

Registration number: 07664348 (England and Wales)

Westfield Academy Trust

(A company limited by guarantee)

Annual Report and Consolidated Financial
Statements

for the year ended 31 August 2015

Westfield Academy Trust

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Westfield Academy Trust

Reference and Administrative Details

Members	A Dyer S Bachrach A Britten W Petheram H Nourse
Governors and Trustees (Directors)	A Dyer, chair, member of the Business Committee A Britten, member of the Business Committee W Petheram (resigned 7 July 2015) C Travers, staff trustee C Hunt, principal, staff trustee, member of the Business Committee S Maylor (appointed 9 December 2014 and resigned 7 September 2015) H Nourse J Divall, member of the Business Committee K Lock J Livingstone S Howes M Bunting, member of the Business Committee P Davies S Bachrach, vice chair, member of the Business Committee S Rollick, staff trustee (resigned 10 October 2015) R Llewellyn P Unsworth J M Hawke (appointed 2 November 2015)
Company Secretary	L Jeffrey
Senior Management Team	C Hunt, Principal and Accounting Officer S Dallimore, Vice Principal M Payne, Assistant Principal J Strange, Assistant Principal S Brimson, Associate Assistant Principal J Coles, Associate Assistant Principal S Rollick, Associate Assistant Principal
Company Name	Westfield Academy Trust

Westfield Academy Trust

Reference and Administrative Details (continued)

Principal and Registered Office	Stiby Road Yeovil Somerset BA21 3EP
Company Registration Number	07664348 (England and Wales)
Independent Auditor	Milsted Langdon LLP Motivo House Yeovil BA20 2FG
Bankers	Lloyds TSB Bank PLC 9 High Street Yeovil Somerset BA20 1RN Nationwide Building Society 36 Middle St Yeovil Somerset BA20 1LA
Solicitors	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ

Westfield Academy Trust

Trustees' Report for the Year Ended 31 August 2015

The trustees present their annual report together with the financial statements and auditor's report of the charitable company and its trading subsidiary for the year 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 16 serving a catchment area in Yeovil, South Somerset. It has a pupil capacity of 1,040 and had a roll of 721 in the Spring 2015 school census.

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 trustees of Westfield Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Westfield Academy Trust.

Details of the trustees 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 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.

Trustees' indemnities

The Academy is a member of the EFA's Risk Protection Arrangement. This provides unlimited Professional Indemnity Cover.

Method of recruitment and appointment or election of trustees

Members may appoint up to one governor.

Parent governor(s) shall be elected by parents of registered pupils at the Academy. A parent governor must be a parent of a pupil at the Academy at the time when he/she is elected. All parents will be eligible to stand as a governor and all parents must be notified when a vacancy arises.

Staff governors are elected by the staff with one position available for teaching staff and one for support staff.

The community governors may be appointed by the governing body provided that the person who is appointed as a community governor is:

- (a) a person who lives or works in the community served by the Academy; or
- (b) a person who, in the opinion of the governing body, is committed to the government and success of the Academy.

The governors may appoint up to 3 co-opted governors. A 'co-opted governor' means a person who is appointed to be a governor by being co-opted by governors who have not themselves been so appointed. The governors may not co-opt an employee of the Academy Trust as a co-opted governor if the number of governors who are employed by the Academy Trust (including the Principal) would thereby exceed one third of the total number of governors.

Westfield Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

Policies and procedures adopted for the induction and training of trustees

The Academy buys back into Somerset Governors Services who provide training events and will also provide bespoke training on request. All new governors attend the governors induction training run by Somerset Governor Services. All governors have attended child protection training.

The governors annually appoint a training governor who is responsible for ensuring that governors' stay up to date with latest legislation and changes impacting upon the management of schools.

Organisational structure

The full governing body meets three times a year and is responsible for setting general policy, adopting an annual plan and budget and monitoring the work of the Academy and its leadership team. The detailed work is devolved to three sub committees:

Learning and Teaching – which monitors the work of curriculum teams, focusing on raising achievement and ensuring academy teaching and learning policies are fully implemented,

Student Matters – which monitors the work of the pastoral teams, focusing on behaviour and inclusion and ensuring academy pastoral policies are fully implemented,

Business – which monitors the work of the Finance and Site teams, focusing on financial, personnel and site management and ensuring all policies in these areas are fully implemented.

The leadership team is led by the Principal who is the Accounting Officer for the Academy, who is supported in all financial matters by the Assistant Principal (Business) who acts as the Principal Finance Officer of the Academy. The leadership team also consists of a Vice Principal and one further Assistant Principal and three Associate Assistant Principals.

The senior leadership team manage the Academy, implementing the policies agreed by the governors and reporting back to them on progress. The Principal and Assistant Principal (Business) are responsible for the authorisation of spending within agreed budgets. Some spending control is devolved to middle leaders within the Academy.

The wider management team includes faculty heads, pastoral leaders and support staff team leaders. These middle leaders are responsible for the day to day operation of the Academy.

Risk management

The governors have implemented systems to assess risks that the academy faces especially in the areas of health and safety, school trips, and financial control. The Academy has effective systems of internal financial control and uses a Responsible Officer to test these systems. They have clear policies for the vetting of new staff and visitor procedures and have upgrade CCTV in 2015 to reduce the risk of personal injury to staff and students.

The Academy is a member of the RPA scheme to cover all insurable risks such as buildings, contents and all likely liabilities.

Westfield Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

Related parties and other connected charities and organisations

The Academy formed a trading subsidiary - WA Community Enterprises - which was registered at Companies House on the 15th July 2014 began trading on the 1st September 2014. The trading subsidiary will manage all non-educational income in particular the increasing use of the site by the Community in the evenings.

Westfield Academy is a member of Yeovil Federation which is a loose federation of schools from all sectors aimed at raising achievement in the Yeovil area.

Objectives and activities

Objects and aims

The Academy Trust's object ("the Object") is specifically restricted to the following:

- to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy"); and
- to promote for the benefit of individuals living in Yeovil and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

The Academy's mission is:

To ensure every learner makes the most of outstanding chances to make the most of their life chances.

