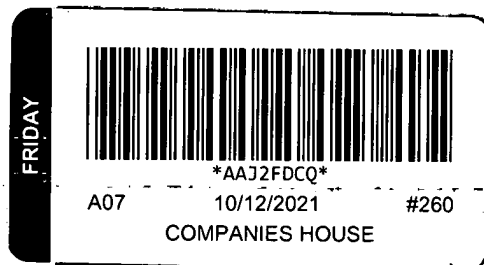


Company Registration Number: 08398143 (England & Wales)

**THE FULHAM CROSS ACADEMY TRUST**  
(A Company Limited by Guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**



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**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Members**

D Wright  
P Barton  
P Alford  
S Holder  
D McNamara

**Directors**

S English  
T Barrett  
J Medina  
G Barlow (resigned 16 October 2020)  
D Wright  
P Barton, Chair of Directors  
S Hannaford (resigned 5 May 2021)  
R Leighton  
A McCracken (resigned 13 October 2020)  
S Ahmed  
E Porter  
S Brooks, Executive Principal & Accounting Officer  
T Polglase  
T Kelly  
C Malissard  
C Easton  
S Maheswaran  
B Beason (appointed 14 October 2020)  
N Said (appointed 17 March 2021)  
L Martin (appointed 30 June 2021)  
N Yates (appointed 1 September 2020)  
S Kaur (appointed 30 June 2021)

**Company registered number**

08398143

**Company name**

The Fulham Cross Academy Trust

**Principal and registered office**

Fulham Cross Girls' School  
Munster Road  
London  
SW6 6BP

**Company secretary**

T Scott

**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**Senior leadership team**

**FCAT**

S Brooks, Executive Principal  
T Scott, Chief Operations Officer

**FCGS**

D Fox, Head of School  
V Tully, Deputy Headteacher  
L Grainger, Deputy Headteacher  
S Powell, Deputy Headteacher  
C Drew, Assistant Headteacher  
A Thorpe, Assistant Headteacher  
H Bristow, Assistant Headteacher  
B Beeson, Business Manager

**FCA**

A Jones, Head of School  
C Johnson, Deputy Headteacher  
M McDermott, Assistant Headteacher  
D Dotting, Assistant Headteacher  
V Naidoo, Assistant Headteacher  
J Medina, Assistant Headteacher  
R Jones, Assistant Headteacher  
L Robins, Business Manager

**Independent auditors**

Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

**Bankers**

Lloyds Bank Plc  
417 North End Road  
Fulham  
London  
SW6 1NS

**Solicitors**

Browne Jacobson  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ

**THE FULHAM CROSS ACADEMY TRUST**  
(A Company Limited by Guarantee)

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

The Directors present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Directors' report and a directors' report under company law.

**Objectives and activities**

**a. Objects and aims**

The Company's objects ("the Objects") are specifically restricted to the following:

- a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum;
- b) to promote for the benefit of the inhabitants of the London Borough of Hammersmith and Fulham and its surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare and the object of improving the condition of life of the said inhabitants.

**b. Objectives, strategies and activities**

The schools are working towards the following strategic targets:

The Trust includes Fulham Cross Girls' School ('FCGS') and Fulham Cross Academy ('FCA'), a mixed, STEM specialist school. Until September 2020 FCA was Fulham College Boys' School ('FCBS'); FCA has also expanded the Sixth Form curriculum with effect from September 2020.

Following a review by the Directors of existing secondary education provision in the London Borough of Hammersmith & Fulham, which identified the need for a mixed school with a STEM focus in the Borough to leverage off the growing number of science and technology-focused businesses and organisations moving to or expanding in the White City area of the Borough, a consultation was held in relation to FCBS and a submission for a change of status was presented and accepted by the Regional Schools Commissioner in June 2019. During the 2019/20 academic year the relaunched Fulham Cross Academy was promoted to Year 6 students in Hammersmith and Fulham and neighbouring boroughs for a mixed intake in Year 7 only. The enhanced Sixth Form offer which includes STEM A Levels was also promoted.

The Executive Principal developed a three-year Strategic Plan for the Trust under the broad headings of consolidate, develop, and growth. Seven strategic targets were also developed:

1. All learners experience a transformative 'Quality of Education'
2. Developing young people of the future - 'Personal Development'
3. Securing excellent 'Behaviour and Attitudes' for all learners
4. Ensuring financial viability
5. Dynamic and focused leadership is rigorous and robust at all levels across the Trust
6. Professional Growth 'Growing a workforce for an evolving world'
7. Marketing the Trust as a centre of excellence rooted in our vision

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

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**Objectives and activities (continued)**

**c. Public benefit**

The primary purpose of the Trust is the advancement of education of its students, who come from a range of backgrounds. The schools develop community cohesion by bringing together students from varied backgrounds; 71.2 % of students are from black and minority ethnic heritage and 39.1% of students speak English as an additional language. 41.4% of students are eligible for the pupil premium.

The Trust is united under its vision which was revised this academic year to respond to the growth of the Trust Sixth Form.

Fulham Cross Academy Trust is driven by a passion to see the young people who arrive through our doors succeed. We are committed to providing a high quality, forward-thinking education for our students – equipping them with the tools to flourish beyond our walls.

We aim to instill compassion, empathy and respect in all our students, whilst also fostering a love for learning. At the end of their seven year Fulham Cross journey, students will be confident and creative individuals with an unshakeable sense of self-worth who have gained the confidence and skills to reach their full potential in life.

We are an open, diverse and inclusive community where all students reach the heights of aspiration through nurturing self-confidence, belief and becoming a global citizen.

The Directors have given careful consideration to the Charity Commission's general guidance on public benefit; in particular through the various links with other schools and groups, through the outreach and leadership work done as part of transition work with local primary schools and through charity work.

During the year new building works were completed on site including a new science block at each site and a new gym on the Fulham Cross Girls School site which primary students were taking advantage of, as and when possible before and during the Covid-19 outbreak as and when the restrictions allowed.

The schools have embraced the global changes that have taken place recently, ensuring students and families were involved and contributed to the Black Lives Matter movement, the need to be proactive around climate change, the importance of emotional / physical resilience during a national lockdown and the identification and delivery of personalised catch-up support for each student. This work continues to permeate the curriculum and the personal development of our students continues to be a driving force across the Trust.

**Achievements and performance**

**a. Key performance indicators**

The Key Performance Indicators (KPI's) used by the Directors to assess performance of the schools are:

- Pupil outcomes
- Quality of teaching, learning and assessment
- Outcomes from regular Quality Assurance Processes
- Ofsted inspection judgements
- Student and parent satisfaction
- Producing a balanced budget which meets the Trust's needs with an adequate reserve

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

**Achievements and performance (continued)**

**b. Review of activities**

The Board of Directors (the 'Executive Board') have received regular updates about the schools' achievements and performance throughout the year via regular formal reports from the Executive Principal and the Head of School of FCGS. The following is a summary of the progress against the KPIs:

Detailed below is a table of the results for Fulham Cross Academy at KS4 (it is important to note that there were 65 students in this cohort and 47 who had prior data):

	<b>2019</b>	<b>2020</b>	<b>2021</b>
Progress 8	-0.91	0.36	0.01
Attainment 8	38.00	48.04	44.11
Grade 4+/C En & ma	52.0%	63.7%	60.0%
Grade 5+ En & ma	23.0%	41.3%	37.5%

Detailed below is a table of the results for Fulham Cross Girls' School at KS4:

	<b>2019</b>	<b>2020</b>	<b>2021</b>
Progress 8	0.55	0.62	0.80
Attainment 8	53.20	55.10	57.85
Grade 4+/C En & ma	71.0%	75.2%	77.7%
Grade 5+ En & ma	46.0%	56.2%	59.0%

All grades for the Summer 2021 GCSEs were based on the higher of Teacher/Centre Assessed Grades and the process was managed with the utmost scrutiny. A full summary of these has been shared with the Executive Board in the annual report on results.

