

Company Registration Number: 07695419 (England & Wales)

FULBROOK ACADEMY
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

FULBROOK ACADEMY**(A Company Limited by Guarantee)**

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FULBROOK ACADEMY

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Amanda Knibb (Chair of Governors) Angela Evans Nik Hartley
Governors	Amanda Knibb, Member and Chair of Governors ² Angela Evans, Member Nik Hartley, Member ¹ Samantha Clancy, Head Teacher and Accounting Officer ^{1,2} Sally Hartley, Appointed Governor ² Lindsay Smith, Appointed Governor ^{1,2} Paul Farrant, Appointed Governor ¹ Naysan Firoozmand, Appointed Governor ² Clive Cowmeadow, Appointed Governor ² Clair McDowell, Staff Governor ¹ Neil Colbourne, Staff Governor ² Catriona Williams, Parent Governor ¹ Fiona Cavanagh, Parent Governor (appointed 18 December 2019) ² Julia Murphy, Parent Governor (resigned 4 July 2020) ¹ Anthony Parish, Parent Governor (resigned 20 October 2019) ¹ ¹ Finance, Estates and Staffing (FES) Committee ² Pupil, Engagement, Achievement and Policy (PEAP) Committee
Company registered number	07695419
Company name	Fulbrook Academy
Principal and registered office	Fulbrook Academy Weathercock Lane Woburn Sands Milton Keynes Buckinghamshire MK17 8NP
Company secretary	Linda Diaby
Senior management team	Samantha Clancy, Head Teacher Jonathan Wall, Deputy Head Teacher Linda Diaby, Business Manager
Independent auditor	MHA MacIntyre Hudson Chartered Accountants Statutory Auditors Peterbridge House The Lakes Northampton NN4 7HB

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Bankers Lloyds Bank Plc
 Lloyds Court
 28 Secklow Gate West
 Milton Keynes
 Buckinghamshire
 MK9 3EH

Solicitors Browne Jacobson LLP
 Mowbray House
 Castle Meadow
 Nottingham
 NG2 1BJ

FULBROOK ACADEMY

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Governors' report and a directors' report under company law.

The Academy Trust operates an academy for pupils aged 9 to 13 serving a catchment area in Woburn Sands. It has a pupil capacity of 440 and had a roll of 453 in the school census on 16 January 2020.

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 Fulbrook Academy are also the directors of the charitable company for the purposes of company law. The charitable company operates as Fulbrook Academy (also known as Fulbrook Middle School).

Details of the Governors who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

Members' liability

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

Trustees' indemnities

Trustees benefit from indemnity insurance to cover the liability of Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of duty which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £137 (2019: £81).

Method of recruitment and appointment or election of Governors

The Members of the Trust are responsible for the appointment of Trustees except up to one Local Authority Governor who may be appointed by the Local Authority and up to two staff Governors and three parent Governors who will be appointed through an election process directed by the governing body. In the event these positions are not filled, the Members of the Trust are able to appoint to these positions.

The number of Trustees shall not be less than three.

Policies and procedures adopted for the induction and training of Trustees

Trustees are appointed based on the skills that they will bring to the governing body or based on a proposal to the governing body by representative groups. On appointment, Trustees receive information relating to the Academy Trust and attend a briefing and receive an induction pack on the roles and responsibilities of Trustees.

During the year, Trustees are offered and encouraged to attend all necessary training.

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GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

Organisational structure

The governance of the Academy Trust is defined in the Memorandum of Articles of Association together with the Funding Agreement with the Department for Education.

All Trustees are members of the Full Governing Body. In addition, Trustees are members of committees who report to the Full Governing Body. There are two Governors' committees.

The Finance, Estates and Staffing Committee reports to the Full Governing Body on finance, premises, staffing, health & safety, internal audit and Data Protection related issues.

The Pupil Engagement, Achievement and Policy Committee reports to the Full Governing Body on teaching and learning, pupils' achievement and engagement and all policies not covered by the Finance, Estates and Staffing Committee.

Trustees are also allocated Link Governor Responsibilities for areas such as Safeguarding, Curriculum Subject Areas, Health & Safety, Risk Management, Strategic Planning & Fundraising, Safeguarding, Data and Pupil Premium/SEND.

The Full Governing Body meets on at least six occasions per year.

Terms of reference exist for each committee which will be reviewed annually.

The day to day running of the School is delegated by the Governing Body to the Senior Leadership Team under the leadership of the Head Teacher, Mrs Samantha Clancy who is the Accounting Officer. Other members of the senior management team are Mr Jonathan Wall, Deputy Head Teacher and Mrs Linda Diaby, School Business Manager and Company Secretary.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration for the Head Teacher is determined by the Head Teacher's Pay Review Committee in line with the School Teachers' Pay and Conditions (STPC) Document. The Deputy Head Teacher's pay and remuneration is also determined in line with the STPC Document and reviewed annually under the School's Appraisal and Capability Policy with recommendations for pay increases submitted to the Pay Review Committee. The School Business Manager's pay and remuneration is in line with Central Bedfordshire Council's pay arrangements for Heads of Departments and reviewed annually under the Appraisal and Capability Policy with recommendations for pay increases submitted to the Pay Review Committee. Other than Staff Governors, no Trustees are paid by Fulbrook Academy.

Trade union facility time

Fulbrook Academy does not have any employees who were union officials during the year. To ensure sufficient union support facilities are available, Fulbrook Academy is part of Central Bedfordshire Council's Trade Union Facilities Service Agreement. The cost of the service from 1 April 2019 to 31 August 2020 was £1,134 (2019: £453).

Related parties and other connected charities and organisations

There are no connected charities and organisations or related party relationships.

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GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

Objects and aims

The object of the Academy Trust is to advance for the public benefit education for children aged 9 to 13 by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The Trustees' vision is to create a culture of success to extend lifetime opportunities for young people and to do everything possible to encourage this.

Students are offered a supportive, positive and dynamic learning environment that enables them to focus on their studies and extra-curricular activities. As a result, students achieve academic and technological excellence and extend their sporting, artistic and musical accomplishments.

The School fosters personal development that helps students to find meaning in their lives and respond with creativity and determination to the challenges that arise through the rapid pace of social change.

Objectives, strategies and activities

The School's objectives for the period ending 31 August 2020 were to raise the attainment level of all students through care and well-being, curriculum structure, teaching and learning, and leadership development.

Student roll – the total number on roll for the period 1 September 2019 to 31 August 2020 was 453 (as per January 2020 Pupil Census – May 2020 census was cancelled due to COVID19). (429 May 2019).

Admissions – the School admitted 125 in September 2019 (Pupil Admission Number 110).

