

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**CONTENTS**

---

	Page
<b>Reference and Administrative Details of the Academy, its Governors and Advisers</b>	1
<b>Governors' Report</b>	2 - 5
<b>Governance Statement</b>	6 - 8
<b>Statement on Regularity, Propriety and Compliance</b>	9
<b>Governors' Responsibilities Statement</b>	10
<b>Independent Auditors' Report</b>	11 - 12
<b>Independent Reporting Accountant's Assurance Report on Regularity</b>	13 - 14
<b>Statement of Financial Activities</b>	15
<b>Balance Sheet</b>	16
<b>Cash Flow Statement</b>	17
<b>Notes to the Financial Statements</b>	18 - 28

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2014**

---

**Trustees / Governors**

R Bidmead  
N Dawson  
J Dutton (resigned 31 December 2013)  
P Gosselin (appointed 4 March 2014)  
R Matthews (appointed 1 September 2013)  
B McHugh  
S Oates (appointed 1 September 2013)  
P Ray (appointed 4 March 2014)  
A Seeley (appointed 1 October 2013, resigned 13 November 2013)  
H Target (resigned 31 December 2013)  
S Taylor, Principal (appointed 2 January 2014)

**Company registered number**

8333607

**Principal and registered office**

Anna Freud Centre, 12 Maresfield Gardens, London, NW3 5SU

**Senior management team**

Stephen Taylor, Principal

**Independent auditors**

haysmacintyre, 26 Red Lion Square, London, WC1R 4AG

**Bankers**

Barclays Bank Plc, 131 Finchley Road, Swiss Cottage, London, NW3 6HY

**Solicitors**

Bates Wells & Braithwaite London LLP, 2-6 Cannon Street, London, EC4M 6YH

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

The Governors (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditors' Report of The Westminster Family School (the academy) for the year ended 31 August 2014. The Governors confirm that the Annual Report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

**Structure, governance and management**

● **Constitution**

The academy is a charitable company limited by guarantee and was set up by a Memorandum of Association on 14/12/2012.

The academy is constituted under a Memorandum of Association dated 14/12/2012.

● **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.

● **Method of recruitment and appointment or election of Governors**

The management of the academy is the responsibility of the Governors who are elected and co-opted under the terms of the Articles of Association and are members and directors of the Academy Trust.

The number of Governors shall not be less than three. The Governors are elected at full Governors' Meetings on the basis of their eligibility, personal competence, specialist skills and local availability.

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

For this new Governing Body the Chair of Governors has conducted a governors skill audit, issued and discussed the statutory guidance for governors and is in the process of creating a governor training program.

● **Organisational structure**

The responsibilities of the Governing Body are delegated to two sub committees (Achievement & Welfare and Finance, Premises & HR) and to the head teacher / accounting officer in line with our sub-committee terms of reference and our financial schemes of delegation.

● **Connected organisations, including related party relationships**

The school's sponsor is the Anna Freud Centre (AFC). Potential for conflicts of interest are mitigated through the balance of non AFC employees on both the Members board and in the Governing Body. Furthermore the school's financial Scheme of delegation ensures that all and any attempt to commission services from AFC must go through the Full Governing Body and, in addition, our Financial Handbook sets out the rules by which any such commissioning should take place. This includes the EFA / DfE being made aware each time services are commissioned. The EFA have agreed to this strategy for mitigating the risk.

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

- **Risk management**

The Governors have assessed the major risks to which the academy is exposed, in particular those related to the operations and finances of the academy, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

### **Objectives and Activities**

- **Objects and aims**

The principal object of the academy is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing an educational institution which is principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them.

- **Objectives, strategies and activities**

The main objective for the year 2013/14 was to meet all the requirements for the opening of a free school, as directed by the DFE, in order to secure a funding agreement with the Secretary of State. A Project Director was appointed in January 2014 to help guide this process. Together with a Project Management company, the Governing Body and the AFC the requirements of each check point were met leading to our Funding Agreement being secured September 1st 2014.

- **Public benefit**

The purpose of our organisation is to provide outstanding education for children with behavioural and emotional difficulties and to build capacity within families to support their child. The Trustees 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.

### **Strategic Report**

#### **Achievements and performance**

**The Westminster Family school achieved its goal of satisfying the DFE requirements for the opening of a free school. A funding agreement was signed on the 1st September 2014.**

- **Going concern**

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy 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 Accounting Policies.

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

- **Key performance indicators**

In line with the objective above, the free school team successfully opened the school within the development grant budget.

As above the key objective was to meet the requirements of the DFE to open the free school. The is objective was met.

### **Financial review**

- **Overview**

The principal source of funding for the year was the DFE development grant of £220,000 (2013: £nil). This was mainly used to recruit and employ a Project Director and to commission a project management company. As above both of these uses supported our key objective to secure a Funding Agreement. Unused funds from the development grant, in line with DFE policy, will be carried forward. The trust does not have a reserves and investment policy as yet.

