

# **West Park School**

Registered number: 7560177

## **Governors Report and Financial Statements**

**For the year ended 31 August 2018**

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

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# **WEST PARK SCHOOL**

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

### **REFERENCE AND ADMINISTRATIVE DETAILS**

#### **FOR THE YEAR ENDED 31 AUGUST 2018**

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#### **Members**

Mr N Taylor  
Mr J Maclaine  
Mrs S Ratcliffe  
Mr A Fooks

#### **Governors**

Mr W Diggins (resigned 2 October 2018)  
Mr S Rice (resigned 21 September 2017)  
Mr L Griffiths (resigned 31 August 2018)  
Mr B Paradise, Staff Trustee  
Mr I Pendry  
Mr B Walker MBE, Head Teacher and Accounting Officer (resigned 31 August 2018)  
Mr A Fooks  
Mr J Maclaine  
Mrs S Ratcliffe  
Mr N Taylor  
Mrs P Jennings (appointed 10 October 2017)  
Mrs R Smith (appointed 8 November 2017)  
Mr M Johnson (appointed 8 November 2017)  
Mr K Lane, Staff Trustee (appointed 14 December 2017)  
Mr S McGregor, Head Teacher and Accounting Officer (appointed 1 September 2018)

#### **Company registered number**

7560177

#### **Company name**

West Park School

#### **Principal and registered office**

West Road, Spondon, Derbyshire, DE21 7BT

#### **Company secretary**

Mr R Mousley

#### **Senior management team**

Mr B Walker, Head (Retired 31 August 2018)  
Mr J Payne, Associate Head (Retired 31 August 2018)  
Mr R Mousley, Bursar  
Mr B Paradise, Assistant Head (Retired 31 August 2018)  
Mr N Allsop, Assistant Head  
Mrs S Mangan, Assistant Head  
Mrs N Wilson, Assistant Head  
Mr D Sanderson, Assistant Head  
Mrs F Hawkins, Assistant Head (appointed 1 January 2018)

**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 2018***

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**Advisers (continued)**

**Independent auditor**

Mazars LLP, Park View House, 58 The Ropewalk, Nottingham, NG1 5DW

**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 2018**

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The Governors present their annual report together with the financial statements and auditor's reports of the charitable company for the period 1st September 2017 to 31st August 2018. The annual report serves the purposes of both a Governors' report and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 16 serving a catchment area in Spondon, Ockbrook, Borrowash and parts of Chaddesden. Pupil numbers are buoyant and the trust had a roll of 1,291 in the school census on 23rd May 2018. The intake for Year 7 in September 2018 stands at 301.

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

#### **Constitution**

The academy trust 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 trust. The Governors of West Park School are also the directors of the charitable company for the purposes of company law. The charitable company operates as West Park School.

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

#### **Members' liability**

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

#### **Governors' indemnities**

The Governors have liability insurance with Zurich Insurance plc effective date 1st September 2017 and with a retroactive date of 1st April 2004. There is a limit of indemnity of £2,000,000.

#### **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 Governors 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 31st August 2018 are listed on page 1.

# **WEST PARK SCHOOL**

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

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

#### **FOR THE YEAR ENDED 31 AUGUST 2018**

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#### **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. The academy subscribes to the LA Governor Support Network which provides a comprehensive range of Governor training including induction. 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.

#### **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 2017/2018 the Leadership Group comprises the Head, one Associate Head, five Assistant Heads and the Bursar. An additional Assistant Head and SENDCo (Designate) was appointed on 1 January 2018 in order to familiarise herself with the duties of SENDCo. She will fully take up her role in September when the current incumbent retires. 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.

#### **Arrangements for setting pay and remuneration of key management personnel**

The arrangements for setting pay and remuneration of key management personnel are set out in the Pay Policy. The Head's Performance and Pay Review Committee oversees performance and pay review for the Leadership Group and Senior Associate Staff. In determining Leadership Group and Senior Associate Staff pay, this committee is referred to as the Leadership Pay Committee. The Leadership Pay Committee delegates to the Head, the review of performance of the Leadership Group and Senior Associate Staff. The Leadership Pay Committee will receive a report of the review at the time they are reviewing the Head's performance. The Head will make recommendations to the Leadership Pay Committee regarding the assessment of salaries of the Leadership Group and Senior Associate Staff. All other aspects of teachers and associate staff pay will be in the remit of the Finance, Resources and General Purposes Committee which is referred to as the 'Pay Committee' when carrying out this function.

Judgements about performance are made on the basis of 'sustained high quality of performance' in relation to the totality of a Leadership Group member's responsibilities. The discussion of progress made towards the objectives will provide a clear focus for the review meeting.

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

**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Trade Union Facility time**

The facility time data that organisations are required to collate and publish under the new regulations is shown below:

**Relevant Union Officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

**Percentage of time spent on facility time**

Percentage of time	Number of Employees
0%	0
1-50%	0
51-99%	0
100%	0

**Percentage of pay bill spent on facility time**

Provide the total cost of facility time	0
Provide the total pay bill	0
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	N/A
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**Related Parties and other Connected Charities and Organisations**

As West Park School we are a member of the Opportunities Area Strategic Group. The Opportunity Area is a Government sponsored initiative to encourage Derby Secondary Schools and the LA, to provide mutually beneficial support. This arrangement continues. As an Academy, West Park has no relationships within the Opportunity Area which impact on operating policies.

# **WEST PARK SCHOOL**

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

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

#### **FOR THE YEAR ENDED 31 AUGUST 2018**

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#### **OBJECTIVES AND ACTIVITIES**

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

In accordance with the articles of association, the charitable company has entered into a funding agreement with the Secretary of State. The funding agreements specify, 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 be broad and balanced.