There was a 100% pass rate for students leaving Fulham Cross Sixth Form and the progress made in these BTEC qualifications was excellent. Leavers went on to university, apprenticeships or straight into work. A detailed summary of these was also shared with the Executive Board.

The second lockdown saw the numbers attending the in-school provision rise due to increased issues around adolescent mental health. The Trust responded by providing training for staff; MIND, Papyrus and our in-house Personalisation teams supported this.

The changes to Keeping Children Safe in Education documentation were communicated to staff and policies amended to reflect this. All staff take an annual safeguarding quiz in relation to the documentation and subsequent training and quizzing took place the year.

Through the Government Chromebook scheme and our own fundraising, we were able to ensure that all students had access to a device to complete remote learning. Extensive research was carried out and the decision was made to record all lessons so that students could access them again, to allow support and challenge. Live meets were scheduled every day for students to meet a teacher and discuss their learning and any other needs.

All staff and students were happy to see the schools reopen, but in line with Government guidance the closure of bubbles for multiple positive cases impacted on learning. The Trust was commended by the Local Authority for its detailed plan.

Summer schools were opened to support learning in the lower schools and to aid transition for Year 6 to 7 cohorts and the national tutoring programme and funding were utilised across both schools at KS4 and KS5.

The annual cycle of Quality Assurance was moved online, with all subject areas receiving quality feedback to increase the impact of remote learning; dissolving the screen, practical learning and google suite were used to support this. Directors were regularly updated in this area, including percentage of engagement and what the schools were doing to support students who were not regularly engaging. This support included home visits and utilising external agencies.

Behaviour in both schools is at least good and incidents of bullying are rare. Fixed term exclusions at both schools continue to show a reducing trend.

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

**Achievements and performance (continued)**

Professional Growth targets are set for all staff (classroom based and non-classroom based). All targets are rooted in the professional standards and all levels; including mastery teaching. These targets are reviewed 3 times per year and in light of bubble closures and the second lockdown were amended accordingly.

After the announcement of Teacher/Centre Assessed Grades the Trust Senior Leadership Team began a rigorous process of exams and work collection. Due to the Trust schools teaching similar qualifications an extra layer of moderation was able to take place. Several senior leaders completed training with Browne Jacobson to ensure the policy and procedures were exemplary. This proved to be the case as no appeals were upheld.

The Trust was able to set a balanced budget for the year but needed to draw from reserves to do so.

The Senior Leadership Team of both schools have been challenged and well supported by the Directors throughout the year. This is evidenced within the minutes of the Executive Board and Committee meetings.

**c. Covid-19 impact on Trust operations**

**(i) Operations**

Whilst the schools re-opened without the needs for bubbles in September 2020 the covid pandemic continued to impact on the operations of the schools in a number of significant ways, including financially.

**(ii) Staff**

Prior to the vaccination programme reaching school staff, there were significant absences of staff and students arising from covid or proximity to covid sufferers. Under lockdown, remote learning and the roll out of on-line learning devices had been extended significantly and when staff and students were absent this form of learning was resorted to again. Much administrative time was taken up on advising and reporting on covid absence cases including significant legal advice in particular cases.

There was significant operational disruption in implementing Lateral Flow testing regimes at very short notice and with little practical support other than via the internet. In most cases support staff had to juggle their operational responsibilities for covid testing and risk assessment precautions with their financial and premises-related practical and compliance duties, which proved highly challenging. Sadly, one member of the school finance team passed away from covid, adding to the burden.

**(iii) Students/curriculum provision**

After covid lockdown the schools re-opened in September 2020 with a regime of Lateral Flow testing on site, followed by the distribution of lateral flow test kits for home use by staff and students. Following the Government guidelines, the schools were reorganised into class size sets within year group "bubbles", each of which was restricted to a specific area of the relevant school. Arrangements for catering, assemblies and specialist teaching were all curtailed during this period. Specialist teaching and practical work could only be re-started as Government guidelines allowed.

Whilst the move to restricting movement to class groups within larger year group bubbles reduced the need to send large numbers of students home where covid was detected, there were still periods when teaching for some students had to be undertaken on-line. The on-line learning system put in place under lockdown again proved its worth. The efficiency of the on-line learning system was supplemented by the opening of the new ICT facilities invested in by the Trust from its reserves.

The Trust took full advantage of the additional ICT kit and resources made available by the DfE to equip students at home with on-line portals (Chromebooks), supplementing the project with its own funds and those it successfully managed to raise from charity. A programme is in place to enable students to have a laptop on loan from the Trust which they can use throughout their school career, purchasing this should they wish to. The uptake of this scheme is, so far, lower than expected but all students who need it are granted access to a facility.

Due to the disruption to students' education during this time, each school continued to log calls and issues, ensuring staff were satisfied that students' education and progress was assessed. Through CPD and discussion of the issues there was a heightened awareness in the school staff community of the additional pressure placed on families and students. Child protection considerations were afforded an even higher priority and referrals made as appropriate.



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

**Achievements and performance (continued)**

**(iv) Free School Meal provision**

In addition to the Edenred distribution of Free School Meals vouchers arranged by the Government nationally, the Local Authority, with the additional funding made available, continued to provide Free School Meals vouchers through each school's vacation. This programme again was organised by school administrative staff who often delayed their holidays to complete the process in time.

**(v) Health and Safety**

The Trust continued to expend additional resources on personal protective equipment (PPE), hand sanitizer, making up signs and additional cleaning as the school buildings have reopened. It was possible to cover these additional costs with resources made available by the government for the lateral flow testing arrangements.

**(vi) Contractors**

During the period, and in line with Government guidelines to support the economy, the Trust continued to pay its key contractors for cleaning and catering, and also continued to pay other organisations with whom a formal service level agreement ('SLA') existed, even though in many cases no deliverable service was possible from them. Whilst the Trust has not sought to take part in, or benefitted from, the Government furlough scheme, where SLA contractors managed to do so the on-going cost to the Trust was reduced in some cases. However, this policy developed into a significant expense (£40k) when the schools were faced with the actual total catering labour costs, as there was no off-set income from students when the breakfast and breaktime facilities were curtailed to avoid mixing of bubbles.

**(vii) HR/Staff**

The Trust continued to follow national advice and, in consultation with its own legal advisors, continued to meet the full salary costs of all directly employed staff. Staff not wishing to return to work when requested were dealt with on a case-by-case basis. The Trust made no furlough applications.