The Key measures are:

- Outstandingly high 5+ A*-C including English and Maths
- All students make three levels of progress
- 95%+ attendance
- NEET = 0%
- Very high levels of post 16 progression
- Full or oversubscribed
- A good judgement at the next OFSTED inspection
- Success at extra-curricular activities

Westfield Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

Objectives, strategies and activities

The main objective for the year ended 31 August 2015 was to raise achievement by:

- Further improvements in teaching following thorough quality assurance and developmental feedback by team leaders
- Use of 4Matrix monitoring tool to identify underachievement and plan interventions
- Improvements in controlled assessments in Geography and Modern Foreign Languages
- Embedding literacy strategies across the curriculum
- Supporting students with social, emotional and behavioural needs through the provision of a “return to learn” base

In addition:

- Further development of the site continued, including the building of a floodlit 3G artificial turf pitch, opened in September 2014. The facility greatly enhances the opportunities available to students and members of the community.

The success of the academy is evident through:

- OfSTED’s data dashboard showed Westfield Academy to be in the top 40% of schools nationally for pupil progress in both English and Maths.
- Exam Results in 2014 continued to show strong performance especially in the Core Subjects of English and Maths. 57% of students at Westfield achieved 5 GCSEs including English and Maths compared to 52.6 nationally. English results were 14% above the national average and Maths were 5% above.
- In September 2014, an OfSTED inspection judged the school as good for leadership and management, behaviour and safety of pupils, teaching and learning and achievement and attainment. The overall judgement was good.

The principal activity of Westfield Academy Trust is to offer free education to 11-16 year olds through the provision of a broad and balanced curriculum.

Public benefit

The governors confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission’s general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

Westfield Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report

Key performance indicators

2015 headline measures of 5A*-C including English and Maths saw a dip to 51%. However, KS2 SATS and internal CATS testing indicates that the ability of this year group on entry was below national averages. This year group nationally was affected by a partial boycott of KS2 SATS – only 66% of students took these SATS and therefore provide reliable data. Of those that took KS2 SATS, 75% made expected or better than expected progress in English with 71% making expected or better than expected progress in Maths – both of these figures are expected to be well above the national figure.

The Academy was successful in obtaining £385,000 in CIF funding to refurbish the windows and roof of the main school block. Work commenced in July 2015 and will be complete by December 2015.

Most of the Academy's income is obtained from the Education Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2015 and the associated expenditure is shown as restricted funds in the Statement of Financial Activities.

The Academy also receive grants from Somerset County Council for Individually Assigned Resources, to support students who are eligible for School Action Plus funding which are also shown as restricted income on the Statement of Financial Activities.

Overall the Academy had a more challenging year controlling costs as staff absence increased supply costs, and recruitment of new staff proved more challenging and more expensive than budgeted. Despite an overall decrease the cash position of the Academy remains strong even after the planned expenditure on the 3G pitch and the removal of the committed grant income.

Westfield's trading subsidiary – WA Community Enterprises – enjoyed a very successful year generating income of £99,650 and a gift aid donation to the Academy of £70,337. This has provided a very useful gift aided income for the Academy. The new 3G pitch in particular was busy every evening with community groups and generated an income in excess of £30,000.

As an Academy we wish to increase our generation of unrestricted funds through increasing community use of the buildings and facilities and generating income through a range of activities. Increasingly this is unrestricted income is having to be used to support the Academy as GAG is reduced and costs rise. As at 31 August 2015 our unrestricted fund balance was £296,817 (2014 £411,894).

Going concern

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

Financial review

The governors business committee receives financial reports six times a year reviewing performance against budgets and overall expenditure. The business committee reports to full governors three times a year. All budget holders receive regular statements indicating expenditure and balances and the Assistant Principal (Business) and the finance team monitor expenditure across all areas.

Westfield Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report (continued)

Financial and risk management objectives and policies

The Academy has clear finance procedures laid out in the Academy Finance Manual. This is overseen by the business committee. There is clear division of duties with several people involved in every transaction. Finance staff are very experienced and have undergone appropriate training. With the retirement of the previous Responsible Officer, the Governors agreed to appoint Somerset Financial Services to carry out the RO role four times a year.

Reserves policy

The current level of reserves is indicated in the Statement of Financial Activities.

Given the reductions in funding and the rising costs it is increasingly difficult to build a significant reserves to invest in the capital improvement of the facilities, as well as cater for unforeseeable emergencies. The governors continue to aim for a reserve equivalent to 10% of income.

The pension reserve is in deficit at the period end. This represents the defined benefit pension scheme liability as at 31 August 2015.

Investment policy

The governors have adopted a separate policy in which Westfield Academy Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, Westfield Academy Trust aims to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is no risk to the loss of these cash funds. Investment is restricted to the major high street banks.

Principal risks and uncertainties

Changes to the funding formula

The DfE introduced a new funding formula in September 2013 which significantly reduces the number of factors that can be considered when delegating funds to schools. This formula is more closely allied to total pupil numbers. There are likely to be further adjustments to this formula for future funding rounds, which will again cause variation in funding levels.

Pupil Numbers

Pupil numbers have declined significantly over the last few years as a result of demographics. However in September 2014 our numbers showed a small increase for the first time in several years, rising from 718 to 730. This should help to stabilise the funding income for the academy for 2015/16.

In September 2015 the numbers are 714 on roll, this will provide a financial challenge for 2016/17. In addition rising costs – Teachers pension changes, National Insurance contribution rates, and the introduction of the living wage coupled with flat lining funding means significant savings will need to be found on top of the £460,000 savings in 2013/14, and £160,000 in 2014/15. Each year setting a balanced budget becomes more difficult.

Demographically the numbers in Year 6 begin to pick significantly over the next few years and we are hopeful that we will be successful in attracting these to study at Westfield.

Westfield Academy Trust

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report (continued)

Plans for future periods

At the heart of the Academy's focus is a relentless drive to improve teaching and learning and to improve achievement for all the students at the school.

Auditor

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the trustees 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.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Milsted Langdon LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Trustees' Report, incorporating a Strategic Report, was approved by order of the board of trustees, as the company directors, on 8 December 2015 and signed on the board's behalf by:

.....
A Dyer
Trustee

Westfield Academy Trust

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Westfield Academy Trust 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 Westfield Academy Trust 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 Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
A Dyer	3	4
A Britten	2	4
W Petheram	4	4
C Travers	4	4
C Hunt	4	4
S Maylor	0	3
H Nourse	2	4
J Divall	1	4
K Lock	1	4
J Livingstone	2	4
S Howes	3	4
M Bunting	4	4
P Davies	4	4
S Bachrach	3	4
S Rollick	3	4
R Llewellyn	4	4
P Unsworth	2	4

S Maylor was appointed on 9 December 2014 and resigned on 7 September 2015. W Petheram resigned on 7 July 2015.

