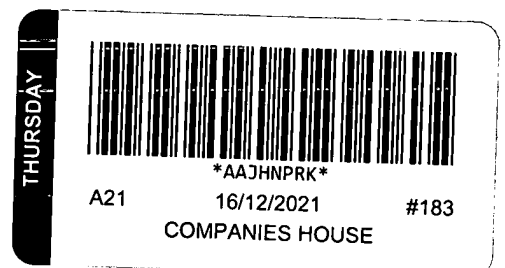


Company Registration Number: 07695419 (England & Wales)

FULBROOK ACADEMY
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



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

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

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Angela Evans Nik Hartley Amanda Knibb, Chair of Governors (resigned 31 December 2020) Sally Hartley, Chair of Governors (appointed 31 December 2020)
Governors	Amanda Knibb, Member and Chair of Governors (resigned 31 December 2020) ² Angela Evans, Member Nik Hartley, Member ¹ Samantha Clancy, Head Teacher and Accounting Officer ^{1,2} Sally Hartley, Member and appointed Chair of Governors 31 December 2020 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 (resigned 31 August 2021) ² Catriona Williams, Parent Governor (resigned 31 August 2021) ¹ Fiona Cavanagh, Parent Governor ² Terry Hooper, Staff Governor (appointed 19 October 2021) ² Simon Johnson, Appointed Governor (appointed 27 November 2020) ¹ Lorraine King, Appointed Governor (appointed 1 September 2021) Lisa Lazard-Pearce, Appointed Governor (appointed 19 October 2021) Sylvia Mensah, Appointed Governor (appointed 19 October 2021) Stephen Murphy, Staff Governor (appointed 19 October 2021) Christine Preston, Co-opted Governor (appointed 19 October 2021) 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 Hannah Nelson-Cole, Assistant Head Teacher

FULBROOK ACADEMY

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Independent auditor	MHA MacIntyre Hudson Chartered Accountants Statutory Auditors Peterbridge House The Lakes Northampton NN4 7HB
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Bankers	Lloyds Bank Plc Lloyds Court 28 Secklow Gate West Milton Keynes Buckinghamshire MK9 3EH
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Solicitors	Browne Jacobson LLP Mowbray House Castle Meadow Nottingham NG2 1BJ
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FULBROOK ACADEMY

(A Company Limited by Guarantee)

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The Governors (also known as Trustees) present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. 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 408 in the school census on 21 January 2021.

Structure, governance and management

a. Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Governors of Fulbrook Academy Trust Limited 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.

b. Members' liability

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

Governors' indemnities

Governors benefit from indemnity insurance to cover the liability of Governors 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 of in relation to the Academy Trust. The cost of this insurance in the year was £126 (2020: £137).

c. Method of recruitment and appointment or election of Governors

The Members of the Trust are responsible for the appointment of Governors 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 Governors shall not be less than three.

d. Policies and procedures adopted for the induction and training of Governors

Governors 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, Governors receive information relating to the Academy Trust and attend a briefing and receive an induction pack on the roles and responsibilities of Governors.

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

FULBROOK ACADEMY

(A Company Limited by Guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)**e. 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 Governors are members of the Full Governing Body. In addition, Governors 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.

Governors are also allocated Link Governor Responsibilities for areas such as Safeguarding, Curriculum Subject Areas, Health & Safety, Risk Management, Strategic Planning & Fundraising, 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 are reviewed annually.

The day to day running of the Academy 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, Mrs Hannah Nelson-Cole, Assistant Head Teacher and Mrs Linda Diaby, School Business Manager and Company Secretary.

f. 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 Academy'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 Governorss are paid by Fulbrook Academy.

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

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)**g. Trade union facility time****Relevant union officials**

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time £

Total cost of facility time	1,107
Total pay bill	1,831,735
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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h. Related parties and other connected charities and organisations

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

Objectives and activities**a. 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, managing, and developing a school offering a broad and balanced curriculum for all.

The Governors' vision is to create a culture of success, to extend lifetime opportunities for young people and to do everything possible to achieve 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, extend their sporting, artistic and musical accomplishments, and experience personal success.

The Academy 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.

FULBROOK ACADEMY

(A Company Limited by Guarantee)

**GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Objectives and activities (continued)**b. Objectives, strategies and activities**

The Academy's objectives for the year ending 31 August 2021 were to raise the attainment level of all students through care, support guidance and well-being, curriculum structure, teaching and learning, and leadership development.

Student roll: the total number on roll for the period 1 September 2020 to 31 August 2021 was 408 as per January 2021 Pupil Census. (453 January 2020).

Admissions – the Academy admitted 106 in September 2020 (Pupil Admission Number 110).

Attendance – the pupil attendance level achieved for the period was 95% (Target was 96%. N.B. attendance data impacted by reduced reporting requirements and COVID-19).

Permanent exclusions – the aim is to have permanent exclusions only in exceptional circumstances. The Academy had no permanent exclusions during the period 1 September 2020 to 31 August 2021.

Staffing – the average number of (Full Time Equivalent) staff employed during the period 1 September 2020 to 31 August 2021 was 37.

c. Public benefit

In setting our objectives and planning our activities the Governors have carefully considered the Charity Commission's general guidance on public benefit.