- **Principal risks and uncertainties**

The major risks to which the academy trust is exposed, as identified by the trustees, have been reviewed, and that systems or procedures have been established to manage those risks.

The headteacher maintains a risk register in line with the requirements of the Academies Financial Management and Governance Self Assessment (FMGS). This risk register is shared with the Governing Body. The major risks relate to the demand for the school's services. As a referral school funding comes from Local Authority and direct from schools. The forecast for demand moving forward is good and risk is mitigated by our capacity to meet potential changes in type of need moving forward.

- **Reserves policy**

As above we will develop a reserves policy as the need arises.

- **Material investments policy**

The school's cash reserves at any one time amount to less than £100 000, therefore we have no investment policy.

### **Plans for future periods**

- **Future developments**

In line with the timeline agreed with the DfE, the school intends to increase its student numbers next year to 24 full time equivalent. The school will need to recruit 2 additional teachers and 1 Teaching Assistant.

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNORS' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

**Disclosure of information to auditors**

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

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

This report, incorporating the Strategic Report, was approved by order of the board of trustees, as the company directors, on 18 December 2014 and signed on the board's behalf by:

---

**N Dawson**  
Trustee

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT**

---

**Scope of Responsibility**

As Governors, we acknowledge we have overall responsibility for ensuring that The Westminster Family 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 trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Westminster Family School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees 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 trustees has formally met times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings attended	Out of a possible
R Bidmead	2	2
N Dawson	2	2
J Dutton	0	0
P Gosselin	2	2
R Matthews	2	2
B McHugh	0	0
S Oates	1	2
P Ray	2	2
A Seeley	0	0
H Target	0	0
S Taylor, Principal	2	2

The Composition of the board of governors has changed over the application / opening period in order to provide a Governing Body with the required skill mix.

Governance reviews:

For this new Governing Body the Chair of Governors has conducted a governors skill audit, issued and discussed the statutory guidance for governors and is in the process of creating a governor training program in response to the current skill mix.

The Finance, Premises & HR Committee is a sub-committee of the main board of trustees. Its purpose is to oversee the financial and organisational management of the school and to report on relevant matters to the full board.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
P Ray, Chair	1	1
N Dawson	1	1
B McHugh	1	1
S Taylor, Principal	1	1

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (continued)**

---

The Achievement & Welfare Committee is also a sub-committee of the main board of trustees. Its purpose is to monitor the school curriculum and achievements and future development.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
P Gosselin	1	1
R Bismead	1	1
S Taylor, Principal	1	1

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Westminster Family School for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the the Finance, Premises & HR 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 WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (continued)**

---

**Review of Effectiveness**

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Premises & HR Committee and Achievement & Welfare Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 18 December 2014 and signed on its behalf, by:

---

**N Dawson**  
**Trustee**

---

**S Taylor, Principal**  
**Accounting Officer**

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

---

As Accounting Officer of The Westminster Family School I have considered my responsibility to notify the academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2013).

I confirm that I and the academy board of trustees are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook (2013).

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 trustees and EFA.

---

**S Taylor, Principal**  
**Accounting Officer**

Date: 18 December 2014

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNORS' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

The Trustees (who act as governors of The Westminster Family School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the board of trustees and signed on its behalf by:

---

**N Dawson**  
**Trustee**

**Date: 18 December 2014**

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF THE WESTMINSTER FAMILY SCHOOL**

---

We have audited the financial statements of The Westminster Family School for the year ended 31 August 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the academy'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 academy's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**Respective responsibilities of Governors and auditors**

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

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

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

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

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

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF THE WESTMINSTER FAMILY SCHOOL**

---

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

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

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

Bernie Watson (Senior Statutory Auditor)

for and on behalf of

**haysmacintyre**

Statutory Auditors

26 Red Lion Square

London

WC1R 4AG

18 December 2014

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE WESTMINSTER FAMILY SCHOOL AND THE EDUCATION FUNDING AGENCY**

---

In accordance with the terms of our engagement letter dated 27 November 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Westminster Family School during the year 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The Westminster Family School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Westminster Family School's funding agreement with the Secretary of State for Education dated 2 September 2014, and the Academies Financial Handbook extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Assessment of the control environment operated by the Academy.
- Walkthrough testing of controls to ensure operational effectiveness.
- Substantive testing on a sample of expenditure items, ensuring expenditure is in accordance with the funding agreement and appropriately authorised.
- Detailed testing on a selection of credit card statements and expense claims.
- Review of minutes, bank statements and declarations of interest provided by Governors and senior management.