The principal object and aim of the trust is the operation of West Park School to provide education for pupils of different abilities between the ages of 11 and 16.

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

The main objectives of the academy during the year ended 31st August 2018 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**

West Park School is a non-selective, non-fee paying secondary school and as such operates entirely for the public benefit. The academy's Governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties. In addition to striving for and achieving the highest of educational standards and attainment for all its pupils, it also engages in partnership working with other local secondary schools, especially with regard to effective operation of inclusion measures and systems. The school works in partnership with its local primary schools providing specialist lessons in mathematics, music, science and technology and running after school reading activities.

West Park has close links with local industry and works hard to promote engineering skills especially for girls.

The school lets out its facilities to local sports clubs and groups on evenings and weekends. We encourage equality and diversity - a disability basketball organisation uses our Sports Hall on Mondays and the Nottingham and Derby Greek community operate a Greek School on Saturdays at West Park.

The school actively engages in charity work through a range of themed activities and days throughout the year.



# WEST PARK SCHOOL (A Company Limited by Guarantee)

## GOVERNORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2018

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### Achievement and performance

#### Review of the year

The majority of the academy's income is obtained from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, which are restricted for particular purposes. The majority of expenditure is on staffing costs. Although high in percentage terms of grant income, staffing costs are well controlled with the minimum number of teachers employed to keep the school operationally viable. The grants received from the ESFA during the financial accounting period of the academy ending on 31 August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Land, buildings and other assets were transferred to the academy on conversion. At 31 August 2018, land and buildings were valued at £11,093,072. The assets are used exclusively for providing education and associated support services to the pupils of the academy.

For the year ended 31 August 2018, the academy has had a net increase in funds before actuarial and revaluation movement of £425,592 (2017: £822,816 decrease) primarily due to large capital grants receiveable in 2017/18..

The balance sheet as at 31 August 2018 has a positive position with net assets amounting to £11,503,132 (2017: £10,611,540).

The school has been requested by the Local Authority (LA) to expand pupil numbers by a total of 150, commencing with 30 in Year 7 from September 2019 to accommodate rising pupil numbers in the area. The LA has delegated to the school £1.5 million of Basic Need Funding to support the expansion.

#### Key performance indicators

The key financial performance indicators are:

Wages and salaries staff costs as a percentage of unrestricted and restricted general income are 90% (2017: 84%). Agency staff costs as a percentage of total staff costs are 0.30% (2017: 0.2%).

The Ofsted inspection in April 2016 judged the school to be good.

#### Review of activities

The academy is now in its seventh year of operation. Total pupils at the end of the academic year 2017 – 2018 numbered as follows against a PAN 250 in Years 9 to 11 and 260 in Years 7 and 8. Governors have agreed to increase the PAN for Year 7 in 2019 to 290.

Year 7	267
Year 8	264
Year 9	267
Year 10	248
Year 11	245

Examination results for 2018 were very strong. 39% of pupils achieved GCSE 9 – 5 passes in English and mathematics. 19% of pupils achieved 9 - 5 in the baccalaureate suite of subjects (9 – 5 in English and mathematics). These figures are all well above national averages. The Progress 8 score of +0.43 is well above national average. The Progress 8 score of 0.29 for disadvantaged pupils is below national average for all other pupils.

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

**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

The results for 2018 were as follows:

Measure	All other pupils	Disadvantaged	National
<b>9 – 4 English and maths Basics</b>	67.9%	38.5%	58.5%
<b>Attainment 8</b>	50.1%	39.3%	(2016 – 2017) 46.0%
<b>Progress 8</b>	0.43	-0.29	(2016 – 2017) 0.00
<b>9 – 5 Ebacc</b>	19%	15%	TBC

	<b>A* - C English and maths</b>	<b>A* - C English</b>	<b>A* - C maths</b>	<b>Attendance</b>	<b>Exclusions</b>
<b>2015 – 2016</b>	75%	80%	86%	95.0%	27 Fixed term 0 Permanent

	<b>9 – 4 English and maths</b>	<b>9 – 4 English</b>	<b>9 – 4 maths</b>	<b>Attendance</b>	<b>Exclusions</b>
<b>2016 – 2017</b>	76%	87%	78%	94.6%	24 Fixed term 2 Permanent

	<b>Progress 8</b>	<b>9 – 5 English and maths</b>	<b>9 – 5 English</b>	<b>9 – 5 maths</b>	<b>Attendance</b>	<b>Exclusions</b>
<b>2017 - 2018</b>	0.43	39%	61%	44%	94.52%	31 Fixed term 1 Permanent

To ensure that standards are continually raised the academy closely evaluates its performance in all outcomes. We will 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. 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. A strategic focus on the use of pupil premium funding will raise achievement for those pupils identified as disadvantaged.

# **WEST PARK SCHOOL**

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

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

#### **FOR THE YEAR ENDED 31 AUGUST 2018**

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#### **Going concern**

After making appropriate enquiries, the board of Governors 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.

#### **Reserves policy**

The Governors review the level of reserves annually. The policy of the academy is to carry 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.

The Governors have determined that the appropriate level of free reserves should be equivalent to four to six weeks of expenditure plus sufficient reserves to make up the shortfall in revenue against expenditure in 2018/2019 and a contribution towards future capital expenditure.

The Governors wish to allocate £75,000 from reserves to refresh ageing ICT hardware in 2018/2019 and to accumulate sufficient funds as a possible contribution towards provision of the new classroom block.