The Governors 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.

Strategic report**Achievements and Performance**

Due to the nationwide enforced school closures in 2019-2020 and again in 2020-21, in response to the Covid-19 pandemic, there were no national or in school assessments at the end of the two most recent academic years.

a. Key performance indicators

The School was graded 'Good' by Ofsted in December 2016. Governors, Senior Leadership and all staff have actively addressed the two areas identified for further improvement and have included them within the School Development Plan for the most recent academic years. Due to the impact of the pandemic, priorities have changed. However, development of middle leaders and a focus on the improvement of the quality of teaching have remained key priorities.

Other key performance indicators include:

Attendance - although it is difficult to report accurately on attendance for 2020-21 (as a result of the pandemic and enforced school closure), the whole school attendance figure, for the summer term, post enforced school closure, was 95% (where the target was 96%). This was the same figure as the previous year (during which

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**GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Strategic report (continued)**Achievements and Performance (continued)**

there had also been a period of enforced school closure). Persistent absentees have been more closely 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 increased from 413 in October 2020 to 427 in October 2021 (as per October Census). It is envisaged that pupil numbers will continue to grow, in line with the academy's plans to change age range from September 2022, when it begins its transition to an extended secondary school.

The school places importance on staff retention and development in order to maintain the highest standards of teaching and learning. There has been more staff movement in the last academic year, as the school prepares to become an extended secondary school. All recent recruitment has been of staff with recent secondary experience and with a view to meet the requirements of the proposed staffing structure for the future school.

The Academy Trust considers staff costs as a percentage of government funding to be a key performance indicator. For 2021 this was 77.8% (2020: 87.1%). The surplus for the period, excluding restricted fixed asset funds is reviewed as a percentage of income and the 2021 result was 5.3% (2020: 0.9%).

b. Going concern

The Academy Trust has submitted a business case, with 5 year budgets, to the Regional Schools Commissioner for conversion to an extended secondary school from September 2022, which has been approved. This follows approval from Central Bedfordshire Council to provide the capital funding required for additional teaching spaces required, including a new teaching block and sports hall.

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

Financial Review

Fulbrook Academy has received the majority of its income from the Education and Skills Funding Agency (£2,157,102). The balance of income less expenditure (excluding fixed asset funds before transfers) result in a surplus of £150,716.

Reserves carried forward at 31 August 2021 will be utilised for the continuous improvements and for projects such as the repair, replacement and upgrading of educational equipment and materials in preparation for conversion to extended secondary age range. Reserves will also be allocated to the repair, replacement and updating of the Academy buildings, 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 Academy.

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 2021.

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

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

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

The financial effects of the COVID-19 pandemic, some of which are still ongoing, are:

- Increased cost of cleaning materials, including hand sanitisers, antibacterial wipes, hand towels, PPE.
- Additional health & safety costs, installing Perspex screens in classrooms.
- Additional ICT equipment purchased to enable home learning and home working, partially covered by additional ESFA funding.
- Additional ICT licences required to enable home learning and home working.
- Increased cost of catering contract due to loss of school meals income and staff being furloughed (the furlough grants have been passed on).
- Cost of purchasing vouchers to replace free school meals, covered by additional ESFA funding.
- Increased cost of curriculum bought in professional services utilised to provide specialist support to our more vulnerable SEND pupils, funded from additional ESFA funding.
- Significant loss of income from lettings and hire of facilities due to restrictions imposed during lockdowns. These funds are relied upon to cover the operating lease costs of the Academy's 3G pitch. The contribution to a sinking fund for the surface replacement costs in future years may be scaled back if required to reduce the effects of the loss of income.

a. Reserves policy

The Academy Trust reviewed its reserves policy considering the Academy's future plans and the pressure this could up on reserves going forward.

At 31 August 2021 the total funds comprised:

Unrestricted		42,517
Restricted:	Fixed asset funds	2,888,328
	Pension reserve	(1,566,000)
	Other	392,405
		<hr/>
		1,757,250
		=====

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.

b. Investment policy

After constructing and reporting forecasts versus budgets, the Academy 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 not significantly beneficial, it is not anticipated that any investments will be made in the next twelve months.

FULBROOK ACADEMY

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

c. Principal risks and uncertainties

This year (2020/21) has continued to be dominated by the impact of the pandemic. The safety and wellbeing of the staff and pupils were uppermost for the Governing Board and its associated committees. Various Covid-19 Risk assessments were raised throughout the year and were vetted by the Finance, Estates and Staffing committee (FES) before being shared with the Full Governing Board (FGB). Weekly updates were sent out by the Accounting Officer to all Staff, Parents and Carers, as well as Governors.

The Audit and Risk Committee was combined with FES so that despite the need for virtual meetings the Trust's financial risk management objectives and its exposure to financial risks were visited on a half termly basis. The Trust's annual turnover is approximately £2.4m and approximately up to 80% of this is directly attributed to staff costs (salaries etc.), therefore the risk of exposure to fraud is quite negligible. Irrespective of that, the FES meetings cover the following topics:

- a) total spend to date and year end forecasts,
- b) staffing changes,
- c) any H&S issues (including buildings and health wellbeing),
- d) risk register and
- e) any GDPR issues.