Difficulties arose in the latter part of the year when staff not choosing to have the vaccine had to isolate and the Trust had no alternative but to provide full pay and discount their absence from its usual procedures. This resulted in the burden of providing cover for teaching or administrative roles falling on those who elected to take the vaccine.

**(viii) Executive Board, Members, Committees**

Executive Board and Committee meetings continued to be virtual only until September 2021, since when Executive Board meetings have resumed in person. Whilst all meetings have none the less taken place, the Strategic Management Committee has again been convened for the more immediate decisions and consultation needed to keep pace with the rapidly changing Government strategy and advice on how schools should operate. Where formal meetings were not possible, the Chair's action was taken. Regular updates were provided to all Directors on the changing situation.

**(ix) Financial controls, internal audit and internal scrutiny**

In spite of lockdown, the Trust continued to operate its full internal financial controls and audit processes (except where the lockdown prevented this happening in real time) and the bank statements were monitored regularly. No cases of fraud were identified. As for 2019/20, the Trust found difficulty in implementing its plans for enhanced internal scrutiny. Despite engaging a third party for the purpose, there was reluctance to attend the schools' sites due to the restrictions and engagement on-line was limiting. It did prove possible, however, to independently review the Trust's Risk Register and action feedback to the Directors. A curriculum-led financial review was as undertaken with acknowledgement of the current context (a growing roll, the move to an academic Sixth Form and cross-Trust deployment of staff) and with guidance on the plan for the 2022/23 staffing year. Consideration was also given the Trust's existing budget monitoring and financial reporting and the value enhancing the ESFA-led monthly reports would add in a small multi-academy trust such as the Trust over the existing quarterly reporting system.

**(x) Value for money**

The Trust believes that it continues to operate appropriate procedures to obtain value for money. Whilst the cost of materials for building refurbishment have doubled the Trust continues to extract significant discounts from its contractors even where the normal procurement processes have not proved possible.

**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**Financial review**

Most of the Trust's income is obtained from the ESFA, an executive agency sponsored by the Department for Education ('DfE'), principally in the form of a recurrent annual grant, the use of which is restricted to cover the normal running costs of the schools. The grants received from the ESFA during the period ended 31 August 2021 totalled £8.8m (2020: £8.6m) and the associated expenditure totalled £9.4m (2020: £9.1m) (excluding transfers) and are shown as restricted general funds in the Statement of Financial Activities.

The fixed asset fund includes assets acquired on conversion and restricted asset grants provided by the DfE. Total income, which in 2021 included capital grant income arising from the two Priority School Building Projects at the Trust, was £4.1m (2020: £6.3m). The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned; a charge of £926k (2020: £505k) was made in the period. The balance on the fund at the period end totalled £47.7m (2020: £44.5m), which is in line with the net book value of assets held on the balance sheet.

During the year ending 31 August 2021 total income of £9.3m (2020: £9.1m) (excluding restricted fixed asset funds) was lower than expenditure of £9.9m (2020: £9.6m) (excluding fixed asset costs) by £612k (2020: £511k lower than expenditure).

The Trust took on pension liabilities relating to staff members transferred from its predecessor schools that were part of the Local Government Defined Benefits pension scheme. As at 31 August 2021, the scheme's liabilities exceeded its assets by £7.2m (2020: £6.1m). As the amount of pension scheme assets being held is less than the liability value, the implication is that the Trust will eventually need to make good this deficit. It is therefore treated as a provision in the Trust's financial statements, although this does not need to be paid immediately, nor does it affect the current cash contributions paid by the Trust as an employer to the local government pension scheme.

**a. Going concern**

After making appropriate enquiries, the Executive Board has a reasonable expectation that the 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.

**b. Financial risk management objectives and policies**

Structures and procedures are in place to identify and mitigate financial risks as discussed throughout this report. The Local Government Pension Scheme is currently in deficit but at present there are no plans to change the agreed contribution rates or any current cash flow risk.

The Trust maintains a comprehensive Risk Register covering universal and school specific risks, the latter based on both the political and local landscape. The full Risk Register is formally reviewed at least annually with the Key Risks regularly reviewed as part of the strategic plan at all levels. The Key Financial Risks, identified at the outset of the Trust formation, are 1) roll numbers, 2) funding levels and 3) costs. The Risk Register highlights the need for an ongoing strategy to ensure the viability of the Trust. The most recent developments affecting this assessment are: the continuing increase of surplus educational places in the locality; the impact of changes in the economy generally (including pressures on central government resources as a result of the Covid-19 outbreak) and the resulting decline in funding across the education sector from public sources (including reductions in post 16 funding and other Trust grant funding) in the face of rising employment costs, and the move to a National Funding Formula which threatens to undermine the basis on which schools in the Trust have developed over the past 25 years.

The Directors have increased the level of risk of the Trust's financial resources falling below those needed to operate the schools as a result of new schools opening in the locality, in that whilst it is acknowledged there will be a bulge of students feeding through in the next few years the Trust cannot be certain that this will lead to an increasing roll. However, the Directors believe that the conversion of FCBS into FCA, and the expansion of its Sixth Form offering, with effect from September 2020 have mitigated this risk.

The Trust has commissioned a third party service for Internal Scrutiny in addition to its own controls. The output of this process is being monitored by the Audit Committee, Accounting Officer (AO) and Auditors. The Trust intends to take fuller advantage of support for its monthly reports now that it is more possible for contractors and auditors to visit the schools.

**THE FULHAM CROSS ACADEMY TRUST**  
(A Company Limited by Guarantee)

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

**c. Principal risks and uncertainties**

The Fulham Cross Academy Trust is subject to various risks as is common with other academy trusts. The Directors keep under review the strategic risks facing the Trust and the programmes which help to manage or mitigate the risks. Risks are managed and reduced through the workings of the Executive Board, Committees, Senior Leadership Team and Staff. Directors' Committees monitor, direct and evaluate curriculum and performance results, ethos, premises management, Health & Safety and financial controls and procedures within the schools. Safeguarding, equality and child protection procedures are regularly reviewed and monitored. Where possible, the Directors have limited the risk through insurance such as public and employee liability, and property insurance.

The following risk management measures have been developed by the Directors and Senior Leadership Team:

<b>Risk</b>	<b>Action</b>	<b>Mitigating Effect</b>
Competition from local schools with sixth form provision	The relaunch of FCA as a mixed STEM specialist school with an expanded Sixth Form offer.	FCA improved its roll by 52 (census October 2021)
Curriculum to meet the needs of a variety of students	Increasing the 16-19 offer has attracted larger numbers to the Sixth Form.	The STEM A Level offer has proven popular at both schools and an increase of girls from FCGS attending the Sixth Form took place (17 more than previous years).
Continual drive to improve attainment	Implementing relentless drive to further enhance teaching and learning through CPD and expert internal training.	Results for 2021 were the results of Teacher/Centre Assessed Grades. There was a continued improvement at FCGS and results fitting a high mobility cohort were recorded at FCA.
Reducing budget in real terms	3-5 Year budget modelling. A long-term project developing exemplifications showing a variety of financial outcomes.	Formulation of the risk mitigation strategies outlined in this table.
Maintaining & developing the estate	Update of Trust Asset Management Plan for short, medium- and long-term repairs and maintenance.  Taking advantage of DfE and other green investment strategies to externalise capital costs and drive down revenues spent on energy.	Greater economies of scale and formal tenders for works. Better use of estate investment.  Significant improvements to the estate of each school.
Value for money	Evaluation of underperforming contractors.  To retender larger contracts such as Meals and Cleaning. A re-evaluation of all areas of revenue expenditure.  Review of Trust activities using the recent ESFA/DfE guidance.	Dismissal of underperforming contractors. Establishment of more economic contracts.  Ensuring the very best value whilst maintaining student and health and safety needs.  Benchmarking activities guide further reviews of expenditure.