The current level of free reserves (total funds less the amount held in fixed assets and restricted pension fund is £647,947 (2017: £1,058,495). which is above the desired reserves. The academy held fund balances at 31 August 2018 of £11,503,132 (2017: £10,611,540) comprising £12,705,185 (2017: 11,579,045) of restricted fixed asset funds, £324,918 (2017: £757,244) of restricted general funds, £323,029 (2017: £301,251) of unrestricted general funds and a pension reserve deficit of £1,850,000 (2017: £2,026,000).

#### **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.

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

The major risks to which the trust is exposed, as identified by the Governors, have been reviewed, and systems and procedures have been established to mitigate those risks.

The academy's exposure to financial 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, the pension actuarial experts.

# **WEST PARK SCHOOL**

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

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

#### **FOR THE YEAR ENDED 31 AUGUST 2018**

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Other significant 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 1300.
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.

#### **Fundraising**

Funding for the operation and activities of the school is provided in the main by Government or other grants. There are minimal fundraising activities carried out and are minor in nature and carried out within the school community to raise funds for an activity within the school, for example, Year 11 organising a car wash to help fund the Leavers Prom.

There are no professional fundraisers or commercial participators engaged.

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

##### **Future developments**

West Park remains popular with parents, carers and pupils. Admissions to the school are high with oversubscription for places in Year 7 with 569 applications for 260 places for Year 7 admissions in 2018-2019. Waiting lists are maintained for all year groups The school has admitted 301 pupils into the current Year 7.

The key strategic activities for 2018/2019 are:

- Maintain the drive for continuous improvement by improving the quality of learning leading to high levels of pupil attainment and achievement at all levels and for all groups of pupils.
- Continue to focus on improvements in teaching and learning so that all teaching is at least good and much of it outstanding.
- To further raise attainment at Key stage 4, with a focus on improving the performance of disadvantaged pupils.
- To ensure that the school operates within its budget, and in the light of increasing financial constraints, plan judiciously to secure the most effective use of resources so that educational standards continue to improve while maintaining a strong financial position. This will entail aiming to maintain a surplus to insure the School against future financial pressure.
- Develop the leadership structure and leadership capacity across the school
- Develop plans to extend the school facilities as requested by the LA to accommodate an additional 150 pupils commencing with 30 from September 2019.

##### **Funds held as custodian trustee on behalf of others**

There are no funds held as custodian trustee on behalf of others.

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

**GOVERNORS' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**PROVISION OF INFORMATION TO AUDITORS**

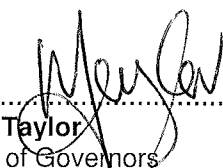
Insofar as the Governors are aware:

- There is no relevant audit information of which the charitable company's auditors are 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.

**Auditor**

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

The Governors' Report was approved by order of the board of governors, as the company directors, on 13 December 2018 and signed on its behalf by:

  
.....  
**Mr N Taylor**  
Chair of Governors

# 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 board of Governors 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 board of governors 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 board of Governors has formally met 4 times during the year. Attendance during the year at meetings of the board of Governors was as follows:

Governor	Meetings attended	Out of a possible
Mr W Diggins	0	4
Mrs P Jennings	4	4
Mrs R Smith	3	3
Mr B Paradise, Staff Trustee	4	4
Mr A Fooks	4	4
Mr I Pendry	3	4
Mr J Maclaine	4	4
Mrs S Ratcliffe	4	4
Mr N Taylor	4	4
Mr M Johnson	1	3
Mr L Griffiths	3	4
Mr B Walker MBE Head Teacher	4	4

Full details are shown in the Reference and Administrative Section on page 1. The key challenge facing the Board is succession planning.

A section 5 Ofsted Inspection was undertaken on 26 and 27 April 2016. The judgement was that the school was 'Good' in all areas of its operation including Governance. As a member of the Derby City Improvement Partnership, we have access to the LA Senior School Improvement Officer. She visits the school for evaluative discussions each term. The effectiveness of Governance is a key agenda item. The School continues to actively encourage the appointment of Governors with essential skills.

A new Headteacher is in place and the plan is for the school to maintain the drive for continuous improvement. The aim is to do this by continuing to produce outstanding outcomes for children through a distinctive, aspirational achievement culture. The key objective is to retain and train staff with the ethos to support such a culture.

The committee structure has been reviewed and reduced to 2 main committees, Finance, Resources and General Purposes and Curriculum, Standards and Pupil Care, in order to maximise efficiency.

# WEST PARK SCHOOL

## (A Company Limited by Guarantee)

### GOVERNANCE STATEMENT (continued)

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The Finance, Resources 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. The Finance, Resources and General Purposes Committee also acts as the Audit Committee for the Academy.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mrs S Ratcliffe	2	3
Mrs P Jennings	1	1
Mr A Fooks	3	3
Mr L Griffiths	0	3
Mr J Maclaine	3	3
Mr B Paradise	2	3
Mr N Taylor	2	3
Mr B Walker, Head Teacher	2	3

#### Review of Value for Money

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

The Accounting Officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of Governors where value for money can be improved, including the use of benchmarking data where available.

Financial data consistently shows West Park to be among the lowest funded schools on a per pupil basis. This contrasts sharply with GCSE outcome performance data which places West Park near the top of secondary schools in the LA and wider area. The DfE published data in September 2018 regarding schools' efficiency in relation to their statistical neighbours. The efficiency metric is a measure of how much (value added) progress pupils in a school make relative to the income per pupil used to achieve that progress. West Park is in decile 1 in its set of efficiency neighbours.