Attendance – the pupil attendance level achieved for the period was 93.81% (as per January 2020 Pupil Census – attendance for summer term is not available due to reduced reporting requirements and COVID19).

Permanent exclusions – the aim is to have permanent exclusions only in exceptional circumstances. The School had one permanent exclusion during the period 1 September 2019 to 31 August 2020.

Staffing – the average number of (Full Time Equivalent) staff employed during the period 1 September 2019 to 31 August 2020 was 38.05.

Public benefit

The Trustees of the Academy Trust have complied with their duty to have due regards to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties.

The Academy Trust will promote 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.

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**GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Strategic report**Achievements and Performance****Attainment: KS2****Key Stage 2 Results**

Key Stage 2 Results Percentage of pupils reaching the Expected Standard and above in Reading, Writing, Teacher Assessment and Mathematics												
	Reading, Writing & Maths			Reading Test			Writing Teacher Assessment			Maths Test		
	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019
Central Bedfordshire LA	57	62	61	72	74	72	74	78	77	73	73	77
England	61	64	65	71	75	73	76	78	78	75	76	79
Fulbrook Middle School	67	73	58	77	82	67	78	83	75	82	84	69

Due to the nationwide enforced school closure from 23rd March 2020, in response to the Covid-19 pandemic, there were no national or in school assessments at the end of 2019-20.

Attainment: GL Assessment

Average Standardised Score (National Mean) = 100										
	English			Maths			Science			
Fulbrook Middle School	2017	2018	2019	2017	2018	2019	2017	2018	2019	
Year 6	108	108	103	106	105	100	111	108	104	
Year 8	109	110	107	114	117	110	105	106	104	

Science tests cover the whole of the KS3 curriculum (including Year 9 work) and therefore indicate excellent attainment in Science by the end of Year 8 by pupils at Fulbrook. Achievement in all three core subject areas by the end of Year 8 demonstrates good progress made by pupils in their four years at middle school.

Due to the nationwide enforced school closure from 23rd March 2020, in response to the Covid-19 pandemic, there were no national or in school assessments at the end of 2019-20.

Key performance indicators

The School was graded 'Good' by Ofsted in December 2016. Governors, Senior Leadership and all staff are actively addressing the two areas identified for further improvement and have them included within the School Development and Improvement Plan 2019-2020.

Other key performance indicators include:

Although it is difficult to report on attendance for 2019-20, the whole school attendance figure, for the period 4th September until 20th March, prior to enforced school closure, was 95% (where the target was 96%). This is an increase on last year, which was 94.58%. Persistent absentees have been more closely

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GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and Performance (continued)

monitored and strategies are in place to work more collaboratively with families and external agencies, in order to improve the attendance of individual pupils.

Pupil numbers have reduced from 456 in October 2019 to 413 in October 2020. 2019/20 saw an exceptional boost in pupil numbers and the dip last academic year is partly due to the smaller Year 4 cohorts of children in our feeder lower schools. It is envisaged that pupil numbers will grow, in line with the Academy's plans to change age range from September 2022.

The School places importance on staff retention and development in order to maintain the highest standards of teaching and learning.

The Academy Trust considers staff costs as a percentage of government funding to be a key performance indicator. For 2020 this was 87.1% (2019 – 97.3%). The surplus for the period, excluding restricted fixed asset funds is reviewed as a percentage of income and the 2020 result was 0.9% (2019 – deficit 8.4%)

Going concern

The Academy Trust has engaged with the ESFA appointed School Resource Management Advisors and submitted a recovery plan to the ESFA for consideration. The recovery plan identifies areas where savings can be made to avert further use of reserves for day to day operations. The ESFA was monitoring the progress of actions identified within the recovery plan and was satisfied that sufficient progress was being made. ESFA monitoring is no longer required.

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

Fulbrook Academy has received the majority of its income from the Education and Skills Funding Agency (£1,961,847). The balance of income less expenditure (excluding restricted fixed asset funds before transfers) result in a surplus of £95,846.

The reserves will be utilised for continuous improvements and for projects such as the repair and replacement of educational equipment and materials. Reserves will also be allocated to the repair, replacement and updating of the School building, its plant, equipment, and contents.

A strategic capital plan is prepared and reviewed each year by the Governors in order that the reserves can be prioritised and spent according to the needs of the School.

The principal financial management policies adopted in the year are:

- Conducting regular financial reviews of income and expenditure versus planned budgets at the Governors' Finance, Estates and Staffing Committee meetings.
- Consideration as to whether the financial income demonstrates a robust and stable position enabling the provision of sufficient quality resources to fulfil the School's educational obligations.
- Review of procurement practices across the school to ensure best value can be demonstrated.

Reserves carried forward at 31 August 2020 will be utilised as part of the medium and long term plans of

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**GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Strategic report (continued)**Financial Review (continued)**

the School to improve and update its educational resources, materials and equipment, and additionally provide a continuous improvement plan to maintain and repair the site and facilities.

The Academy Trust has recognised its share of the Local Government Pension Scheme (LGPS) assets and liabilities in accordance with Financial Reporting Standard 102. A deficit has been recognised at 31 August 2020.

Future contribution rates are adjusted in accordance with the three yearly actuary's recommendations and to reduce this deficit.

Reserves policy

The Academy Trust reviewed its reserves policy considering the reduction in funding and the School's future plans putting pressure on current reserves.

At 31 August 2020 the total funds comprised:

Unrestricted:		£
		66,084
Restricted:	Fixed asset funds	3,084,472
	Pension reserve	(1,302,000)
	Other	<u>123,134</u>
		<u>1,971,690</u>

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers' pension scheme, separate assets are held to fund future liabilities as discussed in note 23.

The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the relevant funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Governors. The aim of the Governors is to increase this reserve to meet future working capital requirements in the longer term.

Investment policy

After constructing and reporting forecasts versus budgets, the School will consider whether it is prudent to deposit funds into an account where improved terms are offered. However, given that at the time of producing this report interest rates are heading into negative returns it is not anticipated that any investments will be made in the next twelve months.

Principal risks and uncertainties

The Academy Trust has implemented a Risk Management Policy and has a risk register, which is currently being reinstated. There will also be an internal audit committee in place during the first term of 2020/21.

As always, the objectives are to have in place measures of control and mitigation, where necessary, and to manage identified risks. In July 2020, an internal review of risks and controls was completed. The review covered Corporate Governance, Resource Management, Regulatory and Compliance, Financial Controls and Strategic Planning. The results of this exercise indicated a Low potential of all risks identified.

