 83% of FSM/CLA pupils achieving a level 5 in both English and mathematics at key stage 2, went on to attain an A\*/A in both subjects, compared with a national average of 35% for all pupils. In 2013, 41% of pupils made more than expected progress in English and 46% in mathematics, against national figures of 28% and 31% respectively. In 2013, 24% of pupils achieved an A\*/A in English and 24% in mathematics, against a national figure of 15% and 19% respectively, and 33% of all grades were A\*/A. The table below sets out key data for a four year period.

# WEST PARK SCHOOL (A Company Limited by Guarantee)

## GOVERNORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2013

	5 A* - C	5 A* - C including English & Maths	Attendance	Exclusions
2009/2010	100%	72%	94.1%	6 Fixed Term 1 Permanent
2010/2011	100%	78%	94.1%	18 Fixed Term 1 Permanent
2011/2012	100%	81%	94.7%	18 Fixed Term 6 Permanent
2012/2013	100%	71%	95%	8 Fixed Term 2 Permanent

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 on 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.

West Park provides remarkable value for money. We use all available resources to rigorously promote and sustain a culture of high expectation, rapid progress and outstanding achievement for all pupils. In 2012 band 2013, progress measures for pupil premium and all other pupils are significantly above national figures and the differential between FSM/CLA and all other pupils in English averages 9%, compared with 19% nationally. In mathematics, the difference is 13%, compared with 22% nationally. The following table shows the impact of West Park culture on achievement.

Measure Key Stage 4	2011		2012		2013		National (2012)	
	FSM	All pupils	FSM	All other pupils	FSM	All other pupils	FSM	All other pupils
5 A* - C (including English & Maths)	54%	78%	71%	81%	48%	76%	N/a	64%
5 A* - C	100%	100%	100%	100%	100%	100%	N/a	N/a
5 A* - G	100%	100%	100%	100%	100%	100%	N/a	95%
%A* - C English	74%	87%	76%	84%	67%	80%	47%	72%
%A* - C Maths	70%	81%	71%	83%	56%	81%	50%	75%
Capped Points Score	376.0	404.7	386.3	415.4	395.3	409.6	301.4	352.3
Expected progress in English	58%	87%	80%	86%	72%	82%	47%	72%
Expected progress in Maths	64%	82%	76%	85%	65%	80%	50%	75%

All members of staff, and all pupils, believe everyone can, and will fulfil their potential. High profile assemblies, screen messages and newsletters embed this ambition. Social deprivation is not allowed to impact negatively on achievement. 'Teachers believe in us to get our grades' (pupil Survey 2012).

### Investment policy and performance

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.



# **WEST PARK SCHOOL**

## **(A Company Limited by Guarantee)**

### **GOVERNORS' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2013**

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#### **FINANCIAL REVIEW**

##### **Financial and risk management objectives and policies**

The academy's exposure to risk is largely bank balances, cash and trade creditors, with limited trade debtors

The academy has inherited the Local Government defined benefit pension scheme deficit for associate staff which it is reducing as advised by Hymans Robertson LLP, the pension actuarial experts

##### **Principal risks and uncertainties**

The principal risks for the academy during the next few years are

- 1 Significant increases or decreases of pupil numbers within year groups and in the academy's normal area causes fluctuations in funding and causes difficulty with teaching staff numbers. The planned capacity is set at 1250
- 2 Change in government policy – with a change in government or change in government policy, the funding of the school may in the future reduce funding. This is mitigated by building a prudent level of reserves which may be used in times when funding has been tightened
- 3 Operating the School within the budget – there is always a risk of operating above budget constraints. A strong Finance Committee and effective internal reporting minimises this risk

##### **Reserves policy**

The Governors 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 EFA

##### **Review of the year**

The majority of the academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, which are restricted for particular purposes. The grants received from the EFA during the financial accounting period of the academy ending on 31 August 2013 and the associated expenditure are shown as restricted funds in the statement of financial activities

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

Land, buildings and other assets were transferred to the academy on conversion. At 31 August 2013, land and buildings were valued at £6,900,000. The assets are used exclusively for providing education and associated support services to the pupils of the academy

For the year ended 31 August 2013, the academy has net movement in funds of £355,721 (2012: (£391,174)) which includes an actuarial gain on the defined benefit pension scheme of £8,000 (2012: loss £225,000)

The balance sheet as at 31 August 2013 has a positive position with net assets amounting to £7,191,327

# **WEST PARK SCHOOL**

## **(A Company Limited by Guarantee)**

### **GOVERNORS' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2013**

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#### **PLANS FOR THE FUTURE**

##### **Future developments**

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. The overriding aim is to be judged as 'Outstanding' in all categories on the next inspection.