The most recent DfE financial benchmarking consistently shows West Park favourably placed for expenditure on resources against income in comparison with local secondary schools and statistical neighbours

The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- Continuing a programme to replace inefficient light fittings with LED light fittings to reduce electricity consumption and save money. The school has reduced its electrical consumption in kwh by 13% in comparison with last year and by 36% since 2008. 26% of all electricity consumed in the period under review was produced by the school's own renewable sources.
- The new 12 classroom block which became operational in September 2017 is very energy efficient with LED lighting and automatic brightness control, individual room temperature control and a rainwater harvesting system to flush the toilets which will reduce future costs. The January 2018 electricity consumption in terms of kwh was the lowest January electricity consumption in the last 10 years.
- Increasing use of Government Framework agreements to procure goods and services.
- Negotiated a new catering contract during the year which became operational on 1st August 2017 which has reduced the cost to the school of hospitality, free school meals and service costs.

The Accounting Officer continues to look at ways of reducing costs in all areas.

# **WEST PARK SCHOOL**

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

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

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#### **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 trust 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 period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The board of Governors 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 period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Governors.

#### **The Risk and Control Framework**

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

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

The board of governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Mazars LLP, the external auditors, to perform additional checks.

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

- testing of payroll systems
- testing of purchase systems
- testing of control account, petty cash and bank reconciliations

On a termly basis, the reviewer reports to the board of governors on the operation of the systems of control and on the discharge of the board of governors' financial responsibilities.

The reviewer has delivered their schedule of work.



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

**GOVERNANCE STATEMENT (continued)**

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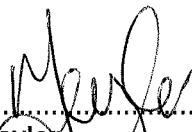
**Review of Effectiveness**

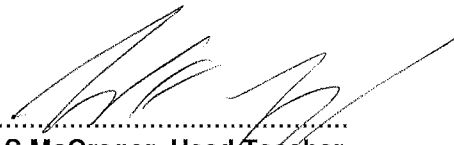
As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the reviewer;
- the work of the external auditors;
- the financial management and governance self assessment process;
- the work of the executive managers within the academy trust 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, resources 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 board of governors on 13 December 2018 and signed on its behalf, by:

  
.....  
**Mr N Taylor**  
Chair of Governors

  
.....  
**Mr S McGregor, Head Teacher**  
Accounting Officer

# **WEST PARK SCHOOL**

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

### **STATEMENT OF GOVERNORS' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 AUGUST 2018**

---

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 & Skills 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:

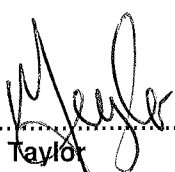
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

The Governors are responsible for keeping 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 ESFA/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 board of governors and signed on its behalf by:

  
.....  
**Mr N Taylor**  
Chair of Governors

Date: 13 December 2018

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

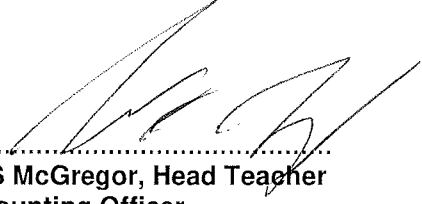
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of West Park School I have considered my responsibility to notify the academy trust board of Governors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

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



.....  
**Mr S McGregor, Head Teacher  
Accounting Officer**

Date: 13 December 2018

# **WEST PARK SCHOOL**

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

### **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WEST PARK SCHOOL**

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We have audited the financial statements of West Park School ("the 'trust'") for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs at 31 August 2018 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;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

# **WEST PARK SCHOOL**

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

### **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WEST PARK SCHOOL**

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#### **Other information**

The Governors are responsible for the other information. The other information comprises the information included in the Governors' Annual Report, other than the financial statements and our auditors' reports thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

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

- the information given in the Governors' Annual Report including the incorporated strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Annual Report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

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

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

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

# **WEST PARK SCHOOL**

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

### **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WEST PARK SCHOOL**

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#### **Responsibilities of Governors**

As explained more fully in the Governors' responsibilities statement set out on page 16, the Governors (who are directors 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, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the 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 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



David Hoose (Senior Statutory Auditor)

for and on behalf of

#### **Mazars LLP**

Chartered Accountants  
Statutory Auditor

Park View House  
58 The Ropewalk  
Nottingham  
NG1 5DW

Date: 13/12/18

# **WEST PARK SCHOOL**

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

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

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In accordance with the terms of our engagement letter dated 28 September 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by West Park School during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to West Park School and the ESFA 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 ESFA those matters we are required to state to it 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 ESFA, 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 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to raw to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluded on procedures carried out.

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY  
TO WEST PARK SCHOOL AND THE EDUCATION AND SKILLS 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 period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Mazars LLP*

David Hoose (Senior Statutory Auditor)

**Mazars LLP**

Chartered Accountants  
Statutory Auditor

Park View House  
58 The Ropewalk  
Nottingham  
NG1 5DW

Date: *13/12/18*



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

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME AND  
EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>Income from:</b>						
Donations and capital grants	2	3	-	1,525,549	1,525,552	25,242
Charitable activities	3	-	6,146,039	-	6,146,039	6,031,758
Other trading activities	4	28,780	92,583	-	121,363	130,502
Investments	5	2,995	-	-	2,995	4,665
<b>Total income</b>		<u>31,778</u>	<u>6,238,622</u>	<u>1,525,549</u>	<u>7,795,949</u>	<u>6,192,167</u>
<b>Expenditure on:</b>						
Raising funds	6	10,000	99,168	-	109,168	112,516
Charitable activities	6	-	6,702,910	558,279	7,261,189	6,902,467
<b>Total expenditure</b>		<u>10,000</u>	<u>6,802,078</u>	<u>558,279</u>	<u>7,370,357</u>	<u>7,014,983</u>
<b>Net income / (expenditure) before transfers</b>						
		21,778	(563,456)	967,270	425,592	(822,816)
Transfers between Funds	16	-	(158,870)	158,870	-	-
<b>Net income / (expenditure) before other recognised gains and losses</b>						
		21,778	(722,326)	1,126,140	425,592	(822,816)
Gain on revaluation of fixed assets	12	-	-	-	-	2,362,650
Actuarial gains on defined benefit pension schemes	21	-	466,000	-	466,000	1,312,000
<b>Net movement in funds</b>		<u>21,778</u>	<u>(256,326)</u>	<u>1,126,140</u>	<u>891,592</u>	<u>2,851,834</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward		301,251	(1,268,756)	11,579,045	10,611,540	7,759,706
<b>Total funds carried forward</b>		<u>323,029</u>	<u>(1,525,082)</u>	<u>12,705,185</u>	<u>11,503,132</u>	<u>10,611,540</u>