Other key controls in place are:

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GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Financial Review (continued)

- An organisational structure with defined roles, responsibilities, and authorisations levels.
- Terms of reference for the committees of the Governing Body.
- Formal written and published policies for employees.
- Vetting procedures as required by law for the protection of the vulnerable.
- Review of the employer and employee contribution rates for the Local Government Pension Scheme for non-teaching staff based on the triennial actuarial valuations.

Until the Internal Audit Committee has been established the Academy Trust practices through its Board, namely the Governing Body and the constituted sub-committees, risk management principles (as highlighted above). Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by the Senior Leadership Team.

Fundraising

The Academy Trust is mostly funded by the Education and Skills Funding Agency. Some of the School's income is from fundraising events held during the school year for which voluntary donations are requested from parents/pupils. It is made clear to donors when fundraising is for a charity other than Fulbrook and when the fundraising is for the School.

The Academy Trust does not use commercial or professional fundraisers. Fulbrook PTA carries out fundraising activities on behalf of the Academy Trust as a registered charity. The fundraising activities carried out by Fulbrook PTA are discussed and agreed with the Academy Trust in advance of them taking place.

The Academy Trust ensures all fundraising activities are carried out without putting pressure on the public to donate. Fundraising events are carefully programmed throughout the year to ensure donators are not persistently asked to contribute.

Any complaints regarding fundraising are passed to the Head Teacher for response. There have not been any formal complaints regarding Fulbrook's fundraising activities during the financial year.

**GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Plans for future periods

School Development Plan Priorities for 2020-2021

Key Priority 1: Quality of Education

- 1.1 Further develop and embed a creative, engaging and enriching curriculum across the school; establish a shared understanding of our Curriculum Intent (both whole school and for individual subject areas), as well as how we plan to implement the curriculum and the way in which we shall measure its impact; improve cross-phase liaison; plan for curriculum 2022, identifying the examination boards for each subject area; deliver an essential curriculum, with the aim of having the curriculum back on track by summer 2021; ensure delivery of and access to high quality Remote Learning;
- 1.2 Engage with the training in Kagan Cooperative Learning Approaches and explore their use in the classroom, particularly for mixed ability teaching groups; use time productively in lessons to challenge and enthuse all pupils, (Ofsted 2016: especially the most able); develop teaching strategies and ways in which both formative and summative assessment can be achieved, in light of Covid-19 restrictions and measures;
- 1.3 Focus on high expectations and improving outcomes for all pupils, but especially the disadvantaged (RADY project) pupils with SEND and the increasing number of EAL students at Fulbrook; and
- 1.4 Raise the profile of and improve progress in reading throughout the school, establishing more robust systems of tracking and developing resources; develop the use of DEAR (Drop Everything And Read) to assist with engagement in reading by all pupils and to support the timetable set up in the autumn term.

Key Priority 2: Behaviour and Attitudes

- 2.1 Further develop the children's understanding and application of Fulbrook's core values and our mantra: Aim high, Work hard, Be kind, No excuses – what does this look, sound and feel like in our bubbles and around the school?;
- 2.2 Embed restorative practices and principles across the school, developing a relationships policy (to replace our behaviour policy); develop resources to support staff, parents and pupils and to ensure a consistent approach and a shared vocabulary; and
- 2.3 Improve our rewards systems, ensuring that they are motivational, age appropriate and in line with pupil voice.

Key Priority 3: Personal Development

- 3.1 Review current wellbeing arrangements for pupils and staff with a view to improve and to develop a whole school wellbeing policy and ethos; find ways to gauge and gather staff and pupil opinions on a more regular basis, and in the most appropriate manner in the current circumstances;
- 3.2 Further develop high quality pastoral support for all pupils and their families; review and improve ways of engaging with pupils and their families, particularly in light of any changes to personal circumstances (including financial); and
- 3.3 Further develop student leadership roles across the school; find new ways of fulfilling these roles and delivering each service.

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GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Key Priority 4: Leadership and Management

- 4.1 Further develop the capacity and strategic involvement of governors in school life;
- 4.2 Plan and facilitate high quality training, relevant to the school improvement plan and school self-evaluation, for leaders and governors;
- 4.3 Reduce workload where possible; use 'keep, tweak, add, dump' as appropriate; prioritise tasks and offer appropriate support/training, especially in the use of new technologies and lesson delivery, i.e. Microsoft Teams, Class Notebook, etc; and
- 4.4 Strengthen the effectiveness of leadership and management by developing the skills of middle leaders to evaluate the impact of their work more sharply, so that what works best is quickly identified and further developed (Ofsted 2016).

Key Priority 5: Communication and Marketing

- 5.1 Work with CBC, the Schools for the Future team and the RSC's team, in order to monitor and communicate progress towards the successful delivery of the Fulbrook Middle to Secondary project by September 2022;
- 5.2 Further develop the website to engage families and children, including prospective parents and carers; ensure that the website has up-to-date access to Covid Risk Assessment, Remote Learning and other related resources for stakeholders; offer virtual tours and similar, while actual visits to the school site are not permitted;
- 5.3 Market Fulbrook's lettings policy to generate additional income for our school; and
- 5.4 Improve liaison and communication with PTA to maximise fundraising opportunities and marketing of the school.

Key Priority 6: Premises Development and Maintenance

- 6.1 Work with CBC Project Board and Design Team (Concertus), in order to deliver the Fulbrook Middle to Secondary project by September 2022;
- 6.2 Increase amount of sheltered areas for all year round use by pupils;
- 6.3 Improve indoor and outdoor PE equipment to support active learning, aided by strategic use of the Primary PE Fund and the Secondary Teachers Alliance Project; and
- 6.4 Identify and place CIF bids and capital spend to coincide with works on the new build, in an effort to get best value for money (e.g. replacement of lift in main building at the same time of installation of lift in the new block).

The Key Priorities on the School Development Plan correspond with the 2019 Ofsted Inspection Framework and the areas on which inspectors will make their judgements. They are also heavily influenced by the current climate, restrictions and expectations placed upon us as a consequence of the Covid-19 pandemic.

Ofsted judgements will be made on the following areas:

- Quality of education – Intent, Implementation and Impact;
- Behaviour and attitudes;
- Personal development of learners; and
- Effectiveness of leadership and management.

Alongside and underpinning the School Development Plan are the three goals of our Five Year Vision and Strategy Plan:

- Academy for Life;
- Bring out the Best; and
- Connected Communities.