**THE FULHAM CROSS ACADEMY TRUST**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**d. Reserves policy**

At 31 August 2021 the Trust held free reserves (unrestricted funds) of £1.1m (2020: £1.5m) and no general restricted fund balance. The free reserves are available for the general objects of the Trust. The Trust holds a further £47.8m (2020: £44.5m) in restricted asset funds, tied up in the fixed assets of the Trust.

As part of the procedures in place within the Trust, the reserves levels are consistently monitored as part of the budget monitoring process, both at Director level through the Finance Committee and through the Executive Principal and Chief Operating Officer meetings.

During 2016/17, the Directors considered and agreed to a reformulation of the Trust schools' budget plans. The change has enabled a greater measure to be taken of in-year income versus expenditure. All other financial resources have been consolidated into a Reserve. This allows the Trust to ensure management ratios for expenditure which are appropriate and to map retention of long-term costs and asset investments in the form of a reserves policy.

The Directors have decided to maintain reserve levels which are sufficient to maintain the needs of the Trust and to encompass variations within the Trust budget.

The current free reserves are available to be applied to mitigate the impact of budget challenges from unfunded pay increases, reduced local authority funding and national funding formula changes. The age of the school buildings will require future investment in building maintenance and improvements to be made.

**e. Investment policy**

The Trust's investment policy was until recently based on low risk short-term bank deposit accounts. A proportion of the Trust's reserve was held in 1 year fixed term and 32 day notice accounts to maximise the rates of interest payable on deposits placed by the Trust. Due to reductions in interest rates on fixed term and notice accounts, the Directors concluded that the small increase in the amount of interest receivable from using those accounts did not justify compromising the Trust's access to its funds. It was therefore decided to transfer these funds to immediate access accounts.

**f. Increased scrutiny**

Following difficulties with access and capacity in 2019-20 arising from covid and school closures (as reported to the ESFA), the process of Internal Scrutiny gathered pace in 2020-21 in partnership with 3BM/Strictly Education. A summary report reflecting these developments will be presented to the ESFA as required.

The increased scrutiny for 2020-21 reflected reviews in the areas of the Risk Register, Monthly Accounts, Integrated Curriculum Led Financial Planning, and Management to Teaching Staff cost analysis. This work identified scope for improvements in these areas which has been the focus of extended Internal Scrutiny work in 2021-22. Now that the move from vocational to academic courses in the Sixth Form has been established a new curriculum is being written for 2022-23. This is expected to show an improved teacher contact ratio. A Risk Management Policy is being formulated to support the annual risk review process, together with a risk appetite review. Further work has started to be done on reviewing the accuracy of the assessed management versus teaching costs, as it was shown that the teaching element of leadership posts had not been accurately taken into account by the Internal Scrutiny reviewers. Updates of this process will be reported to the Audit Committee. It is recognised that, whilst the provision of quarterly budget monitoring reports continues to ensure the Directors of the Trust are provided with the information required to make sound financial decisions, further support will be required to enhance the required monthly reports to reflect the nature and accounting information now expected by the ESFA.

**g. National Pay Agreements 2020/21**

The national agreement rates from the Teachers Pay and Conditions were applied by the Trust from 1st September 2020 in respect of teaching staff and resulted in them receiving a pay increase of 2.75% - 5.5% (variable according to grade) from that date. The national agreement rates from the National Joint Council for Local Government Services were applied by the Trust from 1st September 2020 in respect of support staff and resulted in them receiving a pay increase of 2%+ (variable according to grade) from that date. Following the decision in 2019/20 to limit pay increases for all staff due to the lack of additional funding from the DfE, it was also decided to re-establish pay at national agreement levels for 2020-21 for recruitment and retention purposes. The overall effective increase for all staff was in the order of 3.5% at an overall cost to the Trust of £305k, which had to be drawn from reserves due to the lack of additional funding from the DfE.

**THE FULHAM CROSS ACADEMY TRUST**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

With regards to pay increases in 2021-22, following Government announcements earlier in the year the 2021-22 Teachers Pay and Conditions document gave no national increase in pay rates for teaching staff (other than those on the Unqualified Scale and beginning teachers earning less than £30k, which do not apply to the Trust). In the case of support staff, discussions with the trades unions are on-going. A claim of 10% was submitted in response to which an offer of 1.5% was made, which was rejected. The latest offer is 1.75% and support staff unions are currently understood to be balloting their members in response. Once the outcome is known, costings for 2021-22 will be put to Directors to consider what is affordable by the Trust as the Government has announced that no additional funding will be made available to cover any increases.

**Structure, governance and management**

**a. Constitution**

The Academy Trust is a charitable company limited by guarantee and an exempt charity. The Trust was formed on 1 March 2013. The charitable company's Memorandum and Articles of Association together with the Funding Agreement are the primary governing documents of the Trust.

The Directors of The Fulham Cross Academy Trust are also the directors of the charitable company for the purposes of company law.

Details of the Directors 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.

**c. Method of recruitment and appointment or election of Directors**

In accordance with the Articles of Association the Trust has 4 Staff Directors, 2 Parent Directors, 4 Partnership Directors, 2 Community Directors, 2 Co-opted Directors, and the Executive Principal. Further Directors may be appointed subject to the conditions laid down in the Articles of Association.

Partnership Directors are recruited on the basis of their eligibility, specialist skills and knowledge. Parent Directors are Parents/Carers of pupils within the schools at the time of their election. They are elected by Parents/Carers of pupils by secret ballot and the Staff Directors are elected by staff members, again by secret ballot. Local Community Directors are appointed where a particular skill set is offered. The Executive Principal is an ex-officio Governor.

The Directors are elected to the various committees at a full Directors' Meeting on the basis of their skills, knowledge, areas of interest and preference. The term of office for each Director is 4 years.

**d. Policies adopted for the induction and training of Directors**

The Strategic Management Committee considers applications to join the Executive Board, shortlists candidates and invites potential Directors to visit the schools and attend an interview. Newly appointed Directors are invited to the schools prior to their first Executive Board meeting. They follow an Induction Programme, which includes an explanation of their role, in respect of the schools, the company and the implications of being an exempt Charity. They also receive copies of policies and procedures and other relevant documentation.

All Directors are expected to abide by a Code of Conduct and to complete a minimum training programme in their first year of office. All Directors are encouraged to attend professional training courses and to meet and question external advisors.

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

**Structure, governance and management (continued)**

**e. Organisational structure**

Fulham Cross Academy Trust is governed by an Executive Board composed of the directors of the company constituted under the Articles of the Trust. The Executive Board acts in accordance with the Funding Agreement and the company's Memorandum and Articles of Association. The Trust also has written Committee Terms of Reference and Schemes of Delegation. The Directors and their committees act strategically by:

- setting the aims and objectives for the schools,
- setting policies for achieving those aims and objectives,
- setting targets by which progress towards those aims and objectives can be measured
- reviewing and monitoring progress in achieving the aims and objectives
- approving the schools' budgets

The Directors have set up the following committees reporting back to the full Executive Board. The full Executive Board meets once a term and the Committees also meet at least once a term.