# WEST PARK SCHOOL

Registered number: 7560177

(A Company Limited by Guarantee)

## BALANCE SHEET

AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
<b>Fixed assets</b>					
Tangible assets	12		11,284,883		11,393,135
<b>Current assets</b>					
Stocks	13	2,985		3,764	
Debtors	14	1,541,925		260,683	
Cash at bank and in hand		979,558		1,250,107	
		<u>2,524,468</u>		<u>1,514,554</u>	
<b>Creditors: amounts falling due within one year</b>	15	(456,219)		(270,149)	
<b>Net current assets</b>			<u>2,068,249</u>		<u>1,244,405</u>
<b>Total assets less current liabilities</b>			13,353,132		12,637,540
Defined benefit pension scheme liability	21	(1,850,000)		(2,026,000)	
<b>Net assets including pension scheme liabilities</b>			<u>11,503,132</u>		<u>10,611,540</u>
<b>Funds of the academy</b>					
Restricted income funds:					
Restricted income funds	16	324,918		757,244	
Restricted fixed asset funds	16	12,705,185		11,579,045	
Restricted income funds excluding pension liability		13,030,103		12,336,289	
Pension reserve		(1,850,000)		(2,026,000)	
Total restricted income funds			11,180,103		10,310,289
Unrestricted income funds	16		323,029		301,251
<b>Total funds</b>			<u>11,503,132</u>		<u>10,611,540</u>

The financial statements on pages 23 to 48 were approved by the Governors, and authorised for issue, on 13 December 2018

  
.....  
Mr N Taylor, Chair  
Governor

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

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	18	(1,348,287)	1,207,520
<b>Cash flows from investing activities:</b>			
Investment income		2,995	4,665
Purchase of tangible fixed assets		(450,806)	(1,763,626)
Capital grants from DfE Group		1,525,549	25,229
<b>Net cash provided by/(used in) investing activities</b>		<b>1,077,738</b>	<b>(1,733,732)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(270,549)</b>	<b>(526,212)</b>
Cash and cash equivalents brought forward		1,250,107	1,776,319
<b>Cash and cash equivalents carried forward</b>	<b>19</b>	<b>979,558</b>	<b>1,250,107</b>

# WEST PARK SCHOOL

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

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#### 1. Accounting Policies

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

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

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

West Park School constitutes a public benefit entity as defined by FRS 102.

##### 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 at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

# WEST PARK SCHOOL

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

---

#### 1. Accounting Policies (continued)

##### 1.3 Income

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

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

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

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

# WEST PARK SCHOOL

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

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#### 1. Accounting Policies (continued)

##### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

##### **Expenditure on Raising Funds**

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

##### **Charitable Activities**

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

All expenditure is inclusive of irrecoverable VAT.

##### 1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

# WEST PARK SCHOOL

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

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#### 1. Accounting Policies (continued)

Long term freehold property	-	Between 7 - 45 years
Improvements to property	-	20 years
Furniture and fixtures	-	12.5 %
Motor vehicles	-	25 %
Computer equipment	-	33.3 %

Long term freehold property and improvements to property are carried at revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance sheet date.

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

#### 1.6 Liabilities

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

#### 1.7 Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

#### 1.8 Leased assets

Rentals under operating leases are charged 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 2018

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#### 1. Accounting Policies (continued)

##### 1.9 Financial instruments

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

##### 1.10 Stock

Unsold uniforms and catering stocks are valued at the lower of costs or net realisable value.

##### 1.11 Taxation

The Academy Trust 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 Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### 1.12 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

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 trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.



# WEST PARK SCHOOL

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

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#### 1. Accounting Policies (continued)

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

#### 1.13 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**1. Accounting Policies (continued)**

**1.14 Critical accounting estimates and areas of judgment**

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

*Critical accounting estimates and assumptions:*

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Governors consider that there are no critical areas of judgement with the exception of the pension valuation noted above.

**2. Income from donations and capital grants**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	3	-	-	3	13
Capital grants	-	-	1,525,549	1,525,549	25,229
	3	-	1,525,549	1,525,552	25,242
<b>Total 2017</b>	13	-	25,229	25,242	

**WEST PARK SCHOOL**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	5,757,121	5,757,121	5,660,568
Other DfE Group grants	-	350,607	350,607	359,723
	-	6,107,728	6,107,728	6,020,291
<b>Other government grants</b>				
Local authority grants	-	38,311	38,311	11,467
	-	38,311	38,311	11,467
	-	6,146,039	6,146,039	6,031,758
<b>Total 2017</b>	-	6,031,758	6,031,758	

**4. Other trading activities**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Hire of facilities	11,020	-	11,020	12,096
Income from other charitable activities	-	92,583	92,583	102,979
Income from ancillary trading activities	17,760	-	17,760	15,427
	28,780	92,583	121,363	130,502
<b>Total 2017</b>	27,523	102,979	130,502	

**WEST PARK SCHOOL**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**5. Investment income**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Investment income	2,995	-	2,995	4,665
<b>Total 2017</b>	<b>4,665</b>	<b>-</b>	<b>4,665</b>	

**6. Resources expended**

	Staff costs £	Premises £	Other costs £	Total 2018 £	Total 2017 £
Expenditure on raising funds Academy's educational operations	-	-	109,168	109,168	112,516
- Direct costs	4,816,221	415,729	439,751	5,671,701	5,339,034
- Allocated support costs	910,237	276,099	403,152	1,589,488	1,563,433
<b>Total</b>	<b>5,726,458</b>	<b>691,828</b>	<b>952,071</b>	<b>7,370,357</b>	<b>7,014,983</b>

Expenditure on raising funds all relates to support costs in the current and prior year.

