

Company Number 5115594

Charity Number 110592

**FOLKESTONE ACADEMY**  
**(a company limited by guarantee)**

**TRUSTEES REPORT AND ACCOUNTS**

**FOUR MONTHS ENDED 31 AUGUST 2005**

THURSDAY



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COMPANIES HOUSE

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**FOLKESTONE ACADEMY**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

**Trustees**

Roger De Haan CBE-DL (chairman)	(appointed 24 April 2004)
Graham Badman	(appointed 21 February 2006)
Professor Sonia Blandford	(appointed 9 September 2005)
Stella Eccles	(appointed 9 September 2005)
David Melville CBE	(appointed 9 September 2005)

**Secretary**

Richard Fraser

**Registered office**

Strand House  
125 Sandgate High Street  
Folkestone CT20 3BZ

**Solicitors**

Withers LLP  
16 Old Bailey  
London EC4M 7EG

**Bankers**

National Westminster Bank plc  
37 Old Dover Road  
Canterbury CT1 3JB

**Auditors**

Baker Tilly  
18 Mount Ephraim Road  
Tunbridge Wells TN1 1ED

## **FOLKESTONE ACADEMY REPORT OF THE TRUSTEES**

The Trustees of Folkestone Academy, who are also the directors of the company, present their audited financial statements for the period ended 31 August 2005.

The Trustees have adopted the provisions of Statement of Recommended Practice (Revised 2005) "Accounting and Reporting by Charities" in preparing this report and financial statements.

### **Constitution and Principal Activities**

The Folkestone Academy, a company limited by guarantee and a registered charity, was established on 29 April 2004 (company number 5115594, charity number 110592). The company's memorandum and articles of association are the primary governing documents of the Academy. Members of the Academy are nominated either by the Secretary of State for Education and Skills or by Roger De Haan, the principal sponsor of the Academy. The articles of association require the members of the company to appoint at least three governors to be responsible for the affairs of the company and the management of the Academy.

The principal activity of the Academy is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, operating and developing a school offering a broad and balanced curriculum including an emphasis on Arts, European Culture and Languages. The Academy will commence operation during 2007 in a newly constructed building on the site of the existing Channel School in Folkestone.

The Academy has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn and that the curriculum should comply with the substance of the national curriculum.

### **Objectives**

The sole activity of the company is the operation of the Folkestone Academy to provide education for pupils of different abilities. The principal objectives of the Academy are:

- To raise the standard of educational achievement of all pupils
- To ensure that every pupil enjoys the same high quality education in terms of resourcing, tuition and care
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under review
- To provide value for money for the funds expended
- To comply with all appropriate statutory and curriculum requirements
- To maintain close links with the community, industry and commerce
- To conduct its business in accordance with the highest standards of integrity, probity and openness

## **FOLKESTONE ACADEMY REPORT OF THE TRUSTEES (CONTINUED)**

### **Trustees**

Trustees are appointed by a majority resolution of the board of trustees. The trustees are follows:

G Badman  
S Blandford  
S Eccles  
R De Haan  
D Melville

R De Haan is a member of the company but holds no beneficial interest therein.

All the trustees are also governors of the Academy and exercise their powers and functions as governors with a view to fulfilling a largely strategic role in running the Academy

### **Reserves Policy**

The policy of the trustees is to maintain a level of reserves that will be adequate to provide a stable base for the continuing operation of the Academy whilst ensuring that excessive funds are not accumulated. Through a combination of future government funding and financial support from sponsors, the trustees are satisfied that the company's reserves will be sufficient for its current purposes.

### **Investment Policy**

The company's policy is to invest surplus funds in low risk short term bank deposits.

### **Equal Opportunities**

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy aims to establish equal opportunity in all areas of its activities including creating a work environment in which the contribution and needs of all people are fully valued.

### **Operating and Financial Review**

During the past year the Academy has been established as a registered charity and a company limited by guarantee. The Academy did not operate as a school in the period ended 31 August 2005 and incurred only a minimal amount of expenditure. Other activity was limited to preparing for the construction phase of the new Academy, for which on-site works commenced in late 2005. The funding requirement to construct the new school will be met through a combination of grants from the Department for Education and Skills together with sponsorship from Roger De Haan and Kent County Council.

## **FOLKESTONE ACADEMY REPORT OF THE TRUSTEES (CONTINUED)**

As of the date of this report, the construction works are on schedule to deliver the new Academy building in time for the school year commencing in September 2007.

Income received during the period comprised a small donation to cover initial costs.