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**GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Objectives include:

- Continue to strengthen the pyramid of schools;
- Extend the offer for former pupils with extra-curricular opportunities, celebrating their success and offering job/apprenticeship opportunities;
- Develop success for our pupils and staff;
- Further develop community links to enable pupils, staff and parents to benefit from expertise and engagement and to offer wider opportunities to the local community based at the school;
- Develop business links;
- Contribute to training new teachers each year;
- Develop links with local government;
- Be prepared to meet parental demands to accommodate pupils wishing to attend the school;
- Increase the levels of income outside of Central Government funding; and
- Ensure we achieve Best Value for Money.

We continue to focus on the areas for improvement as identified when Ofsted last inspected the school (December 2016). These include:

- Further strengthening of the effectiveness of leadership and management by developing the skills of middle leaders to evaluate the impact of their work more sharply, so that what works best is quickly identified and further developed;
- Continued improvement to the quality of teaching so that more pupils make good and better progress by making sure that:
- All teachers use time productively in lesson to challenge and enthuse pupils, especially the most able;
- Teachers in all subjects maximise opportunities for pupils to develop their writing skills; and
- All pupils understand how their progress and attainment is measured so they are motivated to achieve their targets.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Funds held as custodian on behalf of others

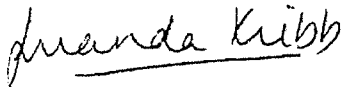
The Academy does not hold any funds as custodian trustee on behalf of others.

Disclosure of information to auditor

Insofar as the Governors are aware.

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

The Governors' Report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors and signed on its behalf by.



Amanda Knibb
Chair of Governors

Date. 23.1.21

FULBROOK ACADEMY

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Fulbrook Academy has an effective and appropriate system of control. 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.

As Governors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of Governors has delegated the day-to-day responsibility to the Head Teacher, 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 Fulbrook Academy Trust and the Secretary of State for Education. All in accordance with the 2019 Academies Financial Handbook. They are also responsible for reporting to the board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. Due to the Coronavirus outbreak the board of Governors has formally met 5 times during the year.

Attendance during the year at meetings of the board of Governors was as follows:

Governor	Meetings attended	Out of a possible
Amanda Knibb, Chair of Governors	4	5
Angela Evans	4	5
Nik Hartley	4	5
Paul Farrant	4	5
Lindsay Smith	5	5
Clive Cowmeadow	4	5
Sally Hartley	4	5
Naysan Firoozmand	5	5
Neil Colbourne, Staff Governor	5	5
Clair McDowell, Staff Governor	5	5
Catriona Williams, Parent Governor	5	5
Fiona Cavanagh, Parent Governor	3	5
Julia Murphy, Parent Governor (resigned 4 July 2020)	2	4
Anthony Parish, Parent Governor (resigned 20 October 2019)	0	1
Samantha Clancy, Head and Accounting Officer	5	5

There are currently four vacancies in the Governing Body: 1 parent governors, 1 LA governor, 1 appointed governor and 1 clerk to governors. The Local Authority has been asked to nominate an LA governor, an invitation for expressions of interest has been communicated to parents, and the appointed governor vacancy will be advertised once the skills audit has been completed. As with the clerk role, every effort is being made to fill these vacancies.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Finance, Estates and Staffing (FES) is a sub-committee of the main Board of Trustees. Its purpose is to monitor, review and challenge the School's finances, internal audit, health and safety, staffing, premises, data protection, community links and risk management. The greatest focus area during 2019-2020 continued to be the business case to the Regional Schools Commissioner to extend the age range of the school, the deficit recovery plan to the ESFA and through review on internal controls and risk.

During the year Julia Murphy and Anthony Parish resigned from the board. Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Nik Hartley	4	6
Paul Farrant	5	6
Lindsay Smith	5	6
Clair McDowell, Staff Governor	6	6
Catriona Williams, Parent Governor	3	6
Julia Murphy, Parent Governor (resigned 4 July 2020)	2	4
Anthony Parish, Parent Governor (resigned 20 October 2019)	0	1
Samantha Clancy, Head and Accounting Officer	6	6

The Pupil, Engagement, Achievement and Policy (PEAP) Committee is also a sub-committee of the main board of Trustees. Its purpose is to review policies on a rolling programme, review subjects, consider ways to improve standards, attainment and progress through discussion with subject leaders and the SLT. Pupil engagement is monitored through discussion with Pupil Council and Heads of Year. The spend of Sports Premium funding, Pupil Premium and SEND is closely monitored to raise standards for groups of children. Data is closely monitored by this Committee using various methods of assessment.

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
Clive Cowmeadow	2	4
Neil Colbourne	1	4
Naysan Firoozmand	3	4
Lindsay Smith	4	4
Amanda Knibb	3	4
Sally Hartley	4	4
Samantha Clancy, Head and Accounting Officer	4	4

Ofsted graded 'Effectiveness of Leadership and Management', including Governance, as 'Good' in December 2016.

The following is from the 'Inspection report: Fulbrook Middle School, 6-7 December 2016':

"Governance of the school has strengthened considerably since the previous inspection. Governors are well trained, confident in their roles and determined to continue to improve the quality of education that will lead to even better outcomes for pupils."

FULBROOK ACADEMY

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Governors understand the school well and have accurately evaluated its strengths and where it still need to make improvements. This is because they visit more often and meet with a wider range of staff and pupils, which gives them a fuller picture of the school. They carry out a range of monitoring visits, including looking at the quality of pupils' work. Governors meet regularly with school leaders in order to monitor specific aspects of school's work. All staff with an area of responsibility report in detail to the full governing body.

Governors are able to provide effective challenge to school leaders because they understand how to use information on how well pupils are doing to measure themselves against other schools. They check how well all groups of pupils are doing and measure the impact of spending, including the pupil premium and catch-up funding, on pupils' outcomes. They hold teachers to account for how well pupils do in their lessons and use pay increments to reward effective performance."

Review of value for money

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

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

- Utilising the Crown Commercial Services Schools Technology Framework for the procurement of the ICT support services contract.
- Successfully obtaining CIF funding to replace the school boilers, making savings on repair costs and ongoing energy efficiency savings.
- Negotiating further reductions with our insurance provider.
- Ensuring three quotes are obtained for all expenditure over £1,000 except for exceptional circumstances.
- Engaging the continued services of the School Resource Management Advisor to identify further efficiency savings.

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 Fulbrook Academy for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

FULBROOK ACADEMY

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The board of Governors 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 Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Governors.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees;
- regular reviews by the Finance, Estates and Staffing 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; and
- identification and management of risks.

The board of Trustees has accepted the need for a specific internal audit function and will put an Internal Audit Committee in place after the first FES meeting of the first term of 2020/21. However, Paul Farrant (The Reviewer), a Trustee, carried out a rolling programme of internal review of risks and controls. This lasted from September 2019 until July 2020. The areas covered included Corporate Governance, Resource Management, Financial Controls, Strategic Planning, Regulatory and Compliance.