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

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

---

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

**haysmacintyre**

Reporting Accountant

26 Red Lion Square  
London  
WC1R 4AG

18 December 2014

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	Note	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Incoming resources from charitable activities	2	220,000	-	220,000	5,000
<b>TOTAL INCOMING RESOURCES</b>		<u>220,000</u>	<u>-</u>	<u>220,000</u>	<u>5,000</u>
<b>RESOURCES EXPENDED</b>					
Charitable activities		155,183	-	155,183	-
Governance costs	3	14,893	-	14,893	-
<b>TOTAL RESOURCES EXPENDED</b>		<u>170,076</u>	<u>-</u>	<u>170,076</u>	<u>-</u>
<b>NET INCOME BEFORE TRANSFERS</b>		<u>49,924</u>	<u>-</u>	<u>49,924</u>	<u>5,000</u>
Transfers between Funds	11	(4,100)	4,100	-	-
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<u>45,824</u>	<u>4,100</u>	<u>49,924</u>	<u>5,000</u>
Total funds at 1 September 2013		<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
<b>TOTAL FUNDS AT 31 AUGUST 2014</b>		<u><u>50,824</u></u>	<u><u>4,100</u></u>	<u><u>54,924</u></u>	<u><u>5,000</u></u>

All activities relate to continuing operations.

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

The notes on pages 18 to 28 form part of these financial statements.

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 8333607**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2014**

	Note	£	2014	£	£	2013	£
<b>FIXED ASSETS</b>							
Tangible assets	9			4,100			-
<b>CURRENT ASSETS</b>							
Cash at bank		59,350			5,000		
<b>CREDITORS:</b> amounts falling due within one year	10	(8,526)			-		
<b>NET CURRENT ASSETS</b>				50,824			5,000
<b>NET ASSETS</b>				54,924			5,000
<b>FUNDS OF THE ACADEMY</b>							
Restricted funds:							
Restricted funds	11	50,824			5,000		
Restricted fixed asset funds	11	4,100			-		
Total restricted funds				54,924			5,000
<b>TOTAL FUNDS</b>				54,924			5,000

The financial statements were approved by the Governors, and authorised for issue, on 18 December 2014 and are signed on their behalf, by:

\_\_\_\_\_  
**N Dawson**  
Trustee

The notes on pages 18 to 28 form part of these financial statements.

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

	Note	2014 £	2013 £
Net cash flow from operating activities	13	58,450	5,000
Capital expenditure and financial investment	14	(4,100)	-
<b>INCREASE IN CASH IN THE YEAR</b>		<u>54,350</u>	<u>5,000</u>

---

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

	2014 £	2013 £
Increase in cash in the year	<u>54,350</u>	<u>5,000</u>
<b>MOVEMENT IN NET FUNDS IN THE YEAR</b>	54,350	5,000
Net funds at 1 September 2013	<u>5,000</u>	-
<b>NET FUNDS AT 31 AUGUST 2014</b>	<u>59,350</u>	<u>5,000</u>

---

The notes on pages 18 to 28 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

**1.2 Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

**1.3 Incoming resources**

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

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

**1. ACCOUNTING POLICIES (continued)**

**1.4 Resources expended**

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

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Going concern**

The Governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

**1.6 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised.

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

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

Computer equipment	-	33% straight line
--------------------	---	-------------------

**1.7 Taxation**

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

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**1. ACCOUNTING POLICIES (continued)**

**1.8 Pensions**

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the academy.

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

**2. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

**The Westminster Family School**

	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
<b>DfE/EFA revenue grants</b>			
Other DfE / EFA grants	220,000	220,000	-
	<u>220,000</u>	<u>220,000</u>	<u>-</u>
<b>Other funding</b>			
Other grants	-	-	5,000
	<u>-</u>	<u>-</u>	<u>5,000</u>
	<u>220,000</u>	<u>220,000</u>	<u>5,000</u>

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**3. GOVERNANCE COSTS**

	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Auditors' remuneration	3,000	3,000	-
Governance Auditors' non audit costs	1,500	1,500	-
Consultancy and professional fees	1,573	1,573	-
Legal fees	8,820	8,820	-
	<u>14,893</u>	<u>14,893</u>	<u>-</u>

**4. CHARITABLE ACTIVITIES**

	Total funds 2014 £	Total funds 2013 £
<b>DIRECT COSTS - EDUCATIONAL OPERATIONS</b>		
Wages and salaries	53,223	-
National insurance	5,844	-
Pension cost	7,504	-
Staff development	215	-
Recruitment and support	10,845	-
	<u>77,631</u>	<u>-</u>
<b>SUPPORT COSTS - EDUCATIONAL OPERATIONS</b>		
Insurance	1,060	-
Bank interest and charges	54	-
Other support costs	76,438	-
	<u>77,552</u>	<u>-</u>
	<u>155,183</u>	<u>-</u>

**5. NET INCOME**

This is stated after charging:

	2014 £	2013 £
Auditors' remuneration	3,000	-
Auditors' remuneration - non-audit	1,500	-
	<u>4,500</u>	<u>-</u>

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**6. STAFF**

**a. Staff costs**

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	53,223	-
Social security costs	5,844	-
Other pension costs	7,504	-
	<u>66,571</u>	<u>-</u>

**b. Staff numbers**

The average number of persons employed by the academy during the year expressed as full time equivalents was as follows:

	2014 No.	2013 No.
	<u>1</u>	<u>0</u>

**c. Higher paid staff**

No employee received remuneration amounting to more than £60,000 in either year.