**WEST PARK SCHOOL**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**7. Charitable activities**

	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Direct costs - educational operations	5,671,701	5,339,034
Support costs - educational operations	1,589,488	1,563,433
<b>Total</b>	<b>7,261,189</b>	<b>6,902,467</b>

**Support costs**

	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Support staff costs	910,237	883,517
Depreciation	142,550	78,976
Technology costs	63,212	55,412
Premises costs	276,099	341,838
Other support costs	154,942	148,953
Governance costs	42,448	54,737
<b>Total</b>	<b>1,589,488</b>	<b>1,563,433</b>

In 2017, of the total expenditure, £10,000 was to unrestricted funds and £7,004,983 was to restricted funds

**8. Net income/(expenditure)**

This is stated after charging:

	<b>2018 £</b>	<b>2017 £</b>
Depreciation of tangible fixed assets: - owned by the charity	558,280	489,296
Auditor's remuneration - audit	10,000	9,735
Auditor's remuneration - other services	4,165	3,845
Operating lease rentals: - other operating leases	15,291	14,934

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**9. Staff**

**a. Staff costs**

Staff costs were as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,262,497	4,068,666
Social security costs	415,364	393,777
Operating costs of defined benefit pension schemes	978,191	939,538
	<u>5,656,052</u>	<u>5,401,981</u>
Supply teacher costs	17,406	8,820
Defined benefit pension scheme net finance cost	53,000	63,000
	<u><u>5,726,458</u></u>	<u><u>5,473,801</u></u>

**b. Staff numbers**

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

	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
Teachers	71	67
Administration and support	82	82
Management	9	8
	<u>162</u>	<u>157</u>

**c. Higher paid staff**

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

	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	1	1
In the band £90,001 - £100,000	1	1
In the band £110,001 - £120,000	1	1

**d. Key management personnel**

The key management personnel of the academy comprise the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy was £715,994 (2017: £726,618).

# WEST PARK SCHOOL

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

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#### 10. Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Governors' remuneration and other benefits was as follows:

		<b>2018</b>	<b>2017</b>
		<b>£'000</b>	<b>£'000</b>
B Walker, Head Teacher and trustee	Remuneration	110-115	110-115
	Pension contributions paid	15-20	15-20
B Paradise, staff governor and trustee	Remuneration	60-65	60-65
	Pension contributions paid	10-15	10-15
K Lane, staff governor and trustee	Remuneration	30-35	Nil
	Pension contributions paid	5-10	Nil

During the year ended 31 August 2018, no Governors received any reimbursement of expenses (2017 - £NIL).

#### 11. 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. The cost of this insurance is included in the total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**12. Tangible fixed assets**

	Freehold land and buildings £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Asset under construction £	Total £
<b>Cost or valuation</b>						
At 1 September 2017	11,160,000	19,705	764,839	544,491	-	12,489,035
Additions	348,801	-	1,201	21,106	79,698	450,806
Disposals	-	-	(2,675)	(11,217)	-	(13,892)
At 31 August 2018	<u>11,508,801</u>	<u>19,705</u>	<u>763,365</u>	<u>554,380</u>	<u>79,698</u>	<u>12,925,949</u>
<b>Depreciation</b>						
At 1 September 2017	-	19,705	601,678	474,517	-	1,095,900
Charge for the year	415,729	-	95,358	47,193	-	558,280
On disposals	-	-	(1,897)	(11,217)	-	(13,114)
At 31 August 2018	<u>415,729</u>	<u>19,705</u>	<u>695,139</u>	<u>510,493</u>	<u>-</u>	<u>1,641,066</u>
<b>Net book value</b>						
At 31 August 2018	<u><u>11,093,072</u></u>	<u><u>-</u></u>	<u><u>68,226</u></u>	<u><u>43,887</u></u>	<u><u>79,698</u></u>	<u><u>11,284,883</u></u>
At 31 August 2017	<u><u>11,160,000</u></u>	<u><u>-</u></u>	<u><u>163,161</u></u>	<u><u>69,974</u></u>	<u><u>-</u></u>	<u><u>11,393,135</u></u>

Included in land and buildings is freehold land at valuation of £460,000 which is not depreciated.

**13. Stocks**

	2018 £	2017 £
Consumables	<u>2,985</u>	<u>3,764</u>



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**14. Debtors**

	<b>2018</b>	<b>As restated</b>
	<b>£</b>	<b>2017</b>
		<b>£</b>
Trade debtors	1,348	110
VAT Recoverable	16,190	41,205
Other debtors	1,225	593
Prepayments and accrued income	1,523,162	218,775
	<u>1,541,925</u>	<u>260,683</u>

An amount of £103,702 which was disclosed within other debtors in the Trust's 2017 financial statements has been reclassified to prepayments and accrued income. There is no impact on total debtors or net assets.