- **Strategic Management Committee:** prepare detailed guidance and direction for the full Executive Board
- **Finance, Premises and Health & Safety Committee:** plan, prepare and monitor the school's budget and finance. Ensure the budget reflects the Trust's prioritised educational objectives. Manage, review and update the schools' Health & Safety Policy, consider and determine needs for capital projects, in line with the Trust's objectives and assess management priorities. Ensure best value in awarding of contracts and works.
- **Audit Committee:** assure the financial procedures and probity of the Trust.
- **HR Committee:** monitor, evaluate and review the Performance Management Policy. Review the Executive Principal's performance and pay. Review the staffing structure and approve any salary adjustments on a yearly basis though the budget.

For practical reasons (but remaining inside the rules of compliance set down for small multi-academy trusts), Audit Committee and Finance Committee meetings are usually held simultaneously, with members of both Committees being present, but Directors who are members of staff are precluded from voting (but can be present) for matters within the Audit Committee remit.

There is also an independent Admissions Appeal Panel, which is independent of the Executive Board, to consider appeals against admissions.

The Directors monitored curriculum provision through regular learning walks prior to lockdown.

The Senior Leadership Team controls the running of the schools at an executive level and implements the policies and decisions of the Directors through agreed schemes of delegation. The Senior Leadership Team is listed on page 2 and controls and authorises the spending of budgets. Curriculum budgets are devolved to Heads of Departments/Faculties. The Executive Principal and the Chief Operating Officer meet regularly to monitor and review the current cash flow and budget requirements.

**f. Arrangements for setting pay and remuneration of key management personnel**

For the Trust's financial year 2020/21 the Trust identifies its Key Management Personnel as:

<b>Role</b>	<b>Name</b>	<b>Remuneration basis</b>
Chair of Directors & Trust Member	P Barton	Volunteer Director
Deputy Chair of Directors & Trust Member	C Easton	Volunteer Director
Executive Principal & Accounting Officer	S Brooks	Employee of the Trust
Head of School, FCGS	D Fox	Employee of the Trust
Head of School, FCA	A Jones	Employee of the Trust
Chief Operations Officer & Chief Finance Officer	T Scott	Employee of the Trust

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

**Structure, governance and management (continued)**

**Salary Assessment/Performance Pay Progression:**

The salary assessment of the Executive Principal is established by the Directors based on principles contained within the national Teachers' Pay and Conditions Document (commensurate with the responsibilities of the role), published annually, considered alongside a local extension provision published by the Local Authority based on benchmark research. From these sources a salary range for the role is determined on appointment. Annual Professional Growth targets are set and progress up the salary range is assessed by annual review. The review is held by the HR Committee. Decisions on salary progression are taken in accordance with the advice provided by the DfE and considerations on the challenges of the post and issues of recruitment and retention. An external consultant is appointed to advise Directors and support the process. This advice is quality assured by a third party.

The salary assessment of each Head of School is established by the Directors based on principles contained within the national Teachers' Pay and Conditions Document (commensurate with the responsibilities of the role), published annually, considered alongside a local extension provision published by the Local Authority based on benchmark research. From these sources a salary range for the role is determined on appointment. Annual Professional Growth targets are set and progress up the salary range is assessed by annual review. The review is held by the Executive Principal and moderated by the HR Committee.

The salary assessment for the Chief Operations Officer is determined by the Executive Principal, with the approval of the Directors, based on both a consideration of the pay scales for employees in Local Government Service and the responsibilities of the role. In assessing the responsibilities of the role, a comparison is made to the level of remuneration of other senior staff within the management structure of the Trust such as Deputy and Assistant Headteachers. An annual performance review is undertaken each year by the Executive Principal and any recommendation for an advance in the range is agreed by the Directors.

A full salary re assessment for all senior posts is carried out each time a new appointment is made or at any time when a restructure of management roles and responsibilities is involved. The Directors are the arbiters of any restructure.

**g. Trade Union facility time**

The Trust recognises and encourages staff trade union representation and has established a liaison committee through which such communication with the Trust is facilitated. The committee is open to representatives of all the relevant trade unions, some of whom chose to take up their places. Other than attendance at these meetings on a half termly basis for which cover is provided, and the occasional need to represent or accompany a member of staff for a formal meeting as part of the Trust's HR procedures, the Trust does not provide or pay for trade union facility time. For the period 2020/21 one member of Trust staff was granted 0.4 FTE (2 days per week) and one 0.2 FTE to facilitate trade union work in the locality. However, the Trust was fully compensated for the cost of this by the relevant trade union.

**Fundraising**

The Trust, from time to time, will invite parental contributions in line with its charging policy and may raise money for the schools in other ways. However, all such approaches are direct to its parents and local business groups and do not involve outsourced fundraising via professional fundraisers or other third parties. As a result the Trust is not registered with the fundraising regulator and received no fundraising complaints in the year.

**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**Plans for future periods**

**a. Priority Schools Buildings Programme ("PSBP")**

As referenced in previous Directors' Reports, the Trust has been fortunate in benefitting from a number of capital building development projects under the DfE's PSPB programme. These initiatives saw the demolishing and rebuilding of the Science Blocks on both school sites and the Gym on the FCGS site, with the new facilities opening in the 2019/20 year. In the 2020/21 period significant refurbishment works to the Kingwood Building at FCA were completed under the programme. Possible further development of the FCA site is under consideration by the Trust.

**b. Growth at Fulham Cross Academy**

The plan submitted and agreed by the Regional Schools Commissioner for the launch of FCA was based on the following roll projections. This table demonstrates the positive difference the school has experienced.

Year	RSC Projection	Actual	Difference
19/20	75	99	+24
20/21	85	110	+25

The Directors are focused on continuing to increase the roll at FCA, while ensuring that the increased popularity of FCA does not adversely affect the continuing attractiveness of FCGS to potential students.

**Disclosure of information to auditors**

Insofar as the Directors are aware:

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

The Directors' Report was approved by order of the Board of Directors, as the company directors, on 01 December 2021 and signed on its behalf by:

*Philip Barton*

**P Barton**  
Chair of Directors



**THE FULHAM CROSS ACADEMY TRUST**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

As Directors, we acknowledge we have overall responsibility for ensuring that The Fulham Cross Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

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

The Board of Directors has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Fulham Cross Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

**THE FULHAM CROSS ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance**

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 4 times during the year.

Attendance during the year at meetings of the Board of Directors was as follows:

Director	Meetings attended	Out of a possible
S English	4	4
T Barrett	3	4
J Medina	4	4
G Barlow	0	2
D Wright	4	4
P Barton, Chair of Directors	4	4
S Hannaford	0	3
R Leighton	3	4
A McCracken	0	0
S Ahmed	3	4
E Porter	1	4
S Brooks, Executive Principal & Accounting Officer	4	4
T Polglase	4	4
T Kelly	4	4
C Malissard	3	4
C Easton	4	4
S Maheswaran	0	1
B Beason	3	4
N Said	1	2
L Martin	1	1
N Yates	4	4
S Kaur	1	1

At the first Executive Board meeting of the year P Barton was elected as Chair and C Easton was elected as Deputy Chair. At the end of the year there were no vacancies. There have subsequently been two resignations for which replacements are being sought.