#### **MEMBERS' LIABILITY**

The Members of the academy guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up.

#### **PROVISION OF INFORMATION TO AUDITORS**

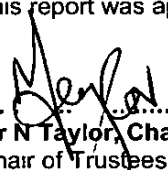
Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that

- so far as that Governor is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

#### **Auditors**

The auditors, Mazars LLP, have indicated their willingness to continue in office. The Designated Governors will propose a motion re-appointing the auditors at a meeting of the Governors.

This report was approved by order of the Governing Body on 11 December 2013 and signed on its behalf by

.....  
  
**Mr N Taylor, Chair**  
Chair of Trustees

# **WEST PARK SCHOOL**

## **(A Company Limited by Guarantee)**

### **GOVERNANCE STATEMENT**

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#### **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 propriety 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. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

#### **Governance**

The information on governance included here supplements that described in the Governors' Report and in the Governors' Responsibilities Statement. The Governing Body has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
Mr N Taylor, Chair	4	4
Mr J Maclaine	4	4
Mrs J Moss	4	4
Mrs S Ratcliffe	4	4
Mr P Anuzis	0	4
Mr H Doyle	3	4
Mr S Murray	2	4
Mrs S Harvey	3	4
Mr A Harrison	3	4
Mr A Fooks, Responsible Officer	3	4
Mr S Rice	2	4
Mr M Essex	0	0
Mr A Hough	3	4
Mr S Whiteley	0	4
Mr P Ashworth	0	0
Mr L Griffiths	3	4
Mr B Paradise	3	4
Mr B Walker, Head Teacher	4	4
Mr N Wilson	3	3

## **WEST PARK SCHOOL (A Company Limited by Guarantee)**

### **GOVERNANCE STATEMENT (continued)**

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The **Finance and General Purposes Committee** is a sub-committee of the main Governing Body. Its purpose is to advise the Governing Body on financial strategy and policy within the resources available, and to approve budget estimates and receive reports and monitor income and expenditure against budget estimates.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mr A Harrison	2	3
Mrs J Moss	3	3
Mr J Maclaine	3	3
Mr A Hough	3	3
Mr B Paradise	3	3
Mr L Griffiths	0	3
Mr N Taylor, Chair	2	3
Mr N Wilson	2	2

#### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in West Park School for the year 1 September 2012 to 31 August 2013 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 academy 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 the academy's significant risks, that has been in place for the year 1 September 2012 to 31 August 2013 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**

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.

## **WEST PARK SCHOOL (A Company Limited by Guarantee)**

### **GOVERNANCE STATEMENT (continued)**

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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 the academy'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 year in question the review has been informed by

- the work of the Responsible Officer,
- the work of the external auditors,
- the financial management and governance self-assessment process,
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and 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 11 December 2013 and signed on their behalf, by

  
.....  
Mr N Taylor, Chair  
Governor

  
.....  
Mr B Walker, Head Teacher  
Accounting Officer

**WEST PARK SCHOOL**  
**(A Company Limited by Guarantee)**

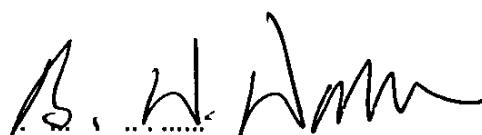
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of West Park School I have considered my responsibility to notify the academy Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2012)

I confirm that I and the academy Governing Body are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook (2012)

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date

.....   
**Mr B Walker, Head Teacher**  
Accounting Officer

Date 11 December 2013

## **WEST PARK SCHOOL (A Company Limited by Guarantee)**

### **GOVERNORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 AUGUST 2013**

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The Governors (who act as governors 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 Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

Company law requires the 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 state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to


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

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

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 11 December 2013 and signed on its behalf by