Other key controls in place are:

- 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.

Fundraising

The Academy Trust is mostly funded by the Education and Skills Funding Agency. Some of the Academy'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 Academy.

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 donors 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 2021**

Plans for future periods

School Development Plan Priorities for 2021-2022

Key Priority 1: Quality of Education

- 1.1 Further develop and embed a creative, engaging and enriching curriculum across the school; embed a shared understanding of our Curriculum Intent (both whole school and for individual subject areas), as well as how we implement the curriculum and the way in which we measure its impact; improve cross-phase liaison; plan for curriculum 2022, offering a high quality KS3 curriculum; identify KS4 examination boards for each subject area; ensure delivery of and access to high quality Remote Learning as required; provide a range of extra-curricular opportunities, in line with pupil interest and need.
- 1.2 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 used to good effect; improve pupil engagement, active participation and ability to learn independently.
- 1.3 Focus on high expectations and improving outcomes for all pupils, but especially the disadvantaged and pupils with SEND, as well as the increasing number of EAL students at Fulbrook; identify and monitor groups for specific intervention, based on assessment data analysis and regular review of pupil progress.
- 1.4 Raise the profile of and improve progress in reading throughout the school, establishing more robust systems of tracking and developing resources; implement a whole school reading action plan, ensuring continuity between the Key Stages; develop the whole school approach to teaching spelling, handwriting, vocabulary and SPAG with clarity of progression of skills and knowledge in these aspects; develop writing skills and resilience in writing across subjects; raise standards and the level of challenge in mathematics across the school, with a particular focus on arithmetic.

Key Priority 2: Behaviour and Attitudes

- 2.1 Further develop all stakeholders' understanding and application of Fulbrook's mantra: Aim high, Work hard, Be kind, No excuses and review the school's core values, linking these with the mantra, in readiness for September 2022.
- 2.2 Embed restorative practices and principles across the school, developing our relationships and rewards policy (formerly the behaviour policy); develop resources to support staff, parents and pupils and to ensure a consistent approach and a shared vocabulary; Improve systems of recording, monitoring and reviewing incidents; Improve our rewards systems, ensuring that they are motivational, age appropriate and in line with pupil voice.
- 2.3 Review structure of day – to allow for 'readiness for learning' (check in am, Bell work...) and timings of day in readiness for September 2022; Consult on and make changes to uniform, school name and branding.
- 2.4 Ensure that our policies and curriculum frame a whole school approach to safeguarding and child protection and respond appropriately to reports of sexual violence and harassment, as well as any discriminatory behaviours; Review Anti-bullying policy RSHE policy and curriculum; Racism policy and our approach to the celebration and of and teaching about LGBT.

Key Priority 3: Personal Development

- 3.1 Review current wellbeing arrangements for pupils and staff with a view to improve, develop and embed a whole school wellbeing policy and ethos; find ways to gauge, gather and respond to staff and pupil opinions on a more regular basis.
- 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; develop the role of KS2 and 3 pastoral support coordinators.
- 3.3 Further develop student leadership roles across the school; Ensure clear succession planning and training opportunities for such roles; Ensure proportional representation; Develop and extend our extra-curricular offer.
- 3.4 Establishment of Working Parties to ensure a collegiate and collaborative approach to the development of Fulbrook as an extended secondary.

**GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Plans for future periods (continued)

Key Priority 4: Leadership and Management

- 4.1 Further develop the capacity and strategic involvement of Governors in school life. Improve capacity by ensuring clarity of role and line management responsibility for SLT and ELT.
- 4.2 Plan and facilitate high quality training, relevant to the school improvement plan and school self-evaluation, for leaders and Governors; Enable all leaders to develop their role in transition to secondary school – training and collaboration with existing secondary providers.
- 4.3 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).
- 4.4 Manage staff workload.

Key Priority 5: Communication and Marketing

- 5.1 Improve communication channels and the school's social media presence, finding the most appropriate way to promote the school; Work with CBC, the Schools for the Future team and the RSC's team, in order to monitor and communicate progress towards September 2022 and delivery of extended secondary.
- 5.2 Further develop the website to engage families and children, including prospective parents and carers; Ensure information – including curriculum information - is better organised and easy to access, reflecting and showcasing what makes Fulbrook unique and our approach/'The Fulbrook Way'.
- 5.3 Have a recruitment and retention plan that ensures the school has the best staff for September 2022 and beyond.
- 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; align with the work of the Implementation Team and other areas of the SDP.
- 6.2 Develop plan for reallocation of existing rooms to house department and faculty areas, optimising use of existing buildings; Have fundraising plan to support refurbishment of existing site and resourcing of new school layout.
- 6.3 Tender for cleaning, catering and grounds maintenance, so that they are fit for purpose for an extended secondary school and offer best value for money.
- 6.4 Identify and place CIF bids and capital spend to coincide with works on the new build, to improve current facilities and supplement the build and refurbishment funded by CBC.

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 school's future plans and transition from middle to secondary school.

Ofsted judgements will be made on the following areas:

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

Alongside and underpinning the School Development Plan is the school's Vision and Strategy Plan, which are being reviewed in light of the recent approval by the Regional Schools' Commissioner for the significant change to the academy.