Westfield Academy Trust

Governance Statement (continued)

The Business Committee is a sub-committee of the main board of trustees. Its purpose is to work in consultation with the principal and the assistant principal (business) to provide guidance to the governing body on all financial and premises matters. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
A Dyer	4	6
A Britten	5	6
C Hunt	5	6
J Divall	5	6
M Bunting	5	6
S Bachrach	6	6

Review of value for money

As accounting officer, the principal 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 trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

A full budget is prepared and approved before the start of the financial year which outlines all areas of income and expenditure. The budget reflects the priorities of the School Development Plan. Expenditure against budget headings is monitored and reports are made to the Governing Body Business Committee six times a year. Responsible Officer reports are considered regularly by the Business Committee.

Staffing is continually reviewed in the light of national initiatives and the need to adjust the curriculum - for example the introduction of Progress 8 measures. Sutton Trust data has been used to plan the expenditure of Pupil Premium money. The Academy received a "Good" OFSTED rating at its recent inspection and has halved its Pupil Premium gap.

The Academy has a robust Performance Management system to ensure all staff are working effectively.

For everyday small scale expenditure such as stationary and consumables we ensure we have a range of potential suppliers and the Finance team will carry out regular price comparison exercises. For example a recent comparison of paper costs enabled us to reduce the cost of a ream of paper by 20 pence.

Westfield Academy Trust

Governance Statement (continued)

Review of value for money (continued)

The Academy has a clear tendering policy as part of its Finance Manual, with three quotes being sort for significant one off expenditure. For larger projects - such as building work - a formal tendering process will occur with assessments based on formal criteria including value for money. This year this included the refurbishment of the Upper School block.

The Academy is proactive in seeking new ways of generating income - setting up our trading subsidiary this year. We have invested heavily in facilities over the last few years to ensure an outstanding learning environment for our students but also to maximise external income.

Contracts are kept under review and renewed on a regular basis. We use an independent energy broker to tender for our energy supplies.

The Academy will check key financial data against other local schools through the Somerset Business Manager's Association and against other nationally available data. This has helped to inform decisions about staffing levels and pay grades.

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 on-going 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 Westfield Academy Trust for the year 1 September 2014 to 31 August 2015 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 trust 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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2014 to 31 August 2015 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 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 trustees;
- regular reviews by the business 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 trustees has considered the need for a specific internal audit function and has decided:

Westfield Academy Trust

Governance Statement (continued)

- not to appoint an internal auditor. However the trustees have appointed Education Financial Services of Somerset County Council as an independent reviewer to carry out a programme of checks.

The independent 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 purchasing including ordering, invoicing and petty cash;
- testing payroll;
- testing income;
- testing general financial operations.

Four times a year, the independent reviewer reports to the board of trustees, through the business committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

There were no material control or other issues reported by the independent reviewer to date.

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 independent reviewer;
- the work of the external auditor;
- 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 business 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 trustees on 8 December 2015 and signed on its behalf by:

.....
A Dyer
Trustee

.....
C Hunt
Accounting officer

Westfield Academy Trust

Statement on Regularity, Propriety and Compliance

As accounting officer of Westfield Academy Trust I have considered my responsibility to notify the academy trust 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 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.

I confirm that I and the academy trust board of trustees 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.

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.

.....
C Hunt
Accounting officer

Date: 8 December 2015

Westfield Academy Trust

Statement of Trustees' Responsibilities

The trustees (who act as governors of Westfield Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees 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 trustees 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 trustees 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 on 8 December 2015 and signed on its behalf by:

.....
A Dyer
Trustee

Westfield Academy Trust

Independent Auditor's Report to the Members of Westfield Academy Trust

We have audited the financial statements of Westfield Academy Trust for the year ended 31 August 2015, which comprise the Consolidated Statement of Financial Activities incorporating Income and Expenditure Account, Consolidated Balance Sheet, Balance Sheet, Consolidated 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 Annual Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 15), the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent academy trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent academy trust's affairs as at 31 August 2015 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- 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 2014 to 2015 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

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

Westfield Academy Trust

Independent Auditor's Report to the Members of Westfield Academy Trust (continued)

Matters on which we are required to report by exception

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

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

.....
Mr Gary Salter (Senior Statutory Auditor)
For and on behalf of
Milsted Langdon LLP
Chartered Accountants and Statutory Auditors
Motivo House
Yeovil
BA20 2FG

15 December 2015

Westfield Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Westfield Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 10 September 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Westfield Academy Trust during the year 1 September 2014 to 31 August 2015 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 Westfield Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Westfield Academy Trust 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 Westfield Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Westfield Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Westfield Academy Trust's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academies Financial Handbook, extant from 1 September 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 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 2014 to 2015 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 trust's income and expenditure.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a high risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such control, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.

Westfield Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Westfield Academy Trust 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 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

.....
Milsted Langdon LLP, Reporting Accountant
Chartered Accountants and Statutory Auditors
Motivo House
Yeovil
BA20 2FG

15 December 2015

Westfield Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2015 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income	4	5,200	957	-	6,157	6,755
Activities for generating funds	5	312,665	23,123	-	335,788	310,475
Investment income	6	2,209	36	-	2,245	4,229
<i>Incoming resources from charitable activities:</i>						
Funding for the academy trust's educational operations	7	-	3,673,255	497,742	4,170,997	4,258,105
Total incoming resources		<u>320,074</u>	<u>3,697,371</u>	<u>497,742</u>	<u>4,515,187</u>	<u>4,579,564</u>
Resources expended						
<i>Cost of generating funds:</i>						
Costs of generating voluntary income	8	-	5,608	-	5,608	5,483
Fundraising trading		-	-	-	-	-
Commercial trading operations	8	10,919	-	-	10,919	-
<i>Charitable activities:</i>						
Academy trust educational operations	9	177,232	3,972,906	317,404	4,467,542	4,674,197
Governance costs	10	3,120	14,490	-	17,610	13,420
Total resources expended	8	<u>191,271</u>	<u>3,993,004</u>	<u>317,404</u>	<u>4,501,679</u>	<u>4,693,100</u>
Net incoming/(outgoing) resources before transfers		128,803	(295,633)	180,338	13,508	(113,536)
Gross transfers between funds	19	<u>(243,880)</u>	<u>74,729</u>	<u>169,151</u>	<u>-</u>	<u>-</u>
Net (expenditure)/income for the year		(115,077)	(220,904)	349,489	13,508	(113,536)

Westfield Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2015 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) (continued)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	19, 28	-	(29,000)	-	(29,000)	120,000
Net movement in funds		(115,077)	(249,904)	349,489	(15,492)	6,464
Reconciliation of funds						
Total funds brought forward at 1 September 2014	19	411,894	(1,712,096)	10,025,781	8,725,579	8,719,115
Total funds carried forward at 31 August 2015	19	<u>296,817</u>	<u>(1,962,000)</u>	<u>10,375,270</u>	<u>8,710,087</u>	<u>8,725,579</u>

All of the academy trust's activities derive from continuing operations during the above two financial periods.