**15. Creditors: Amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	10,875	2,628
Other taxation and social security	102,394	100,802
Other creditors	93,318	89,847
Accruals and deferred income	249,632	76,872
	<u>456,219</u>	<u>270,149</u>
	<u>2018</u>	<u>2017</u>
	<u>£</u>	<u>£</u>
<b>Deferred income</b>		
Deferred income at 1 September 2017	18,410	17,532
Resources deferred during the year	-	18,410
Amounts released from previous years	(18,410)	(17,532)
	<u>-</u>	<u>18,410</u>
Deferred income at 31 August 2018	<u>-</u>	<u>18,410</u>

**WEST PARK SCHOOL**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**16. Statement of funds**

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Unrestricted funds</b>						
General Funds	301,251	31,778	(10,000)	-	-	323,029
<b>Restricted funds</b>						
General annual grant	618,227	5,757,121	(6,008,947)	(158,870)	-	207,531
Pupil Premium	48,735	301,362	(301,389)	-	-	48,708
Other grants and income	90,282	180,139	(201,742)	-	-	68,679
Pension reserve	(2,026,000)	-	(290,000)	-	466,000	(1,850,000)
	<u>(1,268,756)</u>	<u>6,238,622</u>	<u>(6,802,078)</u>	<u>(158,870)</u>	<u>466,000</u>	<u>(1,525,082)</u>
<b>Restricted fixed asset funds</b>						
DfE/ESFA capital grants	2,228,512	1,525,549	(134,798)	-	-	3,619,263
Transfer on conversion	6,859,719	-	(298,016)	-	-	6,561,703
Capital expenditure from GAG	128,164	-	(7,752)	158,870	-	279,282
Revaluation Reserve	2,362,650	-	(117,713)	-	-	2,244,937
	<u>11,579,045</u>	<u>1,525,549</u>	<u>(558,279)</u>	<u>158,870</u>	<u>-</u>	<u>12,705,185</u>
Total restricted funds	<u>10,310,289</u>	<u>7,764,171</u>	<u>(7,360,357)</u>	<u>-</u>	<u>466,000</u>	<u>11,180,103</u>
Total of funds	<u><u>10,611,540</u></u>	<u><u>7,795,949</u></u>	<u><u>(7,370,357)</u></u>	<u><u>-</u></u>	<u><u>466,000</u></u>	<u><u>11,503,132</u></u>

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.

The transfers between restricted funds and restricted fixed asset funds relate to GAG used for capital expenditure.

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 2018.

**WEST PARK SCHOOL**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**16. Statement of funds (continued)**

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

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
<b>Unrestricted funds</b>						
General Funds	279,050	32,201	(10,000)	-	-	301,251
<b>Restricted funds</b>						
General annual grant	705,611	5,660,568	(5,747,952)	-	-	618,227
Pupil Premium	47,031	306,786	(305,082)	-	-	48,735
Other grants and income	86,552	167,383	(163,653)	-	-	90,282
Pension reserve	(3,039,000)	-	(299,000)	-	1,312,000	(2,026,000)
	<u>(2,199,806)</u>	<u>6,134,737</u>	<u>(6,515,687)</u>	<u>-</u>	<u>1,312,000</u>	<u>(1,268,756)</u>
<b>Restricted fixed asset funds</b>						
DfE/ESFA capital grants	2,259,628	25,229	(56,345)	-	-	2,228,512
Transfer on conversion	7,289,392	-	(429,673)	-	-	6,859,719
Capital expenditure from GAG	131,442	-	(3,278)	-	-	128,164
Revaluation Reserve	-	-	-	-	2,362,650	2,362,650
	<u>9,680,462</u>	<u>25,229</u>	<u>(489,296)</u>	<u>-</u>	<u>2,362,650</u>	<u>11,579,045</u>
Total restricted funds	<u>7,480,656</u>	<u>6,159,966</u>	<u>(7,004,983)</u>	<u>-</u>	<u>3,674,650</u>	<u>10,310,289</u>
Total of funds	<u><u>7,759,706</u></u>	<u><u>6,192,167</u></u>	<u><u>(7,014,983)</u></u>	<u><u>-</u></u>	<u><u>3,674,650</u></u>	<u><u>10,611,540</u></u>

**WEST PARK SCHOOL**  
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A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Unrestricted funds</b>						
General Funds	279,050	63,979	(20,000)	-	-	323,029
<b>Restricted funds</b>						
General annual grant	705,611	11,417,689	(11,756,899)	(158,870)	-	207,531
Pupil Premium	47,031	608,148	(606,471)	-	-	48,708
Other grants and income	86,552	347,522	(365,395)	-	-	68,679
Pension reserve	(3,039,000)	-	(589,000)	-	1,778,000	(1,850,000)
	<u>(2,199,806)</u>	<u>12,373,359</u>	<u>(13,317,765)</u>	<u>(158,870)</u>	<u>1,778,000</u>	<u>(1,525,082)</u>
<b>Restricted fixed asset funds</b>						
DfE/ESFA capital grants	2,259,628	1,550,778	(191,143)	-	-	3,619,263
Transfer on conversion	7,289,392	-	(727,689)	-	-	6,561,703
Capital expenditure from GAG	131,442	-	(11,030)	158,870	-	279,282
Revaluation Reserve	-	-	(117,713)	-	2,362,650	2,244,937
	<u>9,680,462</u>	<u>1,550,778</u>	<u>(1,047,575)</u>	<u>158,870</u>	<u>2,362,650</u>	<u>12,705,185</u>
	<u>7,480,656</u>	<u>13,924,137</u>	<u>(14,365,340)</u>	<u>-</u>	<u>4,140,650</u>	<u>11,180,103</u>
Total of funds	<u><u>7,759,706</u></u>	<u><u>13,988,116</u></u>	<u><u>(14,385,340)</u></u>	<u><u>-</u></u>	<u><u>4,140,650</u></u>	<u><u>11,503,132</u></u>