  
.....  
Mr N Taylor, Chair  
Chair of Governors

# **WEST PARK SCHOOL**

## **(A Company Limited by Guarantee)**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST PARK SCHOOL**

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We have audited the financial statements of West Park School for the year ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

#### **Respective responsibilities of Governors and auditors**

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members as a body. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity'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 Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the academy's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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



**WEST PARK SCHOOL**  
**(A Company Limited by Guarantee)**


**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST PARK SCHOOL**

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**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

Date 16 December 2013

## **WEST PARK SCHOOL (A Company Limited by Guarantee)**

### **INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO WEST PARK SCHOOL AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 21 August 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by West Park School during the year 1 September 2012 to 31 August 2013 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

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

#### **Respective responsibilities of West Park School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of West Park School's funding agreement with the Secretary of State for Education dated 25 March 2011, and the Academies Financial Handbook extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2013 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

A summary of the work we have undertaken is as follows:

- Planned our assurance procedures including identifying key risks,
- Carried out sample testing on controls,
- Carried out substantive testing including analytical review, and
- Concluded on procedures carried out

**WEST PARK SCHOOL  
(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY  
TO WEST PARK SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

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**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them

*Moran UP*

**Mazars LLP**

Chartered Accountants  
Statutory Auditor

Cartwright House  
Tottle Road  
Nottingham  
NG2 1RT

Date *16 December 2013*

**WEST PARK SCHOOL**  
**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
*(Incorporating Income and Expenditure Account and Statement of Recognised Gains and Losses)*  
**FOR THE YEAR ENDED 31 AUGUST 2013**

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Year ended 31 August 2013 Total £	Year ended 31 August 2012 Total £
<b>Incoming resources</b>						
Incoming resources from generated funds						
Voluntary income	2	666	-	92,608	93,274	230
Activities for generating funds	3	7,881	9,676	-	17,557	16,960
Investment income	4	3,397	-	-	3,397	2,336
Funding for academy's educational operations						
	5	-	6,077,302	644,237	6,721,539	6,456,170
Other incoming resources	6	4,326	99,696	-	104,022	140,579
<b>Total incoming resources</b>		<b>16,270</b>	<b>6,186,674</b>	<b>736,845</b>	<b>6,939,789</b>	<b>6,616,275</b>
<b>Resources expended</b>						
Charitable activities	8	937	5,981,519	572,994	6,555,450	6,740,329
Governance costs	9	-	36,618	-	36,618	42,120
<b>Total resources expended</b>		<b>937</b>	<b>6,018,137</b>	<b>572,994</b>	<b>6,592,068</b>	<b>6,782,449</b>
<b>Net incoming resources / (resources expended) before transfers</b>		<b>15,333</b>	<b>168,537</b>	<b>163,851</b>	<b>347,721</b>	<b>(166,174)</b>
Transfers between Funds	18	-	(33,732)	33,732	-	-
<b>Net income / (expenditure) for the year</b>		<b>15,333</b>	<b>134,805</b>	<b>197,583</b>	<b>347,721</b>	<b>(166,174)</b>
Actuarial losses on defined benefit pension schemes		-	8,000	-	8,000	(225,000)
<b>Net movement in funds for the year</b>		<b>15,333</b>	<b>142,805</b>	<b>197,583</b>	<b>355,721</b>	<b>(391,174)</b>
Total funds at 1 September 2012		173,764	(1,110,350)	7,772,192	6,835,606	7,226,780
<b>Total funds at 31 August 2013</b>	<b>18</b>	<b>189,097</b>	<b>(967,545)</b>	<b>7,969,775</b>	<b>7,191,327</b>	<b>6,835,606</b>

All activities relate to continuing operations in the current period and acquisitions in the previous period