Westfield Academy Trust
(Registration number: 07664348)
Consolidated Balance Sheet as at 31 August 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	14	10,101,735	10,025,781
Current assets			
Stock	16	8,344	8,805
Debtors	17	87,712	210,846
Cash at bank and in hand		<u>741,946</u>	<u>541,804</u>
		838,002	761,455
Liabilities			
Creditors: amounts falling due within one year	18	<u>(262,650)</u>	<u>(258,657)</u>
Net current assets		<u>575,352</u>	<u>502,798</u>
Total assets less current liabilities		<u>10,677,087</u>	<u>10,528,579</u>
Net assets excluding pension liability		10,677,087	10,528,579
Pension scheme liability	28	<u>(1,967,000)</u>	<u>(1,803,000)</u>
Net assets including pension liability		<u>8,710,087</u>	<u>8,725,579</u>
Funds of the academy trust:			
Restricted funds			
Fixed asset fund	19	10,375,270	10,025,781
General fund	19	5,000	90,904
Pension reserve	19	<u>(1,967,000)</u>	<u>(1,803,000)</u>
Total restricted funds		<u>8,413,270</u>	<u>8,313,685</u>
Unrestricted income funds			
General fund	19	<u>296,817</u>	<u>411,894</u>
Total unrestricted funds		<u>296,817</u>	<u>411,894</u>
Total funds		<u>8,710,087</u>	<u>8,725,579</u>

The financial statements on pages 20 to 51 were approved by the trustees and authorised for issue on 8 December 2015 and are signed on their behalf by:

.....
A Dyer
Trustee

Westfield Academy Trust
(Registration number: 07664348)
Balance Sheet as at 31 August 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	14	10,101,735	10,025,781
Current assets			
Stock	16	-	8,805
Debtors	17	150,979	210,846
Cash at bank and in hand		<u>683,903</u>	<u>541,804</u>
		834,882	761,455
Liabilities			
Creditors: amounts falling due within one year	18	<u>(259,530)</u>	<u>(258,657)</u>
Net current assets		<u>575,352</u>	<u>502,798</u>
Total assets less current liabilities		<u>10,677,087</u>	<u>10,528,579</u>
Net assets excluding pension liability		10,677,087	10,528,579
Pension scheme liability	28	<u>(1,967,000)</u>	<u>(1,803,000)</u>
Net assets including pension liability		<u>8,710,087</u>	<u>8,725,579</u>
Funds of the academy trust:			
Restricted funds			
Fixed asset fund	19	10,375,270	10,025,781
General fund	19	5,000	90,904
Pension reserve	19	<u>(1,967,000)</u>	<u>(1,803,000)</u>
Total restricted funds		<u>8,413,270</u>	<u>8,313,685</u>
Unrestricted income funds			
General fund	19	<u>296,817</u>	<u>411,894</u>
Total unrestricted funds		<u>296,817</u>	<u>411,894</u>
Total funds		<u>8,710,087</u>	<u>8,725,579</u>

The financial statements on pages 20 to 51 were approved by the trustees and authorised for issue on 8 December 2015 and are signed on their behalf by:

.....
A Dyer
Trustee

Westfield Academy Trust

Consolidated Cash Flow Statement for the Year Ended 31 August 2015

	Note	2015 £	2014 £
Net cash inflow from operating activities	23	95,955	147,849
Returns on investments and servicing of finance	24	2,245	4,229
Capital expenditure and financial investment	25	<u>101,942</u>	<u>(175,471)</u>
Increase/(decrease) in cash in the year	26	<u>200,142</u>	<u>(23,393)</u>
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2014		<u>541,804</u>	<u>565,197</u>
Net funds at 31 August 2015		<u>741,946</u>	<u>541,804</u>

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015

1 Statement of accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going concern

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its sole subsidiary undertaking. These are adjusted, where appropriate, to conform to group accounting policies. As a consolidated group Statement of Financial Activities is published, a separate Statement of Financial Activities for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Incoming resources

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

Grants receivable

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

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 fund.

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

Sponsorship income

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 is certainty of receipt and it is measurable.

Donations

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

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Statement of accounting policies (continued)

Other income

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

Donated goods, facilities and services

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

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.

Cost of generating funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

These are costs incurred on the academy trust's educational operations.

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Statement of accounting policies (continued)

Tangible fixed assets

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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. 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, at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life, per the table below.

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

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

Asset class	Depreciation method and rate
Leasehold land and buildings	2% straight line
Property improvements	2% straight line
Furniture and equipment	10% straight line
Computer equipment	25% straight line

Leased assets

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

Stock

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

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.

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Statement of accounting policies (continued)

Pension benefits

Retirement benefits to employees of the academy trust 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 trust.

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 quinquennial valuations using a prospective benefit method. As stated in the pension and similar obligations note to the accounts, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

Fund accounting

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

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 Education Funding Agency/Department for Education.

Subsidiary undertaking

The consolidated financial statements include the results of WA Community Enterprises Limited, a wholly owned subsidiary. The subsidiary's trading account for the year ended 31 August 2015 is shown in the Investment note.

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2015 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2015.

3 The financial performance of the academy trust

The Consolidated Statement of Financial Activities incorporating Income and Expenditure Account includes the results of the academy trust's wholly owned subsidiary, WA Community Enterprises Limited.

The academy trust's incoming resources for the year ended 31 August 2015 was £4,501,148 including a gift aid donation from the subsidiary undertaking of £70,337. Expenditure for the year on charitable activities was £4,473,150 and governance costs were £14,490, resulting in net incoming resources for the year of £13,508. The academy trust had an actuarial loss on the defined benefit pension scheme for the year of £29,000. At 31 August 2015 restricted funds were £8,413,270 and unrestricted funds were £296,817.