### **Risk Management**

The trustees have examined the major strategic, business and operational risks which the Academy faces and have put in place systems, policies, procedures and controls in order to manage and mitigate these risks.

### **Statement of Trustees Responsibilities**

Company Law requires the Trustees to prepare suitable financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing these financial statements, the Trustees have:

- selected suitable accounting policies and applied them consistently
- made judgements and estimates that are reasonable and prudent
- prepared the financial statements on a going concern basis

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditors**

A resolution appointing Baker Tilly as auditors to the company will be put to the Annual General Meeting.



Roger De Haan  
Trustee

On behalf of the Trustees  
2 May 2006

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FOLKESTONE ACADEMY**

We have audited the financial statements on pages 6 to 9.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

The responsibilities of the trustees (who are also the directors of Folkestone Academy for the purposes of company law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Financial Reporting and Annual Accounts Requirements issued by the Department for Education and Skills are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the financial statements are properly prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the Department for Education and Skills in respect of the relevant financial year and whether the charitable company has kept proper accounting records. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

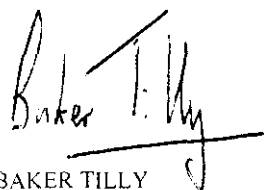
We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FOLKESTONE ACADEMY**  
**(continued)**

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 August 2005 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended and have been properly prepared in accordance with the Companies Act 1985;
- the financial statements have been prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the Department for Education and Skills in respect of the relevant financial year;
- proper accounting records have been kept by the Academy throughout the financial year.

A handwritten signature in black ink, appearing to read 'Baker Tilly', with a horizontal line drawn underneath it.

BAKER TILLY

Registered Auditor

Chartered Accountants

Hanover House

18 Mount Ephraim Road

Tunbridge Wells

Kent TN11 1ED

28 June 2006

**FOLKESTONE ACADEMY****STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)  
FOUR MONTHS ENDED 31 AUGUST 2005****Incoming resources**

	<b>General Fund £</b>
Donation-Roger De Haan Charitable Trust	13

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**13**

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**Resources expended**

Cost of generating funds	-
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**Charitable expenditure**

Management & administration	13
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<b>Total charitable expenditure</b>	<b>13</b>
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<b>Total resources expended</b>	<b>13</b>
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<b>Net income for the period</b>	<b>-</b>
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**FOLKESTONE ACADEMY  
BALANCE SHEET  
31 AUGUST 2005**

£

**Fixed assets**

Tangible assets

-

**Current assets**

Debtors

-

Cash at bank and in hand

-

**Creditors: amounts falling due within one year**

-

Net current assets

-

Total assets less current liabilities

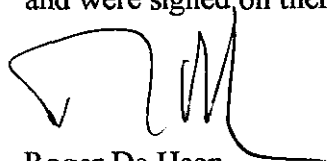
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**Funds**

General

-

The financial statements were approved by the Trustees on 2 May 2006  
and were signed on their behalf by:



Roger De Haan

Trustee

2 May 2006

**FOLKESTONE ACADEMY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2005**

**1 Accounting policies**

The financial statements have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice (Revised 2005) "Accounting and Reporting by Charities" and the Charities Act 1993.

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Grants Receivable**

Grants receivable are included in the accounts on an accruals basis. The balance of income received for specific purposes but not matched to relevant expenditure during the period is shown as a restricted fund on the balance sheet.

**Sponsorship**

The value of sponsorship provided to the Academy is recognised in the statement of financial activities in the period in which it is receivable.

**Investment Income and Interest Receivable**

*Investment income and interest receivable are included in the statement of financial activities on an accruals basis.*

**Resources Expended**

Resources expended are accounted for on an accruals basis.

**Tangible Fixed Assets**

Tangible fixed assets are included at cost and are depreciated on a straight line basis over their expected useful lives as follows:

Freehold buildings - 50 years  
Fixtures and fittings - 10 years  
Computers - 3 years

**2 Taxation**

As a registered charity, the company is not subject to taxation as it does not trade for tax purposes.

**FOLKESTONE ACADEMY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2005**

**3 Net Income for Year**

Net income is stated after charging:

Audit fee

**2005**

**£**

-

The auditors have kindly agree to waive their audit fee in view of the limited activity during the period.

**4 Staff Costs**

No staff were employed during the period. No trustee received remuneration or expenses during the period.

**5 Capital Commitments**

The company is committed to spend £36.2 million on the construction of the new Academy building. The funding for this expenditure has been committed by the Department for Education and Skills and the Academy's principal sponsor, Roger De Haan.