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

The notes on pages 21 to 41 form part of these financial statements

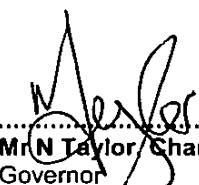
**WEST PARK SCHOOL**

Registered number 7560177

**(A Company Limited by Guarantee)****BALANCE SHEET****AS AT 31 AUGUST 2013**

	Note	£	2013 £	£	2012 £
<b>Fixed assets</b>					
Tangible assets	15		7,969,775		7,775,261
<b>Current assets</b>					
Debtors	16	104,666		80,584	
Cash at bank		888,967		765,594	
		<u>993,633</u>		<u>846,178</u>	
<b>Creditors</b> amounts falling due within one year	17	(275,081)		(346,833)	
<b>Net current assets</b>			<u>718,552</u>		<u>499,345</u>
<b>Total assets less current liabilities</b>			<u>8,688,327</u>		<u>8,274,606</u>
Defined benefit pension scheme liability	23		<u>(1,497,000)</u>		<u>(1,439,000)</u>
<b>Net assets including pension scheme liabilities</b>			<u><u>7,191,327</u></u>		<u><u>6,835,606</u></u>
<b>Funds of the academy</b>					
<b>Restricted funds</b>					
Restricted funds	18	529,455		328,650	
Restricted fixed asset funds	18	7,969,775		7,772,192	
		<u>8,499,230</u>		<u>8,100,842</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(1,497,000)</u>		<u>(1,439,000)</u>	
Total restricted funds			7,002,230		6,661,842
Unrestricted funds	18		<u>189,097</u>		<u>173,764</u>
<b>Total funds</b>			<u><u>7,191,327</u></u>		<u><u>6,835,606</u></u>

The financial statements were approved by the Governors, and authorised for issue, on 11 December 2013 and are signed on their behalf, by

  
 .....  
**Mr N Taylor**, Chair  
 Governor

The notes on pages 21 to 41 form part of these financial statements

**WEST PARK SCHOOL**  
**(A Company Limited by Guarantee)**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

	Note	2013 £	2012 £
Net cash flow from operating activities	20	233,134	201,201
Returns on investments and servicing of finance	21	3,397	2,336
Capital expenditure and financial investment	21	(113,158)	(134,944)
<b>Increase in cash in the year</b>		<b>123,373</b>	<b>68,593</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

	2013 £	2012 £
Increase in cash in the year	123,373	68,593
<b>Movement in net funds in the year</b>	<b>123,373</b>	<b>68,593</b>
Net funds at 1 September 2012	765,594	697,001
<b>Net funds at 31 August 2013</b>	<b>888,967</b>	<b>765,594</b>

The notes on pages 21 to 41 form part of these financial statements

# **WEST PARK SCHOOL**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013**

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#### **1. Accounting Policies**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 issued by the EFA, applicable accounting standards and the Companies Act 2006.

##### **1.2 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 academy 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.

##### **1.3 Company status**

The academy is a company limited by guarantee. The members of the company are the Governors named on page 1. In the event of the academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the academy.

##### **1.4 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 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 Department for Education.

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

##### **1.5 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.

**WEST PARK SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

---

**1. Accounting Policies (continued)**

**1.6 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.



# **WEST PARK SCHOOL**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013**

---

#### **1 Accounting Policies (continued)**

##### **1.7 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 assets use. Other support costs are allocated based on the spread of staff costs.

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

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

All resources expended are inclusive of irrecoverable VAT.

##### **1.8 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are considered for capitalisation.

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

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.

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

Long term leasehold property	-	Between 7 - 45 years
Improvements to property	-	20 years
Motor vehicles	-	25 % straight line
Fixtures and fittings	-	12.5 % straight line
Computer equipment	-	33.3 % straight line

##### **1.9 Operating leases**

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

**WEST PARK SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

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**1. Accounting Policies (continued)**

**1.10 Pensions**

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, 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 23, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

**WEST PARK SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**2. Voluntary income**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Year ended 31 August 2013 Total £	Year ended 31 August 2012 Total £
Donations	666	92,608	93,274	230

**3 Activities for generating funds**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Year ended 31 August 2013 Total £	Year ended 31 August 2012 Total £
Hire of facilities	7,703	-	7,703	8,129
Catering income	-	113	113	80
Income from services	178	9,563	9,741	8,751
	<u>7,881</u>	<u>9,676</u>	<u>17,557</u>	<u>16,960</u>

**4 Investment income**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Year ended 31 August 2013 Total £	Year ended 31 August 2012 Total £
Investment income	3,397	-	3,397	2,336