FULBROOK ACADEMY

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**GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Plans for future periods (continued)

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;
- All pupils understand how their progress and attainment is measured so they are motivated to achieve their targets.

Funds held as custodian on behalf of others

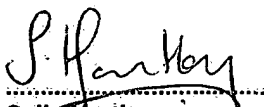
The Academy does not hold any funds as custodian trustee on behalf of others.

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:



Sally Hartley
Chair of Governors

Date: 15/12/2021

FULBROOK ACADEMY

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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, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

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. 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. The board of Governors has formally met 6 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 (resigned 31 December 2020)	2	2
Angela Evans	6	6
Nik Hartley	5	6
Paul Farrant	6	6
Lindsay Smith	6	6
Clive Cowmeadow	4	6
Sally Hartley, Chair of Governors (appointed 31/12/2020)	6	6
Naysan Firoozmand	5	6
Neil Colbourne, Staff Governor (resigned 31 August 2021)	5	6
Clair McDowell, Staff Governor	6	6
Catrina Williams, Parent Governor (resigned 31 August 2021)	6	6
Fiona Cavanagh, Parent Governor	6	6
Samantha Clancy, Head and Accounting Officer	6	6
Simon Johnson (appointed 27 November 2020)	4	5

A Governing Body review was carried out in June 2021 where a skills survey identified areas required to be filled for the coming year and to prepare the Academy for transition to a secondary school.

A recruitment campaign followed and all vacant posts have now been filled.

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

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Finance, Estates and Staffing (FES) is a sub-committee of the main board of Governors and includes the Audit Committee. Its purpose is to monitor, review and challenge the Academy's finances, internal audit, health and safety, staffing, premises, data protection, community links and risk management. The greatest focus area during 2020-2021 continued to be seeking approval from the Regional Schools Commissioner (RSC) to extend the age range of the school and working with Central Bedfordshire Council (CBC) on plans and capital funding for the building infrastructure required to deliver these changes. Approval has now been granted by the RSC and funding approved by CBC, with the planning application now awaiting approval.

The Academy's finance system was also changed during the year to enable better monthly financial reporting and better budget control for budget holders.

During the year Simon Johnson joined the committee and Catriona Williams resigned from the committee.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Nik Hartley	6	6
Paul Farrant, Chair of FES	6	6
Lindsay Smith	5	6
Clair McDowell, Staff Governor	5	6
Catriona Williams, Parent Governor (resigned 31 August 2021)	3	6
Simon Johnson, Parent Governor (appointed 27 November 2020)	4	4
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 Governors. Its purpose is to review policies on a rolling programme, review subjects, and consider ways to improve standards, attainment and progress through discussion with subject leaders and the Senior Leadership Team. Pupil engagement is monitored through discussion with Student Council and Heads of Year/Key Stage. The spend of Primary PE and Sports Grant, 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.

During the year Amanda Knibb, Catriona Williams and Neil Colbourne resigned from the board. Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Clive Cowmeadow, (Chair of PEAP)	6	6
Neil Colbourne (resigned 31 August 2021)	2	6
Naysan Firoozmand	4	6
Lindsay Smith	5	6
Amanda Knibb, (Chair of Governors) resigned 31 December 2020	0	2
Sally Hartley	6	6
Samantha Clancy, Head and Accounting Officer	6	6
Fiona Cavanagh	6	6
Catriona Williams (Parent Governor) resigned 31 August 2021	2	6

FULBROOK ACADEMY

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

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.

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:

- Replacing the school boilers, using CIF funding, enabling for efficient use of energy.
- Obtaining 3 quotes to upgrade the school's Wi-Fi system.
- Taking advantage of special offers on classroom furniture to start the process of upgrading this in readiness for secondary age pupils.
- Utilising the Schools Buying Club, Everything FM framework to start the process of tendering for a cleaning contract (tender issued 1st November 2021).

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 Trust for the period 1 September 2020 to 31 August 2021 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Governors.

The risk and control framework

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

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

The board of Governors had accepted the need for a specific internal audit function and agreed last year that the Audit and Risk committee should be incorporated within the Finance, Estates and Staffing committee. The latter, as yet, have failed to appoint an independent 'Internal Auditor' as described in the Academy Trust Handbook (updated 2021). The pandemic has made it difficult to invite visitors into the school, so the plans to interview suitable parents or local companies have not materialised. Approaches have been made to the Local Authority without success. However, as highlighted earlier under the Principal Risks and Uncertainties, the FES committee has covered all the areas to minimise the Academy's exposure to all risks including fraud.

It should be noted that as soon as an 'Internal Auditor' has been appointed, they will be furnished with an approved audit plan/schedule.

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 school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

FULBROOK ACADEMY

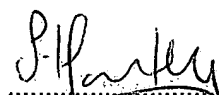
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GOVERNANCE STATEMENT (CONTINUED)

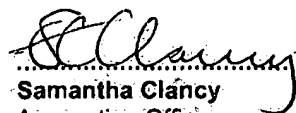
Review of effectiveness (continued)

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:



Sally Hartley
Chair of Governors



Samantha Clancy
Accounting Officer

Date: 15/12/2021

FULBROOK ACADEMY

(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Fulbrook Academy Trust, I have considered my responsibility to notify the Academy Trust board of Governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of 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 2020.