**Governance review**

The Chair and Deputy Chair of the Executive Board are elected annually at the first full Executive Board meeting. Applicants are required to provide an expression of interest for each post to the full Executive Board in advance so that an informed decision can be made. The Committees are also reelected annually, usually at the first full Executive Board meeting.

The Directors complete a regular skills audit to ensure that required skills are represented on the Executive Board as far as possible. The Strategic Management Committee recruits new Directors with the appropriate skills as vacancies arise, ensuring the sustainability of the Executive Board. All new Directors are required to sign up to a formal contract outlining the expectations of the role they are undertaking. Induction is provided. There is a minimum training requirement that all new Directors must complete during their first year of office so that they have an understanding of data, safeguarding etc. Training is also provided to Directors during Executive Board meetings whenever significant changes are made by the Government, e.g. exclusions and annual safeguarding training.

Membership of Committees has been reviewed to ensure the right skill set is in place for each Committee. The Strategic Management Committee has been tasked with keeping Committee structures and Terms of Reference under review, matching Directors' skills to ensure the effectiveness of each Committee's work.

Directors are well informed about the schools' performance by annual reporting following the results each September; each school's data lead provides a full report and presentation to the Executive Board so that the data can be challenged. 'Analyse School Performance' and progress data is also regularly reported to Directors via the Executive Principal's and the Heads' of School reports. Subject to covid restrictions, all Directors are invited to termly learning walks where progress is evidenced and discussed.

**THE FULHAM CROSS ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

The schools self-evaluate annually and produce a school improvement plan based on the analysis. Progress against the school improvement plan is measured against the termly reports from the Executive Principal and the Heads of School. The termly reports reflect the Ofsted headings so that Directors have a good feel for the progress each school is making across a range of indicators.

Performance management is embedded within the schools with annual CPD so that all teachers understand the process and the implications of failure to meet targets. The Trust replaced its previous performance management policy with a progressive Professional Growth policy for the 2019/20 academic year, as described in more detail under 'Review of activities' above. The HR Committee moderates Professional Growth reviews across the Trust to ensure consistency. The Executive Board has set up a pay appeals committee to hear any appeals where teachers have failed to meet targets and have not been awarded pay progression. Directors have received training to prepare them for this role. The Executive Principal's performance management is supported by an external adviser, a qualified School Improvement Partner. This process is then reviewed by an independent professional and has been judged to be outstanding.

The Trust employs external professional advisers to quality assure its financial management systems, and these processes are returning to normal after some access difficulties under lockdown. Best value is assured through the Trust's procurement policy and financial procedures. Directors are fully involved in this process.

The Directors have a good understanding of the views of the schools' stakeholders from surveys of parent, student and staff views. The schools' websites provide a ready source of information for the public about the schools, their activities, outcomes, curriculum etc. and regular reports to parents and regular parents' evenings keep parents informed about their child's progress. The schools collaborate with each other to improve practice and with other London schools via the West London Teaching Alliance. The Sixth Form works particularly closely with employers in the region. Employers also support Careers Education and Guidance in both Trust schools.

The students are generous in their support for less fortunate people globally and locally. The students always support charitable events and are generous with their time and money.

**Strategic Management Committee**

Terms of Reference:

1. Undertake tasks as delegated by the Executive Board
2. To guide the strategic development of the Trust
3. To discuss the management and development of the schools with the Executive Principal
4. To liaise directly with the LA and external partners on behalf of the Executive Board
5. To oversee arrangements for educational visits, including the appointment of a named co-ordinator
6. To keep the membership of the Executive Board under review with regard to achieving the right mix of skills, representation of key constituencies and a fair gender and ethnic mix
7. Taking account of this, to recommend candidates for membership of the Board to the Executive Board
8. To manage the selection and appointment process on behalf of the Executive Board
9. To devise and oversee a process for keeping the effectiveness of the Executive Board under review
10. To review committee structure, receive report from committee chairs

Attendance during the year at meetings was as follows:

Director	Meetings attended	Out of a possible
D Wright	5	6
S Brooks	6	6
P Barton	6	6
C Easton	6	6

**The Finance, Premises and Health & Safety Committee**

The Finance, Premises and Health & Safety Committee is a sub-committee of the Executive Board.

**THE FULHAM CROSS ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

Terms of Reference:

**Finance**

1. To agree an annual budget for approval by the Executive Board
2. To establish and maintain an up to date 3-year financial plan
3. To consider a budget position statement including virement decisions at least termly and to report significant anomalies from the anticipated position to the Executive Board
4. To ensure that the schools operate within the Financial Regulations laid down by the Department for Education
5. To monitor expenditure of all voluntary funds kept on behalf of the Executive Board
6. To annually review charges and remissions policies and expenses policies
7. To make decisions in respect of service agreements
8. To make decisions on expenditure following recommendations from other committees
9. To ensure, as far as is practical, that Health and Safety issues are appropriately prioritised
10. To determine whether sufficient funds are available for pay increments as recommended by the Executive Principal
11. In the light of the Executive Principal Performance Management Group's recommendations, to determine whether sufficient funds are available for increments
12. Submit a report to the Membership & Search Committee by 31st July
13. To periodically review the Trust's Whistleblowing Policy recommending changes to the EB for approval
14. To receive regular reports regarding cashflow through the Trust's bank accounts
15. To ensure that monthly management accounts reports are created and shared with the Chair of directors

**Estates and Premises**

1. To advise the Executive Board on priorities for the maintenance and development of the schools' premises
2. To oversee arrangements for repairs and maintenance
3. In consultation with the Executive Principal, to oversee premises-related funding bids
4. To oversee arrangements, including Health and Safety, for the use of school premises by outside users, subject to Executive Board policy
5. To establish and keep under review a Building Development Plan
6. To establish and keep under review an Accessibility plan

**Health & Safety**

1. Have a named Director with health and safety responsibilities
2. Review and update the School Health and Safety Policy - Chair to sign and date policy
3. Review the schools' compliance with the appropriate regulations
4. Ensure the school management team has considered specific health and safety issues and that legal minimum standards for health and safety are being met
5. Review and ensure adequate welfare provision for staff
6. Monitor the performance by checking that
  - a. physical controls are in place and working
  - b. staff have done what they are supposed to do
  - c. procedures are working
7. Oversee site security arrangements and practice and review periodically
8. Monitor the asbestos register and ensure that it is always up to date

Attendance during the year at meetings was as follows:

Director	Meetings attended	Out of a possible
P Barton	1	1
S Brooks	3	3
T Barrett	3	3
S Ahmed	2	3
T Polglase	2	2
T Kelly	3	3
C Malissard	1	3

**The Audit Committee**

The Audit Committee is also a sub-committee of the Executive Board.