**WEST PARK SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**5. Funding for Academy's educational operations**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Year ended 31 August 2013 Total £	Year ended 31 August 2012 Total £
<b>DfE/EFA revenue grant</b>				
General Annual Grant (GAG)	-	5,831,953	5,831,953	5,993,845
Other DfE/EFA grants	-	219,079	219,079	89,880
	-	6,051,032	6,051,032	6,083,725
<b>Other government grants</b>				
Other LA grants	-	16,830	16,830	36,590
Other grants	-	9,440	9,440	27,859
	-	26,270	26,270	64,449
<b>DfE/EFA capital grants</b>				
Academy main building grant	-	618,480	618,480	278,120
Devolved formula capital allocations	-	25,757	25,757	25,876
Other grants	-	-	-	4,000
	-	644,237	644,237	307,996
	-	6,721,539	6,721,539	6,456,170

**6. Other incoming resources**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Year ended 31 August 2013 Total £	Year ended 31 August 2012 Total £
Academy trips	4,105	73,879	77,984	87,252
Sundry income	221	25,817	26,038	53,327
	4,326	99,696	104,022	140,579

**WEST PARK SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**7. Resources expended**

	<b>Staff costs</b> £	<b>Premises</b> £	<b>Other costs</b> £	<b>Year ended</b> <b>31 August</b> <b>2013</b> £	<b>Year ended</b> <b>31 August</b> <b>2012</b> £
<b>Academy's educational operations</b>					
- Direct costs	4,180,431	467,842	404,120	5,052,393	5,127,842
- Allocated support costs	856,557	540,932	105,568	1,503,057	1,612,487
<b>Sub total</b>	<b>5,036,988</b>	<b>1,008,774</b>	<b>509,688</b>	<b>6,555,450</b>	<b>6,740,329</b>
<b>Governance costs including allocated support costs</b>	<b>-</b>	<b>-</b>	<b>36,618</b>	<b>36,618</b>	<b>42,120</b>
<b>Total</b>	<b>5,036,988</b>	<b>1,008,774</b>	<b>546,306</b>	<b>6,592,068</b>	<b>6,782,449</b>

**WEST PARK SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**8. Direct costs**

	Unrestricted £	Restricted £	Year ended 31 August 2013 £	Year ended 31 August 2012 £
<b>Teaching and educational support staff</b>				
Wages and salaries	-	3,431,845	3,431,845	3,418,051
National insurance	-	263,638	263,638	261,342
Pension costs	-	484,948	484,948	456,419
<b>Sub total</b>	<b>-</b>	<b>4,180,431</b>	<b>4,180,431</b>	<b>4,135,812</b>
Depreciation	-	466,169	466,169	457,729
Educational supplies	-	97,756	97,756	115,168
Exam fees	-	112,081	112,081	125,320
Staff development	-	66,107	66,107	12,583
School trips	937	60,280	61,217	93,373
Other direct costs	-	66,959	66,959	162,671
Disposal of assets	-	1,673	1,673	25,186
<b>Total</b>	<b>937</b>	<b>5,051,456</b>	<b>5,052,393</b>	<b>5,127,842</b>

**Support costs**

	Unrestricted £	Restricted £	Year ended 31 August 2013 £	Year ended 31 August 2012 £
<b>Support staff costs</b>				
Wages and salaries	-	669,379	669,379	683,818
National insurance	-	37,951	37,951	40,672
Pension costs	-	95,945	95,945	99,489
FRS17 pension costs	-	49,000	49,000	56,000
<b>Sub total</b>	<b>-</b>	<b>852,275</b>	<b>852,275</b>	<b>879,979</b>
Depreciation	-	95,039	95,039	31,198
Recruitment and support	-	4,282	4,282	4,049
Maintenance of premises	-	231,054	231,054	389,661
Cleaning	-	19,553	19,553	20,530
Rent, rates and utilities	-	106,673	106,673	103,672
Insurance	-	74,075	74,075	73,468
Security and transport	-	14,538	14,538	20,543
Catering	-	60,034	60,034	63,995
Bank interest and other charges	-	779	779	1,650
Other support costs	-	44,755	44,755	23,742
<b>Total</b>	<b>-</b>	<b>1,503,057</b>	<b>1,503,057</b>	<b>1,612,487</b>