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 2020.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance have been discovered to date has been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of Governors and ESFA.

Matter One - Internal scrutiny - Section 3.1, 3.16 and 3.21

It is a requirement that the Trust should have in place a process for checking its financial systems, controls, transactions and risks. During the year the Academy Trust failed to comply with the Academies Financial Handbook in respect of section 3.1 as there was no independent checking of financial controls, systems, transactions, and risks, no reports were circulated to trustees and there was no annual summary for submission to ESFA.

From 1 September 2021 the Academy Trust has engaged an independent CIMA qualified accountant to carry out the Internal Auditor role, along with an internal scrutiny programme to follow.

Matter Two – Monitoring the Budget- Sections 2.18 and 2.21

It is a requirement that the Trust's financial plans are prepared and monitored, satisfying itself that the Trust remains a going concern and financially sustainable. During the year, the Academy Trust failed to comply with Sections 2.18 and 2.19 and as management accounts are not prepared monthly, only every 2 months. They also failed to comply with Section 2.21, as although there was an income and expenditure account and a comparative to budget report there were no cash flows or balance sheets presented.

From 1 September 2021 the Academy Trust will produce a full pack of financial management reports on a monthly basis.


Samantha Clancy
Accounting Officer

Date: 15/12/2021

FULBROOK ACADEMY

(A Company Limited by Guarantee)

**STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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:

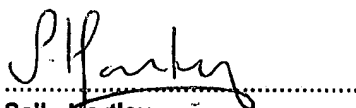
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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:



Sally Hartley
Chair of Governors

Date: 15/12/2021

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 2021 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 2020 to 2021 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 2021 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 2020 to 2021 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

In auditing the financial statements, we have concluded that the Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

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 other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Governors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' 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 Governors

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

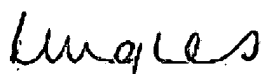
FULBROOK ACADEMY

(A Company Limited by Guarantee)

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

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

Northampton

Date: 14 December 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 14 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, 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 2020 to 31 August 2021 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 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts 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.

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

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)

- 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, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Matter One - Internal scrutiny - Section 3.1, 3.16 and 3.21

It is a requirement that the Trust should have in place a process for checking its financial systems, controls, transactions and risks. During the year the Academy Trust failed to comply with the Academies Financial Handbook in respect of section 3.1 as there was no independent checking of financial controls, systems, transactions, and risks, no reports were circulated to trustees and there was no annual summary for submission to ESFA.

From 1 September 2021 the Academy Trust has engaged an independent CIMA qualified accountant to carry out the Internal Auditor role, along with an internal scrutiny programme to follow.

Matter Two – Monitoring the Budget- Sections 2.18 and 2.21

It is a requirement that the Trust's financial plans are prepared and monitored, satisfying itself that the Trust remains a going concern and financially sustainable. During the year, the Academy Trust failed to comply with Sections 2.18 and 2.19 and as management accounts are not prepared monthly, only every 2 months. They also failed to comply with Section 2.21, as although there was an income and expenditure account and a comparative to budget report there were no cash flows or balance sheets presented.

From 1 September 2021 the Academy Trust will produce a full pack of financial management reports on a monthly basis.

MHA MacIntyre Hudson

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Northampton

Date: 14 December 2021

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	575	1,489	9,702	11,766	265,880
Charitable activities	4	-	2,304,353	-	2,304,353	2,037,973
Other trading activities	5	37,203	-	-	37,203	50,873
Investments	6	48	-	-	48	110
Total income		37,826	2,305,842	9,702	2,353,370	2,354,836
Expenditure on:						
Raising funds		-	75,802	-	75,802	134,972
Charitable activities		61,393	2,055,757	231,858	2,349,008	2,218,714
Total expenditure	7	61,393	2,131,559	231,858	2,424,810	2,353,686
Net income/ (expenditure)		(23,567)	174,283	(222,156)	(71,440)	1,150
Transfers between funds	15	-	(26,012)	26,012	-	-
Net movement in funds before other recognised losses		(23,567)	148,271	(196,144)	(71,440)	1,150
Other recognised losses:						
Actuarial losses on defined benefit pension schemes	22	-	(143,000)	-	(143,000)	(541,000)
Net movement in funds		(23,567)	5,271	(196,144)	(214,440)	(539,850)

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Reconciliation of funds:						
Total funds brought forward		66,084	(1,178,866)	3,084,472	1,971,690	2,511,540
Net movement in funds		(23,567)	5,271	(196,144)	(214,440)	(539,850)
Total funds carried forward		42,517	(1,173,595)	2,888,328	1,757,250	1,971,690