The former Academy Member Mr V Mulligan FCCA, CIA, CSA took on the Responsible Officer role on an interim basis. In particular, the checks carried out in the current period included:

- testing of the payroll systems and transactions;
- testing of purchase orders through to payment systems;
- testing of sales ledger systems and transactions;
- testing of the bank reconciliations and bank and petty cash control accounts; and
- testing of capital projects e.g. ESFA CIF funding Fire Safety Project.

The Responsible Officer's summary was as follows: -

"In my opinion the controls and practices over the areas review operated during the period and provide assurance that the financial transactions were authorised and processed correctly and were correctly recorded in the Accounting systems."

On a termly basis the Reviewer reports to the board of Trustees through the Finance, Estates and Staffing 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 issues arising as a result of the Reviewer and Responsible Officer's work during the period 1 September 2019 to 31 August 2020.

FULBROOK ACADEMY

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

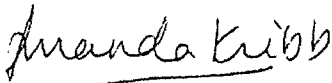
Review of effectiveness

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

- the work of the Reviewer,
- the work of the external auditor,
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

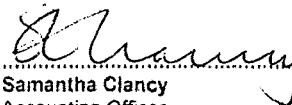
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Estates and Staffing Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Governors and signed on their behalf by:



.....
Amanda Knibb
Chair of Governors

Date: 21.1.21



.....
Samantha Clancy
Accounting Officer

FULBROOK ACADEMY

(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Fulbrook Academy I have considered my responsibility to notify the Academy Trust board of Governors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy Trust board of Governors are able to identify any material irregular or improper use of all 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 2019.

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


.....
Samantha Clancy
Accounting Officer

Date: 26.01.21

FULBROOK ACADEMY

(A Company Limited by Guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

The Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

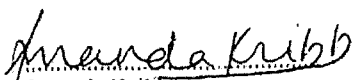
- select suitable accounting policies and then apply them consistently.
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Governors and signed on its behalf by



Amanda Knibb
Chair of Governors

Date 23.1.21

FULBROOK ACADEMY

(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
FULBROOK ACADEMY**

Opinion

We have audited the financial statements of Fulbrook Academy (the 'Academy Trust') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the accounts have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

FULBROOK ACADEMY

(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
FULBROOK ACADEMY (CONTINUED)**

Other information

The Governors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Other information includes the includes Reference and Administrative details, Trustees' Report, incorporating the Strategic Report and the Directors Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees Responsibilities Statement.. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements and.
- the financial statements have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report including the Strategic Report.

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

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

FULBROOK ACADEMY

(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
FULBROOK ACADEMY (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Governors' Responsibilities Statement, the Governors (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, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

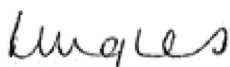
Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Use of our report

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.



Rebecca Hughes BSc(Hons) FCCA (Senior Statutory Auditor)

for and on behalf of
MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Peterbridge House
The Lakes
Northampton
NN4 7HB

Date: 29 January 2021

FULBROOK ACADEMY

(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO FULBROOK ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 20 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Fulbrook Academy during the year 1 September 2019 to 31 August 2020 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 Fulbrook Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Fulbrook Academy and ESFA 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 Fulbrook Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Fulbrook Academy's funding agreement with the Secretary of State for Education dated 1 March 2012 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 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 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

FULBROOK ACADEMY

(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO FULBROOK ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties
- consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA MacIntyre Hudson

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Peterbridge House
The Lakes
Northampton
NN4 7HB

Date: 29 January 2021

FULBROOK ACADEMY

(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants	4	970	88,784	176,126	265,880	543,858
Charitable activities	5	-	2,037,973	-	2,037,973	1,814,488
Other trading activities	6	50,873	-	-	50,873	36,311
Investments	7	110	-	-	110	157
Total income		51,953	2,126,757	176,126	2,354,836	2,394,814
Expenditure on:						
Raising funds		57,436	77,536	-	134,972	115,429
Charitable activities		-	2,023,891	194,823	2,218,714	2,174,476
Total expenditure	8	57,436	2,101,427	194,823	2,353,686	2,289,905
Net income/ (expenditure)		(5,483)	25,330	(18,697)	1,150	104,909
Transfers between funds	16	-	(2,230)	2,230	-	-
Net movement in funds before other recognised gains/(losses)		(5,483)	23,100	(16,467)	1,150	104,909
Other recognised losses:						
Actuarial losses on defined benefit pension schemes	23	-	(541,000)	-	(541,000)	(210,000)
Net movement in funds		(5,483)	(517,900)	(16,467)	(539,850)	(105,091)

FULBROOK ACADEMY**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Unrestricted funds 2020	Restricted funds 2020	Restricted fixed asset funds 2020	Total funds 2020	Total funds 2019
Note	£	£	£	£	£
Reconciliation of funds:					
Total funds brought forward	71,567	(660,966)	3,100,939	2,511,540	2,616,631
Net movement in funds	(5,483)	(517,900)	(16,467)	(539,850)	(105,091)
Total funds carried forward	<u>66,084</u>	<u>(1,178,866)</u>	<u>3,084,472</u>	<u>1,971,690</u>	<u>2,511,540</u>

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

The notes on pages 31 to 55 form part of these financial statements.

FULBROOK ACADEMY

(A Company Limited by Guarantee)
REGISTERED NUMBER: 07695419

**BALANCE SHEET
AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	2,959,887	2,929,908
Current assets			
Debtors	14	177,380	189,813
Cash at bank and in hand	20	315,850	173,218
		<u>493,230</u>	<u>363,031</u>
Creditors: amounts falling due within one year	15	(179,427)	(96,399)
Net current assets		<u>313,803</u>	<u>266,632</u>
Total assets less current liabilities		<u>3,273,690</u>	<u>3,196,540</u>
Defined benefit pension scheme liability	23	(1,302,000)	(685,000)
Total net assets		<u><u>1,971,690</u></u>	<u><u>2,511,540</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	16	3,084,472	3,100,939
Restricted income funds	16	123,134	24,034
		<u>3,207,606</u>	<u>3,124,973</u>
Restricted funds excluding pension asset	16	3,207,606	3,124,973
Pension reserve	16	(1,302,000)	(685,000)
Total restricted funds	16	<u>1,905,606</u>	<u>2,439,973</u>
Unrestricted income funds	16	<u>66,084</u>	<u>71,567</u>
Total funds		<u><u>1,971,690</u></u>	<u><u>2,511,540</u></u>

FULBROOK ACADEMY

(A Company Limited by Guarantee)
REGISTERED NUMBER: 07695419

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 26 to 55 were approved and authorised for issue by the Governors and are signed on their behalf by



.....
Amanda Knibb
Chair of Governors

Date 21.1.21

The notes on pages 31 to 55 form part of these financial statements

FULBROOK ACADEMY**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	18	191,198	(179,866)
Cash flows from investing activities	19	(48,566)	73,674
Change in cash and cash equivalents in the year		142,632	(106,192)
Cash and cash equivalents at the beginning of the year		173,218	279,410
Cash and cash equivalents at the end of the year	20, 21	315,850	173,218

The notes on pages 31 to 55 form part of these financial statements

FULBROOK ACADEMY

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

Fulbrook Academy is a private company limited by guarantee, incorporated in England. Its registered number and address of registered office are detailed on page 1. The nature of the academy trust's operations and principal activity are detailed in the Trustees' Report.