**WEST PARK SCHOOL**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**17. Analysis of net assets between funds**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	11,284,883	11,284,883
Current assets	323,029	781,137	1,420,302	2,524,468
Creditors due within one year	-	(456,219)	-	(456,219)
Provisions for liabilities and charges	-	(1,850,000)	-	(1,850,000)
	<u>323,029</u>	<u>(1,525,082)</u>	<u>12,705,185</u>	<u>11,503,132</u>

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

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	11,393,135	11,393,135
Current assets	301,251	1,027,393	185,910	1,514,554
Creditors due within one year	-	(270,149)	-	(270,149)
Provisions for liabilities and charges	-	(2,026,000)	-	(2,026,000)
	<u>301,251</u>	<u>(1,268,756)</u>	<u>11,579,045</u>	<u>10,611,540</u>

**18. Reconciliation of net movement in funds to net cash flow from operating activities**

	2018 £	2017 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	425,592	(822,816)
<b>Adjustment for:</b>		
Depreciation charges	558,280	489,296
Investment income (Note 5)	(2,995)	(4,665)
Loss on the sale of fixed assets	778	-
Decrease in stocks	779	1,688
(Increase)/decrease in debtors	(1,281,242)	1,361,301
Increase/(decrease) in creditors	186,070	(91,055)
Capital grants from DfE and other capital income	(1,525,549)	(25,229)
Defined benefit scheme pension adjustment	290,000	299,000
<b>Net cash (used in)/provided by operating activities</b>	<u>(1,348,287)</u>	<u>1,207,520</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**19. Analysis of cash and cash equivalents**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Cash in hand	979,558	1,250,107
Total	<u>979,558</u>	<u>1,250,107</u>

**20. Capital commitments**

At 31 August 2018 the academy had capital commitments as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Contracted for but not provided in these financial statements	<u>1,644,256</u>	<u>300,000</u>

**21. 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 Derbyshire County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £92,700 were payable to the schemes at 31 August 2018 (2017 - 89,720) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

# WEST PARK SCHOOL

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

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#### 21. Pension commitments (continued)

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

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £491,534 (2017 - £466,224).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust 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 2018 was £322,000 (2017 - £298,000), of which employer's contributions totalled £248,000 (2017 - £227,000) and employees' contributions totalled £74,000 (2017 - £71,000). The agreed contribution rates for future years are 21.2% for employers and 5.5 to 7.5% for employees.

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

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	2.90 %	2.90 %
Rate of increase for pensions in payment / inflation	2.40 %	2.40 %

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**21. 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>2018</b>	<b>2017</b>
Retiring today		
Males	21.9	21.9
Females	24.4	23.9
Retiring in 20 years		
Males	23.9	24.4
Females	26.5	26.5

<b>Sensitivity analysis</b>	<b>At 31 August 2018</b>	<b>At 31 August 2017</b>
	<b>£</b>	<b>£</b>
Discount rate -0.5%	636	570
Pension increase rate +0.5%	526	454
Salary increase rate +0.5%	102	102

For sensitivity purposes, it is estimated that a one year increase in life expectancy would approximately increase the Employer Defined Benefit Obligation by around 3-5%.

The academy's share of the assets in the scheme was:

	<b>Fair value at 31 August 2018</b>	<b>Fair value at 31 August 2017</b>
	<b>£</b>	<b>£</b>
Equities	2,500,000	2,243,000
Bonds	709,000	627,000
Property	261,000	231,000
Cash	262,000	197,000
Total market value of assets	<u>3,732,000</u>	<u>3,298,000</u>

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

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Current service cost	(485,000)	(463,000)
Interest income	86,000	55,000
Interest cost	(139,000)	(118,000)
Total	<u>(538,000)</u>	<u>(526,000)</u>



**WEST PARK SCHOOL**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**21. Pension commitments (continued)**

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

	<b>2018</b>	<b>2017</b>
	£	£
Opening defined benefit obligation	5,324,000	5,686,000
Current service cost	485,000	463,000
Interest cost	139,000	118,000
Employee contributions	74,000	71,000
Actuarial gains	(374,000)	(943,000)
Benefits paid	(66,000)	(71,000)
	<u>5,582,000</u>	<u>5,324,000</u>
Closing defined benefit obligation	<u>5,582,000</u>	<u>5,324,000</u>

Changes in the fair value of the academy's share of scheme assets:

	<b>2018</b>	<b>2017</b>
	£	£
Opening fair value of scheme assets	3,298,000	2,647,000
Interest income	86,000	55,000
Actuarial losses	92,000	369,000
Employer contributions	248,000	227,000
Employee contributions	74,000	71,000
Benefits paid	(66,000)	(71,000)
	<u>3,732,000</u>	<u>3,298,000</u>
Closing fair value of scheme assets	<u>3,732,000</u>	<u>3,298,000</u>

**22. Operating lease commitments**

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	<b>2018</b>	<b>2017</b>
	£	£
<b>Amounts payable:</b>		
Within 1 year	16,862	15,291
Between 1 and 5 years	22,037	27,812
	<u>38,899</u>	<u>43,103</u>
Total	<u>38,899</u>	<u>43,103</u>

**WEST PARK SCHOOL**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**23. Related party transactions**

Owing to the nature of the academy trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account;

Mr S Rice, a governor of the academy, is a director of HSG UK. During the year purchases from HSG UK totalled £Nil (2017: £3,446). There was no amount outstanding at the year end date.

**24. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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.