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 2021**

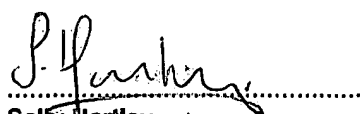
	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	2,855,936	2,959,887
Current assets			
Debtors	13	83,385	177,380
Cash at bank and in hand	19	498,861	315,850
		<u>582,246</u>	<u>493,230</u>
Creditors: amounts falling due within one year	14	(114,932)	(179,427)
Net current assets		<u>467,314</u>	<u>313,803</u>
Total assets less current liabilities		<u>3,323,250</u>	<u>3,273,690</u>
Defined benefit pension scheme liability	22	(1,566,000)	(1,302,000)
Total net assets		<u><u>1,757,250</u></u>	<u><u>1,971,690</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	15	2,888,328	3,084,472
Restricted income funds	15	392,405	123,134
		<u>3,280,733</u>	<u>3,207,606</u>
Restricted funds excluding pension asset	15	3,280,733	3,207,606
Pension reserve	15	(1,566,000)	(1,302,000)
Total restricted funds	15	<u>1,714,733</u>	<u>1,905,606</u>
Unrestricted income funds	15	<u>42,517</u>	<u>66,084</u>
Total funds		<u><u>1,757,250</u></u>	<u><u>1,971,690</u></u>

FULBROOK ACADEMY

(A Company Limited by Guarantee)
REGISTERED NUMBER: 07695419

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

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



Sally Hartley
Chair of Governors

Date: 15 / 12 / 2021

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 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	17	301,168	191,198
Cash flows from investing activities	18	(118,157)	(48,566)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		183,011	142,632
Cash and cash equivalents at the beginning of the year		315,850	173,218
Cash and cash equivalents at the end of the year	19, 20	<hr/> 498,861 <hr/>	<hr/> 315,850 <hr/>

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 2021**

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 Governors' 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 2020 to 2021 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 2021**

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

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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 straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long-term leasehold property	- 5% 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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 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 13. 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 14. 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.

1.12 Operating leases

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.13 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 Governor 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 deficit 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 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.

1.14 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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 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 22, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations and school funds	575	1,489	-	2,064	89,754
Capital Grants	-	-	9,702	9,702	176,126
	<u>575</u>	<u>1,489</u>	<u>9,702</u>	<u>11,766</u>	<u>265,880</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. Funding for the Academy Trust's educational operations

	Restricted funds 2021	Total funds 2021	Total funds 2020
	£	£	£
DfE/ESFA grants			
General Annual Grant (GAG)	1,949,400	1,949,400	1,754,422
Other DfE/ESFA grants			
Other DfE/ESFA grants	59,485	59,485	66,483
Pupil Premium	75,151	75,151	71,018
Teachers pension grant	73,066	73,066	69,925
	<u>2,157,102</u>	<u>2,157,102</u>	<u>1,961,848</u>
Other Government grants			
Special educational needs	73,108	73,108	66,138
LA income	-	-	6,740
	<u>73,108</u>	<u>73,108</u>	<u>72,878</u>
	<u>8,103</u>	<u>8,103</u>	<u>3,247</u>
Other income			
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	33,040	33,040	-
Other DfE/ESFA COVID-19 funding	33,000	33,000	-
	<u>66,040</u>	<u>66,040</u>	<u>-</u>
	<u><u>2,304,353</u></u>	<u><u>2,304,353</u></u>	<u><u>2,037,973</u></u>

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Teachers Pension Grant and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy received £33,040 of funding for catch-up premium and costs incurred in respect of this funding totalled £33,040 with no balance carried forward.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Hire of facilities	37,203	37,203	50,873

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest receivable	48	48	110

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Expenditure on raising voluntary income:					
Direct costs	-	-	14,408	14,408	77,536
Expenditure on fundraising trading activities:					
Direct costs	1,791	-	59,603	61,394	57,436
Expenditure on educational operations:					
Direct costs	1,465,178	-	143,548	1,608,726	1,539,628
Allocated support costs	362,975	322,704	54,603	740,282	679,086
	1,829,944	322,704	272,162	2,424,810	2,353,686

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

Net income/(expenditure) is stated after charging:

	2021 £	2020 £
Operating lease rentals	56,965	56,965
Depreciation	231,858	194,823
Profit/loss on disposal of fixed asset	40	-
Fees payable to auditor for audit	9,200	8,250
Fees payable to auditor for non-audit	2,500	2,756
	<u>500,563</u>	<u>365,544</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	<u>1,608,726</u>	<u>740,282</u>	<u>2,349,008</u>	<u>2,218,714</u>

Analysis of support costs

	Educational operations 2021 £	Total funds 2021 £	Total funds 2020 £
LGPS pension costs	20,000	20,000	12,000
Staff costs	364,766	364,766	310,220
Depreciation	231,858	231,858	194,823
Technology costs	8,933	8,933	28,782
Premises costs	64,725	64,725	82,552
Governance costs	12,634	12,634	12,798
Other support costs	37,366	37,366	37,911
	<u>740,282</u>	<u>740,282</u>	<u>679,086</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. Staff**a. Staff costs**

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	1,308,766	1,279,177
Social security costs	127,765	119,702
Pension costs	393,245	352,024
	<u>1,829,776</u>	<u>1,750,903</u>
Agency staff costs	168	24,016
Staff restructuring costs	-	680
	<u>1,829,944</u>	<u>1,775,599</u>

Staff restructuring costs comprise:

	2021 £	2020 £
Severance payments	-	680
	<u>-</u>	<u>680</u>

b. Staff numbers

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

	2021 No.	2020 No.
Teachers	21	24
Administration and support	21	21
Management	3	3
	<u>45</u>	<u>48</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1

The above employees participated in the Teachers' Pension Scheme and Local Government Pension Scheme. During the year ended 31 August 2021, pension contributions for these members of staff amounted to £19,122 (2020: £22,034)

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 £384,500 (2020: £377,312).