**THE FULHAM CROSS ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

Terms of reference:

1. To consider and approve the Trust's Financial Regulations, and their periodic update
2. To receive external and internal audit reports and to consider and approve revisions to the Trust Financial Regulations as necessary
3. To monitor actual behaviours and adherence to the stated internal control mechanisms through the receipt of semi-annual internal audit reports ("internal financial assurances" reports) provided by a party independent from the Trust finance team, and to meet annually to review these
4. To represent the interests of the committee at the meeting with the Trust's external auditors occurring in the Autumn Term following the annual audit, together with representatives of the Finance Committee,
5. Premises and Health & Safety Committee
6. To monitor and oversee the Trust's Risk Register
7. To monitor and review effectiveness of the external Auditors
8. To monitor and review effectiveness of the internal Auditors
9. To monitor the role of the Accounting Officer (AO), who must be appointed by the Executive Board
10. To monitor the role of the Chief Financial Officer (CFO), who must be appointed by the Executive Board
11. To have oversight of information submitted to DfE and ESFA that affects funding, ensuring it is accurate and compliant

The Executive Board has previously agreed that, for practical reasons (but remaining inside the rules of compliance set down for small multi-academy trusts), Audit Committee and Finance Committee meetings should be held simultaneously, with members of both Committees being present, but that Directors who are members of staff are precluded from voting (but can be present) for matters within the Audit Committee remit.

Attendance during the year at meetings was as follows:

Director	Meetings attended	Out of a possible
S Brooks	3	3
S English	3	3
S Hannaford	1	3
A McCracken	0	3
R Leighton	1	3
S Maewaran	1	2

## **GOVERNANCE STATEMENT (CONTINUED)**

### **Review of value for money**

The Accounting Officer has responsibility for ensuring that the 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 Trust's core purpose continues to be to ensure the best possible educational and wider societal outcomes for its students whilst keeping within budgetary constraints and ensuring the viability of future provision.

The Trust has put in place systems of finance and governance that are appropriate for academy status. Financial policies and procedures have been reviewed and updated in line with the Academy Trust Handbook 2021. These include robust internal controls, continuous financial monitoring and external auditing. Continuing with previous good practice the Chief Operating Officer provides the Senior Leadership Team, Finance and Audit Committees with regular budget monitoring reports which are discussed and challenged as necessary. An Audit Committee is established and a regular system of Internal Scrutiny (now replacing Responsible Officer/Internal Financial Assurance testing), informed by internal reports, has been put in place, although restrictions imposed by the Government following the Covid-19 outbreak prevented such Internal Scrutiny reports taking place in the 2020/21 financial year.

The Executive Board have developed a comprehensive Risk Register which is reviewed on a regular basis. Risks are managed to minimise them. Where necessary insurance is purchased to mitigate against any losses in exceptional circumstances.

Staffing structures are reviewed regularly by the Senior Leadership Team and decisions on changes are made on the basis of their effect on educational outcomes.

The performance management process is embedded in both schools and has been used to ensure that the quality of teaching is of a high standard and support is provided where required; however, where improvement is not rapid enough staff are replaced.

Wherever possible economies are achieved through the use of shared services across the Trust e.g. learning resources support and shared areas of responsibility e.g. the Chief Operating Officer for the Trust.

The Trust has a shared CPD programme to grow its own staff. The Trust also works with the West London Teaching Alliance to enhance its CPD offer. Teachers' skills are subject to continuous review and improvement to ensure best value.

We will continue with our previous good practice with regards to reviewing the effectiveness of contracts and service level agreements before they are renewed.

The impact of flat funding and the introduction of a National Funding Formula is a cause for concern and continues to be carefully monitored. Changes have been made to terms and conditions to ensure parity between teaching and support staff.

The Directors are also using benchmarking data to compare the Trust's schools with similar schools to inform best value decisions.

The Trust seeks to maximise income generation through the letting of premises to the community where appropriate, although its ability to do so in the 2020/21 financial year was restricted because of restrictions imposed by Government in response to the Covid-19 outbreak.

The Trust has invested in a property strategy which supports applications for funding and includes plans to improve community use and drive up income.

We will further investigate possible economies of scale as we consolidate contracts across both sites and spending with individual suppliers is monitored by the finance managers at both schools to ensure they best meet the needs of staff and students.

### **Regular Pupil Premium Funding & New Covid Catch Up Funding**

Students who are entitled to Pupil Premium are entitled to additional enrichment and support. This year some of the usual methods of support, such as after school classes, Saturday school and a residential, have not proved possible due to restrictions under Covid. Much focus and attention were therefore placed on enhanced safeguarding and support of such students by one to one mentoring by staff. The Trust is confident that funds are spent well.

## **GOVERNANCE STATEMENT (CONTINUED)**

### **Review of value for money (continued)**

Due to a notable increase in mental health issues amongst students arising from periods of lockdown and stresses arising from learning under Covid, including self-harm, resources were re-focused to purchase additional pastoral support.

For 2020-21, in line with other schools, the Trust was allocated additional Pupil Premium Covid Catch Up Funding for its 11-16 students at both schools and also its post-16 students at FCA. It was also given access to a subsidised Tutoring Service. The schools made use of both of these resources, employing in-house Teaching Assistants and using funding to buy-in one to one tutoring, which took place online. The former method of support, using Teaching Assistants on the ground, has so far proved the most effective. The online tutor method has been of questionable quality and presents greater monitoring difficulties. For 2021/22 schools have been allowed to carry forward any unspent funds so that these can continue to be focused on students needing support. In addition, there is new funding for School Led Tutoring, Recovery Premium and Post 16 Catch Up funding with a renewed focus. A strategy has been developed to ensure use of these different funds is co-ordinated, targeted, monitored and effective, with appropriate information being fed back to the ESFA as required.

### **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 The Fulham Cross Academy Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The Strategic Management Committee has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Strategic Management Committee is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period ending 31 August 2021 and up to the date of approval of the annual report and financial statements.

This process is regularly reviewed and the Risk Register amended by the Strategic Management Committee to reflect changing levels of risk, for instance in 2018/19 the Directors increased the level of risk of the Trust's financial resources falling below those needed to operate the schools as a result of surplus educational places in the locality (although the conversion of FCBS into FCA, a mixed STEM specialist school with an expanded sixth form, from September 2020 has mitigated this risk). The Directors are currently focused on ensuring that the increased popularity of FCA does not adversely affect the continuing attractiveness of FCGS to potential students.

### **The risk and control framework**

The 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:

- exhaustive procedures and guidance covering the day-to-day transactional operations of the Trust;
- a prescribed month end reconciliation process including relevant quality assurance and authorisation levels;
- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Executive Board;
- regular reviews by the Strategic Management and Finance Committees 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.

## **GOVERNANCE STATEMENT (CONTINUED)**

### **The risk and control framework (continued)**

The Trust's Audit Committee is independent from the Finance Committee. The Audit Committee oversee the process of Internal Scrutiny outlined in the Academy Trust Handbook 2021. Under this regime, and to ensure complete transparency, the Trust appoints an external partner to visit the schools to perform an agreed programme of checks and provide comprehensive written reports. Under this appointment these checks are set to take place three times each year, in the Autumn, Spring and Summer terms, and the reports are made to committees of the Executive Board, with a summary report going to the full Board and the ESFA annually.

Within the 2020/21 period, visits by the external partner to the schools were again limited because of restrictions imposed by the Government in response to the Covid-19 outbreak and the third party employment policy. However, all internal reconciliations were signed off by Directors and continued to operate its full internal financial controls and audit processes and the bank statements monitored regularly. No cases of fraud were identified.