**WEST PARK SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**9. Governance costs**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Year ended 31 August 2013 Total £	Year ended 31 August 2012 Total £
Governance Auditors' remuneration	-	9,130	9,130	8,850
Governance Auditors' non audit costs	-	3,870	3,870	1,850
Legal and professional fees	-	23,618	23,618	29,530
Governance costs	-	-	-	1,890
	<u>-</u>	<u>36,618</u>	<u>36,618</u>	<u>42,120</u>

**10 Net incoming resources / (resources expended)**

This is stated after charging

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the charity	561,208	488,927
Auditors' remuneration	9,130	8,850
Auditors' remuneration - non-audit	3,870	1,850
Governance Internal audit costs	-	-
Operating leases	<u>14,482</u>	<u>15,985</u>

**WEST PARK SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**11 Staff costs**

Staff costs were as follows

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,074,346	4,067,759
Social security costs	301,589	302,014
Other pension costs (Note 23)	580,893	555,908
	<u>4,956,828</u>	<u>4,925,681</u>
Supply teacher costs	26,878	34,110
	<u><u>4,983,706</u></u>	<u><u>4,959,791</u></u>

The average number of persons (including the senior management team) employed by the academy during the year expressed as full time equivalents was as follows

	<b>2013</b>	<b>2012</b>
	<b>No.</b>	<b>No.</b>
Teachers	75	76
Administration and support	55	90
Management	10	8
	<u>140</u>	<u>174</u>

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

	<b>2013</b>	<b>2012</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	1	3
In the band £80,001 - £90,000	2	1
	<u>3</u>	<u>4</u>

The pension contributions to the Teachers Pension paid on behalf of the above individuals are £31,825



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**12. Governors' remuneration and expenses**

During the year retirement benefits were accruing to 3 Governors (2012 - 3) in respect of defined contribution pension schemes

The Principal and other 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 Governors' remuneration fell within the following bands

	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
B Walker, Head Teacher and trustee	90-95	65-70
B Paradise, staff governor and trustee	60-65	55-60
N Wilson, staff governor and trustee	50-55	

During the year, no Governors received any reimbursement of expenses (2012 - £1890)

**13. 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 £2,000,000 on any one claim and the cost for the year ended 31 August 2013 was £914 (2012 - £914)

The cost of this insurance is included in the total insurance cost

**14. Other finance income**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Expected return on pension scheme assets	68,000	59,000
Interest on pension scheme liabilities	(117,000)	(115,000)
	<u>(49,000)</u>	<u>(56,000)</u>

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**15. Tangible fixed assets**

	Long leasehold land and buildings £	Improv to property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>						
At 1 September 2012	6,900,000	363,900	19,705	748,251	306,743	8,338,599
Additions	-	669,704	-	2,663	85,028	757,395
Disposals	-	-	-	(360)	(7,020)	(7,380)
At 31 August 2013	6,900,000	1,033,604	19,705	750,554	384,751	9,088,614
<b>Depreciation</b>						
At 1 September 2012	298,016	4,573	1,642	129,609	129,498	563,338
Charge for the year	298,016	37,728	4,926	93,542	126,996	561,208
On disposals	-	-	-	(108)	(5,599)	(5,707)
At 31 August 2013	596,032	42,301	6,568	223,043	250,895	1,118,839
<b>Net book value</b>						
At 31 August 2013	6,303,968	991,303	13,137	527,511	133,856	7,969,775
At 31 August 2012	6,601,984	359,327	18,063	618,642	177,245	7,775,261

**16 Debtors**

	2013 £	2012 £
Trade debtors	417	215
Other debtors	11,510	52,957
Prepayments and accrued income	92,739	27,412
	104,666	80,584

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**17. Creditors**  
**Amounts falling due within one year**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Trade creditors	11,138	35,674
Other taxation and social security	90,481	95,468
Other creditors	74,157	69,596
Accruals and deferred income	99,305	146,095
	<u>275,081</u>	<u>346,833</u>

Deferred income consists of £14,865 Devolved Formula Capital relating to 1 April 2013 to 31 March 2014