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

The financial statements are prepared in £ sterling, rounded to the nearest £1.

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Fulbrook Academy meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

- **Grants**

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)

1.3 Income (continued)

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

• **Donations**

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

• **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy Trust has provided the goods or services.

1.4 Expenditure

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

• **Expenditure on raising funds**

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

FULBROOK ACADEMY

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)**1.6 Taxation**

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

1.7 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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% straight line
Furniture and equipment	- 20% straight line
Plant and machinery	- 25% straight line
Computer equipment	- 20% straight line

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

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.10 Liabilities

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

1.11 Provisions

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

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

1.12 Financial instruments

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

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

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

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

1.13 Operating leases

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)**1.14 Pensions**

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.

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

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

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

1.15 Fund accounting

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

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

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

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

FULBROOK ACADEMY**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Academy Trust was subject to limits at 31 August 2020 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 2020.

4. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations and school funds	970	88,784	-	89,754	106,097
Capital Grants	-	-	176,126	176,126	437,761
	<u>970</u>	<u>88,784</u>	<u>176,126</u>	<u>265,880</u>	<u>543,858</u>
Total 2019	<u>2,370</u>	<u>103,727</u>	<u>437,761</u>	<u>543,858</u>	

FULBROOK ACADEMY**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

5. Funding for the Academy Trust's educational operations

	Restricted funds 2020	Total funds 2020	Total funds 2019
	£	£	£
DfE/ESFA grants			
General annual grant (GAG)	1,754,422	1,754,422	1,622,797
Other DfE/ESFA grants	136,408	136,408	51,821
Pupil premium	71,018	71,018	73,392
	<u>1,961,848</u>	<u>1,961,848</u>	<u>1,748,010</u>
Other government grants			
Special educational needs	66,138	66,138	53,069
LA income	6,740	6,740	9,185
	<u>72,878</u>	<u>72,878</u>	<u>62,254</u>
Other funding			
Other income	3,247	3,247	4,224
	<u>3,247</u>	<u>3,247</u>	<u>4,224</u>
	<u>2,037,973</u>	<u>2,037,973</u>	<u>1,814,488</u>
Total 2019	<u><u>1,814,488</u></u>	<u><u>1,814,488</u></u>	

6. Income from other trading activities

	Unrestricted funds 2020	Total funds 2020	Total funds 2019
	£	£	£
Hire of facilities	<u>50,873</u>	<u>50,873</u>	<u>36,311</u>

FULBROOK ACADEMY**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

7. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest receivable	110	110	157

8. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Expenditure on raising voluntary income:					
Direct costs	2,562	-	74,974	77,536	109,899
Expenditure on fundraising trading activities:					
Direct costs	3,384	-	54,052	57,436	5,530
Expenditure on educational operations:					
Direct costs	1,459,433	-	80,195	1,539,628	1,520,243
Allocated support costs	310,220	277,375	91,491	679,086	654,233
	<u>1,775,599</u>	<u>277,375</u>	<u>300,712</u>	<u>2,353,686</u>	<u>2,289,905</u>
Total 2019	<u>1,761,157</u>	<u>247,392</u>	<u>281,356</u>	<u>2,289,905</u>	

Net income/(expenditure) is stated after charging:

	2020 £	2019 £
Operating lease rentals	56,965	56,965
Depreciation	194,823	167,902
Profit/loss on disposal of fixed asset	-	323
Fees payable to auditor for audit	8,250	8,000
Fees payable to auditor for non-audit	2,756	1,500

FULBROOK ACADEMY**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. Analysis of expenditure by activities

	Activities undertaken directly 2020	Support costs 2020	Total funds 2020	Total funds 2019
	£	£	£	£
Educational operations	<u>1,539,628</u>	<u>679,086</u>	<u>2,218,714</u>	<u>2,174,476</u>

Analysis of support costs

	Educational operations 2020	Total funds 2020	Total funds 2019
	£	£	£
LGPS pension costs	12,000	12,000	10,000
Staff costs	310,220	310,220	325,402
Depreciation	194,823	194,823	167,897
Technology costs	28,782	28,782	26,838
Premises costs	82,552	82,552	73,965
Governance costs	1,792	1,792	1,177
Other support costs	48,917	48,917	48,954
	<u>679,086</u>	<u>679,086</u>	<u>654,233</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

10. Staff**a. Staff costs**

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	1,279,177	1,299,506
Social security costs	119,702	119,519
Pension costs	352,024	298,352
	<u>1,750,903</u>	<u>1,717,377</u>
Agency staff costs	24,016	43,780
Staff restructuring costs	680	-
	<u>1,775,599</u>	<u>1,761,157</u>

Staff restructuring costs comprise:

	2020 £	2019 £
Severance payments	680	-
	<u>680</u>	<u>-</u>

b. Staff numbers

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

	2020 No.	2019 No.
Teachers	24	22
Administration and support	21	25
Management	3	3
	<u>48</u>	<u>50</u>

c. Higher paid staff

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

FULBROOK ACADEMY**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

10. Staff (continued)**c. Higher paid staff (continued)**

	2020	2019
	No.	No.
In the band £70,001 - £80,000	<u>1</u>	<u>1</u>

The above employees participated in the Teachers' Pension Scheme and Local Government Pension Scheme. During the year ended 31 August 2020, pension contributions for these members of staff amounted to £17,548 (2019 - £12,399)

d. Key management personnel

The key management personnel of the Academy Trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £377,312 (2019 - £362,277).