10. Related Party Transactions - 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:

		2021 £	2020 £
S Clancy (Head Teacher and Governor)	Remuneration	75,000 -	75,000 -
		80,000	80,000
	Pension contributions paid	15,000 -	15,000 -
C McDowell (Staff Governor)		20,000	20,000
	Remuneration	50,000 -	45,000 -
		55,000	50,000
N Colbourne (Staff Governor), resigned 31 August 2021	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
	Remuneration	45,000 -	45,000 -
		50,000	50,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000

During the year ended 31 August 2021, no Governor expenses have been incurred (2020 - £NIL).

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. 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 2021 was £126 (2020: £137). The cost of this insurance is included in the total insurance cost.

12. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2020	3,987,290	143,258	104,151	123,773	4,358,472
Additions	9,841	6,265	101,934	9,907	127,947
Disposals	-	-	-	(1,669)	(1,669)
At 31 August 2021	3,997,131	149,523	206,085	132,011	4,484,750
Depreciation					
At 1 September 2020	1,170,113	92,516	23,099	112,857	1,398,585
Charge for the year	170,802	15,890	38,697	6,469	231,858
On disposals	-	-	-	(1,629)	(1,629)
At 31 August 2021	1,340,915	108,406	61,796	117,697	1,628,814
Net book value					
At 31 August 2021	2,656,216	41,117	144,289	14,314	2,855,936
At 31 August 2020	2,817,177	50,742	81,052	10,916	2,959,887

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

13. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	500	3,987
VAT recoverable	13,096	5,569
Prepayments and accrued income	69,789	167,824
	<u>83,385</u>	<u>177,380</u>

14. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	16,345	-
Other taxation and social security	31,150	28,915
Other creditors	33,616	33,633
Accruals and deferred income	33,821	116,879
	<u>114,932</u>	<u>179,427</u>

	2021 £	2020 £
Deferred income		
Deferred income at 1 September	5,945	35,252
Resources deferred during the year	2,713	5,945
Amounts released from previous periods	(5,945)	(35,252)
Deferred income at 31 August	<u>2,713</u>	<u>5,945</u>

Deferred income is made up of NNDR funding £nil (2020: £5,945) and SEND (LA Funding) £2,713 (2020: £nil). These items relate to future periods and have therefore been deferred.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds - all funds	66,084	37,826	(61,393)	-	-	42,517
Restricted general funds						
General annual grant (GAG)	77,421	1,949,400	(1,652,647)	(24,812)	-	349,362
Pupil premium	-	75,151	(73,951)	(1,200)	-	-
Other DfE/ESFA grants	14,598	132,551	(130,404)	-	-	16,745
Local authority grants	-	73,108	(73,108)	-	-	-
Miscellaneous restricted	-	2,701	-	-	-	2,701
Restricted donations	59	1,489	-	-	-	1,548
School funds	31,056	5,402	(14,409)	-	-	22,049
Catch-up premium	-	33,040	(33,040)	-	-	-
Other ESFA COVID-19 funding	-	33,000	(33,000)	-	-	-
Pension reserve	(1,302,000)	-	(121,000)	-	(143,000)	(1,566,000)
	<u>(1,178,866)</u>	<u>2,305,842</u>	<u>(2,131,559)</u>	<u>(26,012)</u>	<u>(143,000)</u>	<u>(1,173,595)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
DfE/ESFA capital grants	866,797	9,702	(38,696)	-	-	837,803
Capital expenditure from GAG	35,528	-	(6,470)	24,812	-	53,870
Capital expenditure other funds	322,873	-	(15,890)	1,200	-	308,183
Transfer from LA	1,859,274	-	(170,802)	-	-	1,688,472
	<u>3,084,472</u>	<u>9,702</u>	<u>(231,858)</u>	<u>26,012</u>	<u>-</u>	<u>2,888,328</u>
Total Restricted funds	<u>1,905,606</u>	<u>2,315,544</u>	<u>(2,363,417)</u>	<u>-</u>	<u>(143,000)</u>	<u>1,714,733</u>
Total funds	<u>1,971,690</u>	<u>2,353,370</u>	<u>(2,424,810)</u>	<u>-</u>	<u>(143,000)</u>	<u>1,757,250</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.

The General Annual Grant reserve has been built up to fund the additional resources and staffing required for transition to secondary school status. This has been approved by the Regional Schools Commissioner (RSC) and Fulbrook Academy will become a secondary school from September 2022. The business case submitted to the RSC included five year budgets showing the use of the reserves for this purpose. The current pupils will benefit from the use of these reserves as they will be continuing their education at Fulbrook Academy to Year 11.