	<b>£</b>
<b>Deferred income</b>	
Deferred income at 1 September 2012	20,308
Resources deferred during the year	14,865
Amounts released from previous years	<u>(20,308)</u>
Deferred income at 31 August 2013	<u>14,865</u>

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**18 Statement of funds**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General Funds	173,764	16,270	(937)	-	-	189,097
<b>Restricted funds</b>						
General annual grant	327,417	5,831,953	(5,622,283)	(33,732)	-	503,355
Other DfE/EFA grants	-	219,079	(219,079)	-	-	-
LEA and other grants	-	26,270	(26,270)	-	-	-
Other restricted	1,233	109,372	(84,505)	-	-	26,100
Pension reserve	(1,439,000)	-	(66,000)	-	8,000	(1,497,000)
	(1,110,350)	6,186,674	(6,018,137)	(33,732)	8,000	(967,545)
<b>Restricted fixed asset funds</b>						
DfE/EFA capital grants	35,336	25,757	(26,290)	-	-	34,803
Capital donations	7,327,370	-	(474,573)	-	-	6,852,797
Academy capital grants	367,057	618,480	(8,311)	-	-	977,226
Capital expenditure from GAG	17,242	-	(13,955)	33,732	-	37,019
Other capital grants	25,187	92,608	(49,865)	-	-	67,930
	7,772,192	736,845	(572,994)	33,732	-	7,969,775
Total restricted funds	6,661,842	6,923,519	(6,591,131)	-	8,000	7,002,230
Total of funds	6,835,606	6,939,789	(6,592,068)	-	8,000	7,191,327

The transfers between reserves relates capital expenditure funded by GAG income

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

- Unrestricted 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 funds (excluding pension and other restricted reserves) represent funds received from the Department for Education and is specifically spent on the running of the academy,
- Pension reserve represents the movements on the Local Government Pension Scheme liability,
- Other restricted reserve represents funds which are restricted by the donor including school trip income,
- Restricted fixed asset funds represent resources which are applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013

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**19 Analysis of net assets between funds**

	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Year ended 31 August 2013 Total £	Year ended 31 August 2012 Total £
Tangible fixed assets	-	-	7,969,775	7,969,775	7,775,261
Current assets	189,097	804,536	-	993,633	846,178
Creditors due within one year	-	(275,081)	-	(275,081)	(346,833)
Provisions for liabilities and charges	-	(1,497,000)	-	(1,497,000)	(1,439,000)
	<u>189,097</u>	<u>(967,545)</u>	<u>7,969,775</u>	<u>7,191,327</u>	<u>6,835,606</u>

**20. Net cash flow from operations**

	2013 £	2012 £
Net incoming resources before revaluations	347,721	(166,174)
Returns on investments and servicing of finance	(3,397)	(2,336)
Capital grants	(644,237)	(307,996)
Depreciation of tangible fixed assets	561,208	488,927
Loss on disposal of tangible fixed assets	1,673	25,184
(Increase)/decrease in debtors	(24,082)	14,816
(Decrease)/increase in creditors	(71,752)	100,780
FRS 17 adjustments	66,000	48,000
<b>Net cash inflow from operations</b>	<u>233,134</u>	<u>201,201</u>

**21 Analysis of cash flows for headings netted in cash flow statement**

	2013 £	2012 £
<b>Returns on investments and servicing of finance</b>		
Interest received	<u>3,397</u>	<u>2,336</u>
	<b>2013 £</b>	<b>2012 £</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(757,395)	(442,940)
Capital grants from DfE	644,237	307,996
<b>Net cash outflow capital expenditure</b>	<u>(113,158)</u>	<u>(134,944)</u>

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**22. Analysis of changes in net funds**

	1 September 2012 £	Cash flow £	Other non-cash changes £	31 August 2013 £
Cash at bank and in hand	765,594	123,373	-	888,967
<b>Net funds</b>	<b>765,594</b>	<b>123,373</b>	<b>-</b>	<b>888,967</b>

**23 Pension commitments**

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 August 2013

Contributions amounting to £74,018 were payable to the schemes at 31 August 2013 (2012 - £Nil) and are included within creditors

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract Teachers and lecturers are able to opt out of the TPS

**The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament The TPS is an unfunded scheme and members contribute on a "pay as you go" basis – these contributions along with those made by employers are credited to the Exchequer under arrangements governed by the above Act

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases) From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return

## **WEST PARK SCHOOL**

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#### **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31 AUGUST 2013**

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##### **23 Pension commitments (continued)**

###### **Valuation of the Teachers' Pension Scheme**

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

###### **Teachers' Pension Scheme Changes**

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include a pension based on career average earnings, an accrual rate of 1/57th, and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall just outside of the 10 year protection.