4 Voluntary income

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2015 £	Total 2014 £
Donations	<u>5,200</u>	<u>957</u>	<u>-</u>	<u>6,157</u>	<u>6,755</u>

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

5 Activities for generating funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2015 £	Total 2014 £
Lettings income	103	-	-	103	39,296
Fundraising	-	1,415	-	1,415	2,056
Catering income	38,416	1,516	-	39,932	72,082
Educational lecturing	28,631	-	-	28,631	51,397
Income for trips and activities	131,658	19,775	-	151,433	96,736
School shop sales	725	52	-	777	21,376
Other sales	13,482	365	-	13,847	27,532
	<u>213,015</u>	<u>23,123</u>	<u>-</u>	<u>236,138</u>	<u>310,475</u>
Commercial trading operations	<u>99,650</u>	<u>-</u>	<u>-</u>	<u>99,650</u>	<u>-</u>
	<u><u>312,665</u></u>	<u><u>23,123</u></u>	<u><u>-</u></u>	<u><u>335,788</u></u>	<u><u>310,475</u></u>

6 Investment income

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2015 £	Total 2014 £
Bank interest receivable	<u>2,209</u>	<u>36</u>	<u>-</u>	<u>2,245</u>	<u>4,229</u>

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

7 Funding for Academy Trust's educational operations

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2015 £	Total 2014 £
DfE/EFA capital grants					
DfE capital grants	-	-	378,784	378,784	73,249
DfE/EFA revenue grants					
General annual grant (GAG)	-	3,412,308	-	3,412,308	3,922,603
Pupil premium	-	185,598	-	185,598	178,706
Other DfE/EFA grants	-	19,467	-	19,467	22,670
	<u>-</u>	<u>3,617,373</u>	<u>-</u>	<u>3,617,373</u>	<u>4,123,979</u>
Other government grants					
Individually assigned resources	-	54,382	-	54,382	42,197
Other capital grants	-	-	118,958	118,958	14,861
	<u>-</u>	<u>54,382</u>	<u>118,958</u>	<u>173,340</u>	<u>57,058</u>
Non-government grants and other income					
Other	-	1,500	-	1,500	3,819
Total grants	<u>-</u>	<u>3,673,255</u>	<u>497,742</u>	<u>4,170,997</u>	<u>4,258,105</u>

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

8 Resources expended

	Non pay expenditure			Total	Total
	Staff costs	Premises	Other	2015	2014
	£	£	£	£	£
Costs of generating voluntary income	-	-	5,608	5,608	5,483
Costs of activities for generating funds	-	-	-	-	-
Commercial trading operations	-	-	10,919	10,919	-
Academy's educational operations:					
Direct costs	2,597,314	317,404	230,909	3,145,627	3,311,907
Allocated support costs	<u>577,256</u>	<u>207,558</u>	<u>537,101</u>	<u>1,321,915</u>	<u>1,362,290</u>
	3,174,570	524,962	768,010	4,467,542	4,674,197
Governance costs including allocated support costs	<u>-</u>	<u>-</u>	<u>17,610</u>	<u>17,610</u>	<u>13,420</u>
	<u>3,174,570</u>	<u>524,962</u>	<u>802,147</u>	<u>4,501,679</u>	<u>4,693,100</u>
Net incoming/outgoing resources for the year include:				2015	2014
				£	£
Operating leases - plant and machinery				20,449	22,603
Fees payable to auditor - audit				12,010	8,250
Fees payable to auditor - other services				<u>2,245</u>	<u>3,520</u>

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

9 Charitable activities

	Total 2015	Total 2014
	£	£
Direct costs - educational operations		
Teaching and educational support staff costs	2,597,314	2,689,968
FRS 17 pension costs less contributions payable	54,000	73,000
Depreciation	317,404	315,757
Educational supplies	43,130	51,663
School uniform costs	9,004	21,929
Examination fees	53,815	59,546
Staff development	8,408	12,815
Other professional costs	23,332	50,785
Other direct costs	39,220	36,444
	<u>3,145,627</u>	<u>3,311,907</u>
Support costs - educational operations		
Support staff costs	577,256	539,125
FRS 17 service cost adjustment	81,000	97,000
Recruitment and support	19,406	10,276
Maintenance of premises and equipment	92,712	111,982
Security and transport	28,116	30,754
Cleaning	6,240	3,756
Rent and rates	40,239	38,223
Light and heat	74,607	68,574
Telephone	4,436	5,384
Insurance	19,165	40,090
Office costs	32,999	39,009
Hire of equipment	28,684	37,495
Travel costs	119	-
Catering	80,688	107,552
Computer equipment and materials	30,486	45,284
Bank interest and charges	623	625
Printing, postage and stationery	8,499	15,454
Trade subscriptions	18,218	31,594
Professional fees	46,773	53,056
Trips and activities	131,978	79,352
Other support costs	(329)	7,705
	<u>1,321,915</u>	<u>1,362,290</u>

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

9 Charitable activities (continued)

	Total 2015 £	Total 2014 £
Total direct and support costs	<u>4,467,542</u>	<u>4,674,197</u>

10 Governance costs

	Total 2015 £	Total 2014 £
Legal and professional fees	3,355	1,650
Auditors' remuneration		
Audit of financial statements	12,010	8,250
Other audit services	<u>2,245</u>	<u>3,520</u>
	<u>17,610</u>	<u>13,420</u>

11 Staff

Staff costs

	Total 2015 £	Total 2014 £
Staff costs during the year were:		
Wages and salaries	2,592,151	2,652,610
Social security costs	175,189	182,413
Operating costs of defined benefit pension schemes	<u>391,353</u>	<u>383,718</u>
	3,158,693	3,218,741
Supply staff costs	<u>15,877</u>	<u>10,352</u>
	<u>3,174,570</u>	<u>3,229,093</u>

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

11 Staff (continued)

Staff numbers

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

	2015 No.	2014 No.
<i>Charitable activities</i>		
Teachers	37	44
Administration and support	47	42
Management	7	7
	<u>91</u>	<u>93</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2015 No.	2014 No.
£70,001 - £80,000	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, employers pension contributions for this member of staff amounted to £10,992 (2014 - £10,884).

12 Related party transactions - Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

C Travers (staff trustee):

Remuneration: £15,000 - £20,000 (2014 - £15,000 - £20,000)

Employer's pension contributions: £0 - £5,000 (2014 - £0 - £5,000)

S Rollick (staff trustee):

Remuneration: £40,000 - £45,000 (2014 - £40,000 - £45,000)

Employer's pension contributions: £5,000 - £10,000 (2014 - £5,000 - £10,000)

C Hunt (principal and staff trustee):

Remuneration: £75,000 - £80,000 (2014 - £75,000 - £80,000)

Employer's pension contributions: £10,000 - £15,000 (2014 - £10,000 - £15,000)

During the year ended 31 August 2015, travel and subsistence expenses totalling £Nil (2014 - £Nil) were reimbursed or paid directly to trustees.