11. Governors' remuneration and expenses

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

		2020	2019
		£	£
S Clancy (Head Teacher and Trustee)	Remuneration	75,000 -	70,000 -
		80,000	75,000
	Pension contributions paid	15,000 -	10,000 -
		20,000	15,000
C McDowell (Staff Trustee)	Remuneration	45,000 -	45,000 -
		50,000	50,000
	Pension contributions paid	10,000 -	5,000 -
		15,000	10,000
N Colbourne (Staff Trustee)	Remuneration	45,000 -	40,000 -
		50,000	45,000
	Pension contributions paid	10,000 -	5,000 -
		15,000	10,000

During the year ended 31 August 2020, no Governor expenses have been incurred (2019 - £NIL).

FULBROOK ACADEMY**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

12. Governors' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 was £137 (2019 - £81). The cost of this insurance is included in the total insurance cost.

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2019	3,841,249	141,758	29,120	121,693	4,133,820
Additions	146,041	1,500	75,031	2,230	224,802
Disposals	-	-	-	(150)	(150)
At 31 August 2020	<u>3,987,290</u>	<u>143,258</u>	<u>104,151</u>	<u>123,773</u>	<u>4,358,472</u>
Depreciation					
At 1 September 2019	1,001,791	75,495	21,258	105,368	1,203,912
Charge for the year	168,322	17,021	1,841	7,639	194,823
On disposals	-	-	-	(150)	(150)
At 31 August 2020	<u>1,170,113</u>	<u>92,516</u>	<u>23,099</u>	<u>112,857</u>	<u>1,398,585</u>
Net book value					
At 31 August 2020	<u>2,817,177</u>	<u>50,742</u>	<u>81,052</u>	<u>10,916</u>	<u>2,959,887</u>
At 31 August 2019	<u>2,839,458</u>	<u>66,263</u>	<u>7,862</u>	<u>16,325</u>	<u>2,929,908</u>

FULBROOK ACADEMY**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

14. Debtors

	2020	2019
	£	£
Due within one year		
Trade debtors	3,987	3,026
Other debtors	5,569	1,846
Prepayments and accrued income	167,824	184,941
	<u>177,380</u>	<u>189,813</u>

15. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	28,915	27,555
Other creditors	33,633	-
Accruals and deferred income	116,879	68,844
	<u>179,427</u>	<u>96,399</u>

	2020	2019
	£	£
Deferred income		
Deferred income at 1 September 2019	35,252	28,299
Resources deferred during the year	5,945	35,252
Amounts released from previous periods	(35,252)	(28,299)
Deferred income at 31 August 2019	<u>5,945</u>	<u>35,252</u>

Deferred income is made up of NNDR funding £5,945 (2019 - £4,822), SEND (LA Funding) £nil (2019 - £3,154) and Trips funding £nil (2019 - £27,276). All these items relate to future periods and have therefore been deferred.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds - all funds	71,567	51,953	(57,436)	-	-	66,084
Restricted general funds						
General annual grant (GAG)	-	1,754,422	(1,674,771)	(2,230)	-	77,421
Pupil premium	-	71,018	(71,018)	-	-	-
Other DfE/ESFA grants	4,365	136,408	(126,175)	-	-	14,598
Local authority grants	-	72,878	(72,878)	-	-	-
Miscellaneous restricted	-	3,048	(3,048)	-	-	-
Restricted donations	514	2,372	(2,827)	-	-	59
School funds	19,155	86,611	(74,710)	-	-	31,056
Pension reserve	(685,000)	-	(76,000)	-	(541,000)	(1,302,000)
	(660,966)	2,126,757	(2,101,427)	(2,230)	(541,000)	(1,178,866)

FULBROOK ACADEMY**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Restricted fixed asset funds						
DfE/ESFA capital grants	735,661	176,126	(44,990)	-	-	866,797
Capital expenditure from GAG	44,696	-	(11,398)	2,230	-	35,528
Capital expenditure other funds	349,093	-	(26,220)	-	-	322,873
Transfer from LA	1,971,489	-	(112,215)	-	-	1,859,274
	<u>3,100,939</u>	<u>176,126</u>	<u>(194,823)</u>	<u>2,230</u>	<u>-</u>	<u>3,084,472</u>
Total Restricted funds	<u>2,439,973</u>	<u>2,302,883</u>	<u>(2,296,250)</u>	<u>-</u>	<u>(541,000)</u>	<u>1,905,606</u>
Total funds	<u>2,511,540</u>	<u>2,354,836</u>	<u>(2,353,686)</u>	<u>-</u>	<u>(541,000)</u>	<u>1,971,690</u>

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

Restricted general funds will be used for educational purposes in line with the Academy Trust's objects and its funding agreement with the ESFA.

Restricted fixed asset funds amounting to £2,959,887 will be reserved against future depreciation charges, and the remainder of £124,585 relates to unspent capital grants which will be utilised to enhance the Academy's facilities.

The transfer between restricted funds and restricted fixed asset funds of £2,230 represents amounts capitalised during the period.

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 2020. Note 3 discloses whether the limit was exceeded.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds - all funds	156,724	38,838	(5,530)	(118,465)	-	71,567
Restricted general funds						
General annual grant (GAG)	-	1,622,797	(1,741,262)	118,465	-	-
Pupil premium	9,101	73,392	(82,493)	-	-	-
Other DfE/ESFA grants	4,068	51,821	(45,024)	(6,500)	-	4,365
Local authority grants	-	62,254	(62,254)	-	-	-
Miscellaneous restricted	-	4,224	(4,224)	-	-	-
Restricted donations	-	3,292	(2,778)	-	-	514
School funds	25,835	100,435	(107,115)	-	-	19,155
Pension reserve	(404,000)	-	(71,000)	-	(210,000)	(685,000)
	<u>(364,996)</u>	<u>1,918,215</u>	<u>(2,116,150)</u>	<u>111,965</u>	<u>(210,000)</u>	<u>(660,966)</u>

FULBROOK ACADEMY**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Restricted fixed asset funds						
Other capital grants	88,867	222,670	-	(311,537)	-	-
DfE/ESFA capital grants	549,767	215,091	(35,697)	6,500	-	735,661
Capital expenditure from GAG	56,571	-	(11,875)	-	-	44,696
Capital expenditure other funds	45,557	-	(8,001)	311,537	-	349,093
Transfer from LA	2,084,141	-	(112,652)	-	-	1,971,489
	<u>2,824,903</u>	<u>437,761</u>	<u>(168,225)</u>	<u>6,500</u>	<u>-</u>	<u>3,100,939</u>
Total Restricted funds	<u>2,459,907</u>	<u>2,355,976</u>	<u>(2,284,375)</u>	<u>118,465</u>	<u>(210,000)</u>	<u>2,439,973</u>
Total funds	<u><u>2,616,631</u></u>	<u><u>2,394,814</u></u>	<u><u>(2,289,905)</u></u>	<u><u>-</u></u>	<u><u>(210,000)</u></u>	<u><u>2,511,540</u></u>