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**23. Pension commitments (continued)**

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases were to be phased in from April 2012 on a 40/80/100% basis.

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.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2013 was £219,000, of which employer's contributions totalled £168,000 and employees' contributions totalled £51,000. The agreed contribution rates for future years are 12% for employers and for employees varies from 5.5% to 7.5% depending on the level of salary. A full actuarial valuation is currently in progress in order to review the current contribution rates. The results of this will not be known until the new year and may impact on the rates as mentioned above.

The amounts recognised in the Balance Sheet are as follows:

	2013 £	2012 £
Present value of funded obligations	(3,036,000)	(2,631,000)
Fair value of scheme assets	1,539,000	1,192,000
	<u>(1,497,000)</u>	<u>(1,439,000)</u>
Net liability	<u>(1,497,000)</u>	<u>(1,439,000)</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	2013 £	2012 £
Current service cost	(185,000)	(159,000)
Interest on obligation	(117,000)	(115,000)
Expected return on scheme assets	68,000	59,000
	<u>(234,000)</u>	<u>(215,000)</u>
Total	<u>(234,000)</u>	<u>(215,000)</u>
Actual return on scheme assets	<u>179,000</u>	<u>81,000</u>



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**23. Pension commitments (continued)**

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

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Opening defined benefit obligation	2,631,000	2,109,000
Current service cost	185,000	159,000
Interest cost	117,000	115,000
Contributions by scheme participants	51,000	53,000
Actuarial Losses	104,000	247,000
Benefits paid	(52,000)	(52,000)
Inherited	-	-
	<hr/>	<hr/>
Closing defined benefit obligation	3,036,000	2,631,000
	<hr/>	<hr/>

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

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Opening fair value of scheme assets	1,192,000	943,000
Expected return on assets	68,000	59,000
Actuarial gains and (losses)	112,000	22,000
Contributions by employer	168,000	167,000
Contributions by employees	51,000	53,000
Benefits paid	(52,000)	(52,000)
	<hr/>	<hr/>
	1,539,000	1,192,000
	<hr/>	<hr/>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £(217,000) (2012 - £225,000 - losses)

The academy expects to contribute £168,000 to its Defined Benefit Pension Scheme in 2014

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

	<b>2013</b>	<b>2012</b>
Equities	69 00 %	66 00 %
Bonds	18 00 %	20 00 %
Property	5 00 %	5 00 %
Cash/liquidity	8 00 %	9 00 %

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

	<b>2013</b>	<b>2012</b>
Discount rate for scheme liabilities	4 60 %	4 30 %
Expected return on scheme assets at 31 August	5 70 %	5 36 %
Rate of increase in salaries	5 10 %	3 95 %
Rate of increase for pensions in payment / inflation	2 80 %	2 20 %
Commutation of pensions to lump sums	50 00 %	50 00 %

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**23. 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

	<b>2013</b>	<b>2012</b>
Retiring today		
Males	22.1	22.1
Females	24.7	24.7
Retiring in 20 years		
Males	23.9	23.9
Females	26.7	26.7

Amounts for the current and previous period are as follows

Defined benefit pension schemes

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Defined benefit obligation	(3,036,000)	(2,631,000)
Scheme assets	1,539,000	1,192,000
Deficit	<u>(1,497,000)</u>	<u>(1,439,000)</u>
Experience adjustments on scheme liabilities	(104,000)	(247,000)
Experience adjustments on scheme assets	<u>112,000</u>	<u>22,000</u>

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

**24. Operating lease commitments**

At 31 August 2013 the academy had annual commitments under non-cancellable operating leases as follows

	<b>Land and buildings</b>			<b>Other</b>
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Expiry date</b>				
Within 1 year	-	-	973	-
Between 2 and 5 years	-	-	13,509	16,429

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**25 Related party transactions**

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