Other related party transactions involving the trustees are set out in note 29.

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

13 Trustees' and officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides £5,000,000 cover on any one claim and the cost for the year ended 31 August 2015 was included in the total RPA payment of £17,950 (2014 - £2,566). The cost of this insurance is included in the total insurance cost.

14 Tangible fixed assets

Group	Leasehold land and buildings £	Property improvements £	Furniture and equipment £	Computer equipment £	Total £
Cost					
At 1 September 2014	9,258,000	1,054,303	168,608	475,078	10,955,989
Additions	-	375,917	4,406	13,035	393,358
At 31 August 2015	<u>9,258,000</u>	<u>1,430,220</u>	<u>173,014</u>	<u>488,113</u>	<u>11,349,347</u>
Depreciation					
At 1 September 2014	490,367	38,827	39,075	361,939	930,208
Charge for the year	159,040	28,604	17,301	112,459	317,404
At 31 August 2015	<u>649,407</u>	<u>67,431</u>	<u>56,376</u>	<u>474,398</u>	<u>1,247,612</u>
Net book value					
At 31 August 2015	<u><u>8,608,593</u></u>	<u><u>1,362,789</u></u>	<u><u>116,638</u></u>	<u><u>13,715</u></u>	<u><u>10,101,735</u></u>
At 31 August 2014	<u><u>8,767,633</u></u>	<u><u>1,015,476</u></u>	<u><u>129,533</u></u>	<u><u>113,139</u></u>	<u><u>10,025,781</u></u>

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

14 Tangible fixed assets (continued)

Company	Leasehold land and buildings £	Property improvements £	Furniture and equipment £	Computer equipment £	Total £
Cost					
At 1 September 2014	9,258,000	1,054,303	168,608	475,078	10,955,989
Additions	-	375,917	4,406	13,035	393,358
At 31 August 2015	<u>9,258,000</u>	<u>1,430,220</u>	<u>173,014</u>	<u>488,113</u>	<u>11,349,347</u>
Depreciation					
At 1 September 2014	490,367	38,827	39,075	361,939	930,208
Charge for the year	<u>159,040</u>	<u>28,604</u>	<u>17,301</u>	<u>112,459</u>	<u>317,404</u>
At 31 August 2015	<u>649,407</u>	<u>67,431</u>	<u>56,376</u>	<u>474,398</u>	<u>1,247,612</u>
Net book value					
At 31 August 2015	<u>8,608,593</u>	<u>1,362,789</u>	<u>116,638</u>	<u>13,715</u>	<u>10,101,735</u>
At 31 August 2014	<u>8,767,633</u>	<u>1,015,476</u>	<u>129,533</u>	<u>113,139</u>	<u>10,025,781</u>

15 Investments

Group

The academy trust has formed a limited by guarantee entity in the name of WA Community Enterprises Limited, a company incorporated in England and Wales. The principal activity of the company is non-educational income. The subsidiary was incorporated on 15 July 2014 and commenced trading on 1 September 2014.

Turnover for the period from 15 July 2014 to 31 August 2015 was £99,650, expenditure was £99,650 and the profit for the period was £nil. The assets of the company at 31 August 2015 were £73,457, liabilities were £73,457 and capital and reserves were £nil.

16 Stock

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Stock	<u>8,344</u>	<u>8,805</u>	<u>-</u>	<u>8,805</u>

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

17 Debtors

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	30,319	4,887	23,249	4,887
Prepayments and accrued income	28,119	158,290	28,119	158,290
VAT recoverable	29,274	47,669	29,274	47,669
Other debtors	-	-	70,337	-
	<u>87,712</u>	<u>210,846</u>	<u>150,979</u>	<u>210,846</u>

18 Creditors: amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	112,871	17,696	112,871	17,696
Taxation and social security	53,175	54,507	53,175	54,507
Other creditors	1,140	4,442	1,140	4,442
Pension scheme creditor	47,748	49,811	47,748	49,811
Accruals and deferred income	47,716	132,201	44,596	132,201
	<u>262,650</u>	<u>258,657</u>	<u>259,530</u>	<u>258,657</u>

Group	2015
	£
Deferred income	
Deferred income at 1 September 2014	113,266
Resources deferred in the period	30,643
Amounts released from previous periods	<u>(113,266)</u>
Deferred income at 31 August 2015	<u>30,643</u>

At the balance sheet date the academy trust was holding funds received in advance for student trips, individually assigned resources and rates.

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

18 Creditors: amounts falling due within one year (continued)

Company	2015 £
Deferred income	
Deferred income at 1 September 2014	113,266
Resources deferred in the period	30,643
Amounts released from previous periods	<u>(113,266)</u>
Deferred income at 31 August 2015	<u><u>30,643</u></u>

At the balance sheet date the academy trust was holding funds received in advance for student trips, individually assigned resources and rates.

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

19 Funds

Group	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant (GAG)	93,346	3,412,308	(3,572,941)	72,287	5,000
Pupil premium	-	185,598	(185,598)	-	-
Other DfE/EFA grants	-	19,467	(19,467)	-	-
Individually assigned resources	-	54,382	(54,382)	-	-
Transfer of loan from Local Authority	(2,442)	-	-	2,442	-
Other restricted funds	-	25,616	(25,616)	-	-
	<u>90,904</u>	<u>3,697,371</u>	<u>(3,858,004)</u>	<u>74,729</u>	<u>5,000</u>
Restricted fixed asset funds					
Transfer from Local Authority on conversion	8,919,512	-	(268,915)	-	8,650,597
DfE/EFA capital grants	585,744	378,784	(19,530)	-	944,998
Capital expenditure from GAG	520,525	118,958	(28,959)	169,151	779,675
	<u>10,025,781</u>	<u>497,742</u>	<u>(317,404)</u>	<u>169,151</u>	<u>10,375,270</u>
Restricted pension funds					
Pension reserve	<u>(1,803,000)</u>	<u>-</u>	<u>(135,000)</u>	<u>(29,000)</u>	<u>(1,967,000)</u>
Total restricted funds	<u>8,313,685</u>	<u>4,195,113</u>	<u>(4,310,408)</u>	<u>214,880</u>	<u>8,413,270</u>
Unrestricted funds					
Unrestricted funds	<u>411,894</u>	<u>320,074</u>	<u>(191,271)</u>	<u>(243,880)</u>	<u>296,817</u>
Total unrestricted funds	<u>411,894</u>	<u>320,074</u>	<u>(191,271)</u>	<u>(243,880)</u>	<u>296,817</u>
Total funds	<u>8,725,579</u>	<u>4,515,187</u>	<u>(4,501,679)</u>	<u>(29,000)</u>	<u>8,710,087</u>