Restricted fixed asset funds amount to £2,855,936 will be reserved against future depreciation charges, and the remainder of £32,392 related 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 £26,012 represents amounts capitalised during the period.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Statement of funds (continued)

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

	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)
	<u>(660,966)</u>	<u>2,126,757</u>	<u>(2,101,427)</u>	<u>(2,230)</u>	<u>(541,000)</u>	<u>(1,178,866)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. 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>

16. Analysis of net assets between funds**Analysis of net assets between funds - current year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	2,855,936	2,855,936
Current assets	42,517	507,337	32,392	582,246
Creditors due within one year	-	(114,932)	-	(114,932)
Pension scheme liability	-	(1,566,000)	-	(1,566,000)
Total	<u>42,517</u>	<u>(1,173,595)</u>	<u>2,888,328</u>	<u>1,757,250</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Analysis of net assets between funds (continued)**Analysis of net assets between funds - prior year**

	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

17. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2021 £	2020 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(71,440)	1,150
Adjustments for:		
Depreciation	231,858	194,823
Capital grants from DfE and other capital income	(9,702)	(176,126)
Interest receivable	(48)	(110)
Defined benefit pension scheme cost less contributions payable	101,000	64,000
Defined benefit pension scheme finance cost	20,000	12,000
Decrease in debtors	93,995	13,020
(Decrease)/increase in creditors	(64,495)	82,441
Net cash provided by operating activities	301,168	191,198

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

18. Cash flows from investing activities

	2021 £	2020 £
Interest receivable	48	110
Purchase of tangible fixed assets	(127,947)	(224,802)
Proceeds from the sale of tangible fixed assets	40	-
Capital grants from DfE Group	9,702	176,126
Net cash used in investing activities	(118,157)	(48,566)

19. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	498,861	315,850
Total cash and cash equivalents	498,861	315,850

20. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	315,850	183,011	498,861
	315,850	183,011	498,861

21. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	40,076

**NOTES TO THE FINANCIAL STATEMENTS
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22. 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 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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.

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.

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22. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £210,245 (2020 - £211,024).

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 Governor-administered funds. The total contribution made for the year ended 31 August 2021 was £107,000 (2020 - £99,000), of which employer's contributions totalled £84,000 (2020 - £78,000) and employees' contributions totalled £ 23,000 (2020 - £21,000). The agreed contribution rates for future years are 22.8 per cent for employers and 5.5 per cent for employees.

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

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.90	3.30
Discount rate for scheme liabilities	1.65	1.60
Inflation assumption (CPI)	2.90	2.30
Commutation of pensions to lump sums	50.00	50.00
Expected return on scheme assets 31 August	1.65	1.60

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22. Pension commitments (continued)

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

	2021 Years	2020 Years
Retiring today		
Males	21.9	22.2
Females	24.3	24.3
Retiring in 20 years		
Males	22.9	23.4
Females	26.0	26.1

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	84	71
Discount rate -0.1%	(86)	(72)
Mortality assumption - 1 year increase	(157)	(105)
Mortality assumption - 1 year decrease	150	101
CPI rate +0.1%	(11)	(10)
CPI rate -0.1%	11	10

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

22. Pension commitments (continued)**Share of scheme assets**

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

	2021 £	2020 £
Equities	1,498,000	1,251,000
Bonds	400,000	297,000
Property	200,000	174,000
Cash and other liquid assets	47,000	111,000
Total market value of assets	2,145,000	1,833,000

The actual return on scheme assets was £217,000 (2020 - £98,000).

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

	2021 £	2020 £
Current service cost	(183,000)	(141,000)
Interest income	30,000	30,000
Interest cost	(50,000)	(42,000)
Administrative expenses	(2,000)	(1,000)
Total amount recognised in the Statement of Financial Activities	(205,000)	(154,000)

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

	2021 £	2020 £
At 1 September	3,135,000	2,276,000
Interest cost	50,000	42,000
Employee contributions	23,000	21,000
Actuarial losses	330,000	671,000
Benefits paid	(10,000)	(16,000)
Current service costs	183,000	141,000
At 31 August	3,711,000	3,135,000

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	1,833,000	1,591,000
Interest income	30,000	30,000
Actuarial gains	187,000	130,000
Employer contributions	84,000	78,000
Employee contributions	23,000	21,000
Benefits paid	(10,000)	(16,000)
Administration	(2,000)	(1,000)
At 31 August	2,145,000	1,833,000

	2021 £	2020 £
The amounts recognised in the balance sheet are:		
Closing fair value of scheme assets	2,145,000	1,833,000
Closing defined benefit obligation	(3,711,000)	(3,135,000)
	(1,566,000)	(1,302,000)

	2021 £	2020 £
Total remeasurements recognised in Other Comprehensive Income:		
Changes in financial assumptions	(417,000)	(305,000)
Changes in demographic assumptions	36,000	(121,000)
Other remeasurements	238,000	(115,000)
	(143,000)	(541,000)

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**NOTES TO THE FINANCIAL STATEMENTS
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Other finance costs

	2021 £	2020 £
Interest income on pension scheme assets	30,000	30,000
Interest on pension scheme liabilities	(50,000)	(42,000)
	<u>(20,000)</u>	<u>(12,000)</u>

23. Operating lease commitments

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Amounts payable:		
Within 1 year	60,890	64,940
Between 1 and 5 years	237,942	250,979
Later than 5 years	7,976	55,829
Total	<u>306,808</u>	<u>371,748</u>

24. Members' liability

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

25. 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 Governors' remuneration and expenses already disclosed in note 10.