**7. GOVERNORS' REMUNERATION AND EXPENSES**

During the year retirement benefits were accruing to 1 Governor (2013 - NIL) in respect of defined contribution pension schemes.

The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy in respect of their role as Governors. The value of Governors' remuneration fell within the following bands:

	2014 £	2013 £
S Taylor - Principal	50,000-55,000	NIL

During the year, no Governors received any benefits in kind (2013 - £NIL).

During the year, no Governors received any reimbursement of expenses (2013 - £NIL).

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**8. 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 £250,000 on any one claim and the cost for the year ended 31 August 2014 was £1,060 (2013 - £nil). The cost of this insurance is included in the total insurance cost.

**9. TANGIBLE FIXED ASSETS**

	Computer equipment £
<b>Cost</b>	
Additions	4,100
At 31 August 2014	<u>4,100</u>
<b>Depreciation</b>	
At 1 September 2013 and 31 August 2014	<u>-</u>
<b>Net book value</b>	
At 31 August 2014	<u>4,100</u>
At 31 August 2013	<u>-</u>

**10. CREDITORS:**  
**Amounts falling due within one year**

	2014 £	2013 £
Accruals	8,526	-
	<u>8,526</u>	<u>-</u>

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**11. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
<b>Restricted funds</b>					
Other DfE / EFA grants	-	220,000	(165,076)	(4,100)	50,824
New Schools Network	5,000	-	(5,000)	-	-
	<u>5,000</u>	<u>220,000</u>	<u>(170,076)</u>	<u>(4,100)</u>	<u>50,824</u>
<b>Restricted fixed asset funds</b>					
Restricted fixed asset funds	-	-	-	4,100	4,100
Total restricted funds	<u>5,000</u>	<u>220,000</u>	<u>(170,076)</u>	<u>-</u>	<u>54,924</u>
Total of funds	<u>5,000</u>	<u>220,000</u>	<u>(170,076)</u>	<u>-</u>	<u>54,924</u>

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

**Restricted funds**

**Other DfE/EFA grants**

A grant of £220,000 was awarded by the Department for Education towards approved eligible expenditure incurred in developing detailed plans for The Family School Project.

**New Schools Network**

£5,000 was received from New Schools Network in 2013. This related to funding to support marketing and recruitment costs associated with the opening of the School.

**Restricted fixed asset fund**

This fund relates to fixed assets purchased using funding from the Department for Education.

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 2014.

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**12. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	-	4,100	4,100	-
Current assets	59,350	-	59,350	5,000
Creditors due within one year	(8,526)	-	(8,526)	-
	<u>50,824</u>	<u>4,100</u>	<u>54,924</u>	<u>5,000</u>

**13. NET CASH FLOW FROM OPERATING ACTIVITIES**

	Continuing £	Discontinued £	2014 Total £	2013 £
Net incoming resources before revaluations	49,924	-	49,924	5,000
Increase in creditors	8,526	-	8,526	-
<b>Net cash inflow from operations</b>			<u>58,450</u>	<u>5,000</u>

**14. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2014 £	2013 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	<u>(4,100)</u>	<u>-</u>

**15. ANALYSIS OF CHANGES IN NET FUNDS**

	1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	5,000	54,350	-	59,350
<b>Net funds</b>	<u>5,000</u>	<u>54,350</u>	<u>-</u>	<u>59,350</u>

**THE WESTMINSTER FAMILY SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

**16. RELATED PARTY TRANSACTIONS**

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

No related party transactions took place in the period of account.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

**17. PENSION COMMITMENTS**

The academy's employees belong to one principal pension scheme: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff. The scheme is a defined benefit scheme.

The pension costs are assessed in accordance with the advice of independent qualified actuaries.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year. Contributions amounting to £nil were payable to the scheme at 31 August 2014 (2013 - £nil) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, 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.

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

**Valuation of the Teachers' Pension Scheme**

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

The Public Service Pensions Bill provides for future scheme valuations to be conducted in accordance with Treasury directions. The actuarial valuation report in summer 2014 takes effect from September 2015.

**Teachers' Pension Scheme Changes**

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

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

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

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

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.