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

19 Funds (continued)

Company	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant (GAG)	93,346	3,412,308	(3,572,941)	72,287	5,000
Pupil premium	-	185,598	(185,598)	-	-
Other DfE/EFA grants	-	19,467	(19,467)	-	-
Individually assigned resources	-	54,382	(54,382)	-	-
Transfer of loan from Local Authority	(2,442)	-	-	2,442	-
Other restricted funds	-	25,616	(25,616)	-	-
	<u>90,904</u>	<u>3,697,371</u>	<u>(3,858,004)</u>	<u>74,729</u>	<u>5,000</u>
Restricted fixed asset funds					
Transfer from Local Authority on conversion	8,919,512	-	(268,915)	-	8,650,597
DfE/EFA capital grants	585,744	378,784	(19,530)	-	944,998
Capital expenditure from GAG	520,525	118,958	(28,959)	169,151	779,675
	<u>10,025,781</u>	<u>497,742</u>	<u>(317,404)</u>	<u>169,151</u>	<u>10,375,270</u>
Restricted pension funds					
Pension reserve	<u>(1,803,000)</u>	<u>-</u>	<u>(135,000)</u>	<u>(29,000)</u>	<u>(1,967,000)</u>
Total restricted funds	<u>8,313,685</u>	<u>4,195,113</u>	<u>(4,310,408)</u>	<u>214,880</u>	<u>8,413,270</u>
Unrestricted funds					
Unrestricted funds	<u>411,894</u>	<u>220,424</u>	<u>(91,621)</u>	<u>(243,880)</u>	<u>296,817</u>
Total unrestricted funds	<u>411,894</u>	<u>220,424</u>	<u>(91,621)</u>	<u>(243,880)</u>	<u>296,817</u>
Total funds	<u>8,725,579</u>	<u>4,415,537</u>	<u>(4,402,029)</u>	<u>(29,000)</u>	<u>8,710,087</u>

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

19 Funds (continued)

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

Restricted general funds

General Annual Grant (GAG) – Income from the EFA which is to be used for the normal running costs of the academy, including education and support costs.

Pupil premium – Income from the EFA which is to be used to address the current inequalities by ensuring that funding to tackle disadvantage reaches the pupils who need it most.

Other DfE/EFA grants - Represents other grants received that do not fall within GAG such as rates.

Individually assigned resources - Funding received from the Local Authority to fund further support for students with additional needs.

Transfer of loan from Local Authority – Represent a repayment of Salix Loan.

Other restricted funds - Represents other income received with restrictions.

Transfer between funds - The net transfers between funds amounts to £74,729. An amount of £169,151 has been transferred to the restricted fixed asset fund which relates to capital expenditure purchased from the GAG. An amount of £243,880 has been transferred from unrestricted funds to restricted general funds to cover the deficit in the restricted general fund.

Restricted fixed asset funds

Transfers from Local Authority on conversion – This fund has been set up to recognise the tangible assets gifted to the academy upon conversion by the Local Authority which represents the school site inherited from the Local Authority including the leasehold land and buildings and all material items of plant and machinery included therein. Depreciation charged on those inherited assets is allocated to the fund.

DfE/EFA capital grants – This represents devolved capital grants received during the period.

Capital expenditure from GAG – This represents fixed assets which were funded from general GAG funding. Resources expended represents depreciation charges on these assets for the year ended 31 August 2015.

Transfer between funds - The net transfers between funds amounts to £169,151 of which relates to capital expenditure purchased from GAG income.

Restricted pension funds

Pension reserve – This represents the defined benefit pension scheme liability at 31 August 2015.

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

19 Funds (continued)

Unrestricted funds

Unrestricted general funds - This represents income received that does not have restrictions.

Transfer between funds - The net transfers between funds amounts to £243,880 of which relates to restricted fund to cover deficit.

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2015. Note 2 discloses whether the limit was exceeded.

20 Analysis of net assets between funds

Group	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	10,101,735	10,101,735
Current assets	299,937	264,530	273,535	838,002
Current liabilities	(3,120)	(259,530)	-	(262,650)
Pension scheme liability	-	(1,967,000)	-	(1,967,000)
Total net assets	<u>296,817</u>	<u>(1,962,000)</u>	<u>10,375,270</u>	<u>8,710,087</u>

Company	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	10,101,735	10,101,735
Current assets	296,817	264,530	273,535	834,882
Current liabilities	-	(259,530)	-	(259,530)
Pension scheme liability	-	(1,967,000)	-	(1,967,000)
Total net assets	<u>296,817</u>	<u>(1,962,000)</u>	<u>10,375,270</u>	<u>8,710,087</u>

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

21 Capital commitments

Group	2015	2014
	£	£
Contracted for, but not provided in the financial statements	<u>320,000</u>	<u>140,000</u>
Company	2015	2014
	£	£
Contracted for, but not provided in the financial statements	<u>320,000</u>	<u>140,000</u>

22 Financial commitments

Operating leases

At 31 August 2015 the group had annual commitments under non-cancellable operating leases as follows:

Group	2015	2014
	£	£
Land and buildings		
Expiring within one year	2,698	13,998
Expiring within two and five years inclusive	<u>17,751</u>	<u>8,605</u>
	<u>20,449</u>	<u>22,603</u>

At 31 August 2015 the academy trust had annual commitments under non-cancellable operating leases as follows:

Company	2015	2014
	£	£
Land and buildings		
Expiring within one year	2,698	13,998
Expiring within two and five years unclusive	<u>17,751</u>	<u>8,605</u>
	<u>20,449</u>	<u>22,603</u>

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

23 Reconciliation of net income/(expenditure) to net cash inflow/(outflow) from operating activities

	Note	2015 £	2014 £
Net income/(expenditure)		13,508	(113,536)
Depreciation	14	317,404	315,757
Capital grants from DfE	7	(497,742)	(88,110)
Interest receivable	6	(2,245)	(4,229)
FRS 17 pension costs less contributions payable	28	54,000	73,000
FRS 17 pension finance costs	28	81,000	97,000
Decrease/(increase) in stocks		461	(2,362)
Decrease/(increase) in debtors		123,134	(123,135)
Increase/(decrease) in creditors		6,435	(6,536)
Net cash provided by operating activities		<u>95,955</u>	<u>147,849</u>