FULBROOK ACADEMY**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

17. Analysis of net assets between funds**Analysis of net assets between funds - current period**

	Unrestricted funds 2020	Restricted funds 2020	Restricted fixed asset funds 2020	Total funds 2020
	£	£	£	£
Tangible fixed assets	-	-	2,959,887	2,959,887
Current assets	66,671	301,974	124,585	493,230
Creditors due within one year	(587)	(178,840)	-	(179,427)
Pension scheme liability	-	(1,302,000)	-	(1,302,000)
Total	66,084	(1,178,866)	3,084,472	1,971,690

Analysis of net assets between funds - prior period

	Unrestricted funds 2019	Restricted funds 2019	Restricted fixed asset funds 2019	Total funds 2019
	£	£	£	£
Tangible fixed assets	-	-	2,929,908	2,929,908
Current assets	71,567	120,433	171,031	363,031
Creditors due within one year	-	(96,399)	-	(96,399)
Pension scheme liability	-	(685,000)	-	(685,000)
Total	71,567	(660,966)	3,100,939	2,511,540

FULBROOK ACADEMY**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

18. Reconciliation of net income to net cash flow from operating activities

	2020 £	2019 £
Net income for the period (as per Statement of Financial Activities)	1,150	104,909
Adjustments for:		
Depreciation	194,823	167,902
Capital grants from DfE and other capital income	(176,126)	(437,761)
Interest receivable	(110)	(157)
Defined benefit pension scheme cost less contributions payable	64,000	61,000
Defined benefit pension scheme finance cost	12,000	10,000
Decrease/(increase) in debtors	13,020	(102,044)
Increase in creditors	82,441	15,963
Loss on sale of fixed asset	-	322
Net cash provided by/(used in) operating activities	191,198	(179,866)

19. Cash flows from investing activities

	2020 £	2019 £
Interest receivable	110	157
Purchase of tangible fixed assets	(224,802)	(364,244)
Capital grants from DfE Group	176,126	437,761
Net cash (used in)/provided by investing activities	(48,566)	73,674

20. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	315,850	173,218
Total cash and cash equivalents	315,850	173,218

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

21. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	173,218	142,632	315,850
	<u>173,218</u>	<u>142,632</u>	<u>315,850</u>

22. Capital commitments

	2020 £	2019 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	<u>40,076</u>	<u>72,457</u>

23. Pension commitments

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 Bedford Borough Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £33,633 were payable to the schemes at 31 August 2020 (2019 - £nil) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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23. Pension commitments (continued)

The Teachers' Pension Budgeting and Valuation Account

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 every 4 years. 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 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £211,024 (2019 - £150,638).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded 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 pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £99,000 (2019 - £110,000), of which employer's contributions totalled £78,000 (2019 - £87,000) and employees' contributions totalled £ 21,000 (2019 - £23,000). The agreed contribution rates for future years are 22.8 per cent for employers and 5.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

23. Pension commitments (continued)**Principal actuarial assumptions**

	2020	2019
	%	%
Rate of increase in salaries	1.60	1.85
Expected return on scheme assets 31 August	1.60	1.85
Discount rate for scheme liabilities	3.30	2.50
Inflation assumption (CPI)	2.30	2.20
Commutation of pensions to lump sums	50	50

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	22.2	20.7
Females	24.3	23.2
<i>Retiring in 20 years</i>		
Males	23.4	21.7
Females	26.1	24.7

Sensitivity analysis

	2020	2019
	£	£
Discount rate +0.1%	71,000	48,000
Discount rate -0.1%	(72,000)	(49,000)
Mortality assumption - 1 year increase	(105,000)	(78,000)
Mortality assumption - 1 year decrease	101,000	75,000
CPI rate +0.1%	(10,000)	(40,000)
CPI rate -0.1%	10,000	39,000

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FOR THE YEAR ENDED 31 AUGUST 2020**

23. Pension commitments (continued)

The Academy Trust's share of the assets in the scheme was:

	2020 £	2019 £
Equities	1,251,000	1,114,000
Bonds	297,000	250,000
Property	174,000	152,000
Cash and other liquid assets	111,000	75,000
Total market value of assets	1,833,000	1,591,000

The actual return on scheme assets was £98,000 (2019 - £42,000).

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

	2020 £	2019 £
Current service cost	(141,000)	(138,000)
Past service cost	-	(9,000)
Interest income	30,000	43,000
Interest cost	(42,000)	(53,000)
Administrative expenses	(1,000)	(1,000)
Total amount recognised in the Statement of Financial Activities	(154,000)	(158,000)

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

	2020 £	2019 £
At 1 September	2,276,000	1,921,000
Interest cost	42,000	53,000
Employee contributions	21,000	23,000
Actuarial losses	671,000	209,000
Benefits paid	(16,000)	(77,000)
Past service costs	-	9,000
Current service costs	141,000	138,000
At 31 August	3,135,000	2,276,000

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

23. Pension commitments (continued)

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2020 £	2019 £
At 1 September	1,591,000	1,517,000
Interest income	30,000	43,000
Actuarial gains/(losses)	130,000	(1,000)
Employer contributions	78,000	87,000
Employee contributions	21,000	23,000
Benefits paid	(16,000)	(77,000)
Administration	(1,000)	(1,000)
At 31 August	1,833,000	1,591,000

	2020 £	2019 £
The amounts recognised in the balance sheet are:		
Closing fair value of scheme assets	1,833,000	1,591,000
Closing defined benefit obligation	(3,135,000)	(2,276,000)
	(1,302,000)	(685,000)

	2020 £	2019 £
Total remeasurements recognised in Other Comprehensive Income:		
Changes in financial assumptions	(305,000)	(318,000)
Changes in demographic assumptions	(121,000)	109,000
Other remeasurements	(115,000)	(1,000)
	(541,000)	(210,000)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

Other finance costs

	2020 £	2019 £
Interest income on pension scheme assets	30,000	43,000
Interest on pension scheme liabilities	(42,000)	(53,000)
	<u>(12,000)</u>	<u>(10,000)</u>

24. Operating lease commitments

At 31 August 2020 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Amounts payable:		
Within 1 year	64,940	56,965
Between 1 and 5 years	250,979	241,430
Later than 5 years	55,829	130,318
Total	<u>371,748</u>	<u>428,713</u>

25. Members' liability

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

26. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the governors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the year of account, other than certain trustees' remuneration and expenses already disclosed in note 11.