24 Returns on investments and servicing of finance

	2015 £	2014 £
Interest received	<u>2,245</u>	<u>4,229</u>
Net cash inflow from returns on investments and servicing of finance	<u>2,245</u>	<u>4,229</u>

25 Capital expenditure and financial investment

	2015 £	2014 £
Purchase of tangible fixed assets	(393,358)	(258,697)
Capital grants from DfE/EFA	497,742	88,110
Repayment of energy efficient loan	<u>(2,442)</u>	<u>(4,884)</u>
Net cash inflow/(outflow) from capital expenditure and financial investment	<u>101,942</u>	<u>(175,471)</u>

26 Analysis of changes in net funds

	At 1 September 2014 £	Cash flows £	At 31 August 2015 £
Cash at bank and in hand	<u>541,804</u>	<u>200,142</u>	<u>741,946</u>
Total cash and cash equivalents	<u>541,804</u>	<u>200,142</u>	<u>741,946</u>

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

27 Members' liability

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

28 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Somerset County Council Pension Fund. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £47,748 (2014 - £49,811) were payable to the schemes at 31 August 2015 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.

Valuation of the Teachers' Pension Scheme

Not less than every four years 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.

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

28 Pension and similar obligations (continued)

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 (currently 14.1%))
- 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%

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £221,952 (2014: £228,030).

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

Under the definitions set out in Financial Reporting Standard 17 (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £214,000 (2014 - £194,000), of which employer's contributions totalled £160,000 (2014 - £141,000) and employees' contributions totalled £54,000 (2014 - £53,000). The agreed contribution rates for future years are 18.1% per cent for employers and 5.5% - 12.5% per cent 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.

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

28 Pension and similar obligations (continued)

Principal actuarial assumptions

	At 31 August 2015	At 31 August 2014
	%	%
Rate of increase in salaries	4.50	4.50
Rate of increase for pensions in payment/inflation	2.70	2.70
Discount rate for scheme liabilities	4.00	4.00
Inflation assumptions (CPI)	2.70	2.70
RPI increases	3.60	3.50

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	+ 0.1%	0.0%	- 0.1%
	£	£	£
Adjustment to discount rate			
Present value of total obligation	3,058,000	3,143,000	3,231,000
Projected service cost	239,000	246,000	253,000
	+ 0.1%	0.0%	- 0.1%
Adjustment to rate of inflation	£	£	£
Present value of total obligation	3,213,000	3,143,000	3,075,000
Projected service cost	253,000	246,000	239,000
	+ 0.1%	0.0%	- 0.1%
Adjustment to rate of salary growth	£	£	£
Present value of total obligation	3,161,000	3,143,000	3,125,000
Projected service cost	246,000	246,000	246,000
	+ 1 Year	None	- 1 Year
Adjustment to mortality age rating assumption	£	£	£
Present value of total obligation	3,225,000	3,143,000	3,063,000
Projected service cost	252,000	246,000	240,000

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

	At 31 August 2015	At 31 August 2014
Retiring today		
Males	23.70	23.60
Females	26.10	26.00
Retiring in 20 years		
Males	26.00	25.80
Females	28.40	28.30

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

28 Pension and similar obligations (continued)

The academy trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	At 31 August 2015	At 31 August 2014
	£	£
Equities	834,000	673,000
Gilts	79,000	62,000
Bonds	123,000	111,000
Property	119,000	93,000
Cash	21,000	19,000
	<u>1,176,000</u>	<u>958,000</u>
Total market value of assets	1,176,000	958,000
Present value of scheme liabilities - funded	<u>(3,143,000)</u>	<u>(2,761,000)</u>
Deficit in the scheme	<u>(1,967,000)</u>	<u>(1,803,000)</u>

The expected rates of return were:

	At 31 August 2015	At 31 August 2014
	%	%
Equities	6.70	6.70
Gilts	3.00	3.00
Bonds	3.60	3.60
Property	5.90	5.90
Cash	<u>2.90</u>	<u>2.90</u>

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

The actual return on scheme assets was £33,000 (2014 - £113,000).

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

28 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2015	2014
	£	£
Current service cost	81,000	97,000
Total operating charge	81,000	97,000

Analysis of pension finance income/(costs)

	2015	2014
	£	£
Expected return on pension scheme assets	62,000	58,000
Interest on pension liabilities	(116,000)	(131,000)
Pension finance costs	(54,000)	(73,000)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is £802,000 loss (2014 - £773,000 loss).

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

	2015	2014
	£	£
At 1 September	2,761,000	2,668,000
Current service cost	241,000	238,000
Interest cost	116,000	131,000
Employee contributions	54,000	53,000
Actuarial (gain)/loss	-	(268,000)
Benefits paid	(29,000)	(61,000)
At 31 August	3,143,000	2,761,000

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

	2015	2014
	£	£
At 1 September	958,000	915,000
Expected return on assets	62,000	58,000
Actuarial gain/(loss)	(29,000)	(148,000)
Employer contributions	160,000	141,000
Employee contributions	54,000	53,000
Benefits paid	(29,000)	(61,000)
At 31 August	1,176,000	958,000

The estimated value of employer contributions for the year ended 31 August 2016 is £161,000.

Westfield Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

28 Pension and similar obligations (continued)

The four year history of experience adjustments is as follows:

	2015	2014	2013	2012
	£	£	£	£
Present value of defined benefit obligations	(3,143,000)	(2,761,000)	(2,668,000)	(2,143,000)
Fair value of share of scheme assets	1,176,000	958,000	915,000	620,000
Deficit in the scheme	(1,967,000)	(1,803,000)	(1,753,000)	(1,523,000)
	2015	2014	2013	2012
	£	£	£	£
Experience adjustments on share of scheme assets	(29,000)	(148,000)	64,000	9,000
Experience adjustments on scheme liabilities	-	509,000	-	-

29 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, it is inevitable that 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 academy trust's financial regulations and normal procurement procedures.

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

No disclosure is required in the consolidated financial statements of intragroup transactions and balances eliminated on consolidation. A parent undertaking is not required to provide related party disclosures in its own financial statements when those statements are presented with consolidated financial statements of its own group. WA Community Enterprises Limited is a wholly owned subsidiary of Westfield Academy Trust. Transactions between group entities have not been disclosed as is allowed under FRS8.