During the 2020/21 period, the third party focused remotely on the areas of the Risk Register and Monthly Accounts.

Once it was possible to visit the schools further work was undertaken on Integrated Curriculum Led Financial Planning, and Management to Teaching Staff cost analysis, as detailed elsewhere in this report. These visits considered the current curriculum and staffing budgets. The findings are now helping to provide a focus for this work going forward and have already been incorporated into staff deployment plans for the next financial year to improve these financial performance indicators.

### **Review of effectiveness**

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

- the work of the reviewer;
- the work of the external auditors;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit and risk 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 Directors and signed on their behalf by:

*Philip Barton*

**P Barton**  
Chair of Directors

Date: 01 December 2021

*Sally Brooks*

**S Brooks**  
Accounting Officer

Date: 01 December 2021



**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As accounting officer of The Fulham Cross Academy Trust I have considered my responsibility to notify the Academy Trust Board of Directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

*Sally Brooks*

**S Brooks**  
Accounting Officer

Date: 01 December 2021

**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

The Directors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Directors 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 judgements 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 Directors 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 Directors 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 Directors 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 Directors and signed on its behalf by:

*Philip Barton*

**P Barton**  
Chair of Directors

Date: 01 December 2021

**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
FULHAM CROSS ACADEMY TRUST**

**Opinion**

We have audited the financial statements of The Fulham Cross Academy Trust (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
- 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 Auditors' 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 Directors' 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 Directors with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors 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.

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**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
FULHAM CROSS ACADEMY TRUST (CONTINUED)**

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**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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report has 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 Directors' 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Directors' Responsibilities Statement, the Directors (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 Directors 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 Directors 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 Directors either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
FULHAM CROSS ACADEMY TRUST (CONTINUED)**

**Auditors' 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 Auditors' 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:

Based on our understanding of the School and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Academies Financial Handbook, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Academies Accounts Direction.


We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our report**

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Thomas Wilson (Senior Statutory Auditor)**  
for and on behalf of  
**Haysmacintyre LLP**  
Statutory Auditors  
10 Queen Street Place  
London  
EC4R 1AG

Date: 08/12/21

**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE  
FULHAM CROSS ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 28 September 2015 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 The Fulham Cross Academy Trust 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 The Fulham Cross Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Fulham Cross Academy Trust 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 The Fulham Cross Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of The Fulham Cross Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Fulham Cross Academy Trust's funding agreement with the Secretary of State for Education dated 1 March 2013 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 our conclusion includes:

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

**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.

*Haymacintyre LLP*

Reporting Accountant  
**Haymacintyre LLP**

Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: 08/12/21

**THE FULHAM CROSS ACADEMY TRUST**  
(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 £
<b>Income from:</b>						
Donations and capital grants	3	-	-	4,055,854	4,055,854	6,277,585
Other trading activities	6	262,998	-	-	262,998	259,325
Investments	7	2,504	-	-	2,504	6,565
Charitable activities	4	154,784	8,831,458	-	8,986,242	8,854,850
<b>Total income</b>		<b>420,286</b>	<b>8,831,458</b>	<b>4,055,854</b>	<b>13,307,598</b>	<b>15,398,325</b>
<b>Expenditure on:</b>						
Charitable activities	8	230,800	9,632,839	925,576	10,789,215	10,136,929
<b>Total expenditure</b>		<b>230,800</b>	<b>9,632,839</b>	<b>925,576</b>	<b>10,789,215</b>	<b>10,136,929</b>
<b>Net income/(expenditure)</b>		<b>189,486</b>	<b>(801,381)</b>	<b>3,130,278</b>	<b>2,518,383</b>	<b>5,261,396</b>
Transfers between funds	18	(614,941)	530,381	84,560	-	-
<b>Net movement in funds before other recognised losses</b>		<b>(425,455)</b>	<b>(271,000)</b>	<b>3,214,838</b>	<b>2,518,383</b>	<b>5,261,396</b>
<b>Other recognised losses:</b>						
Actuarial losses on defined benefit pension schemes	25	-	(764,000)	-	(764,000)	(614,000)
<b>Net movement in funds</b>		<b>(425,455)</b>	<b>(1,035,000)</b>	<b>3,214,838</b>	<b>1,754,383</b>	<b>4,647,396</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		1,492,445	(6,116,000)	44,503,493	39,879,938	35,232,542
Net movement in funds		(425,455)	(1,035,000)	3,214,838	1,754,383	4,647,396
<b>Total funds carried forward</b>		<b>1,066,990</b>	<b>(7,151,000)</b>	<b>47,718,331</b>	<b>41,634,321</b>	<b>39,879,938</b>

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

The notes on pages 34 to 58 form part of these financial statements.



**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08398143**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	47,718,331	44,503,493
		<u>47,718,331</u>	<u>44,503,493</u>
<b>Current assets</b>			
Debtors	15	205,156	302,306
Cash at bank and in hand		1,398,752	2,107,965
		<u>1,603,908</u>	<u>2,410,271</u>
Creditors: amounts falling due within one year	16	(483,054)	(828,051)
<b>Net current assets</b>		<u>1,120,854</u>	<u>1,582,220</u>
<b>Total assets less current liabilities</b>		<u>48,839,185</u>	<u>46,085,713</u>
Creditors: amounts falling due after more than one year	17	(53,864)	(89,775)
<b>Net assets excluding pension liability</b>		<u>48,785,321</u>	<u>45,995,938</u>
Defined benefit pension scheme liability	25	(7,151,000)	(6,116,000)
<b>Total net assets</b>		<u>41,634,321</u>	<u>39,879,938</u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	47,718,331	44,503,493
Restricted funds excluding pension asset	18	47,718,331	44,503,493
Pension reserve	18	(7,151,000)	(6,116,000)
<b>Total restricted funds</b>	18	<u>40,567,331</u>	<u>38,387,493</u>
<b>Unrestricted income funds</b>	18	<u>1,066,990</u>	<u>1,492,445</u>
<b>Total funds</b>		<u>41,634,321</u>	<u>39,879,938</u>

The financial statements on pages 30 to 58 were approved and authorised for issue by the Directors and are signed on their behalf, by:

*Philip Barton*

**P Barton**  
 (Chair of Trustees)

Date: 01 December 2021

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**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08398143**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2021**

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The notes on pages 34 to 58 form part of these financial statements.

**THE FULHAM CROSS ACADEMY TRUST**  
(A Company Limited by Guarantee)

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	20	(591,246)	(39,526)
<b>Cash flows from investing activities</b>	22	(82,056)	(309,155)
<b>Cash flows from financing activities</b>	21	(35,911)	(35,911)
<b>Change in cash and cash equivalents in the year</b>		<b>(709,213)</b>	<b>(384,592)</b>
Cash and cash equivalents at the beginning of the year		<b>2,107,965</b>	2,492,557
<b>Cash and cash equivalents at the end of the year</b>	23, 24	<b>1,398,752</b>	<b>2,107,965</b>

The notes on pages 34 to 58 form part of these financial statements

**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies**

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

**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.

The Fulham Cross Academy Trust meets the definition of a public benefit entity under FRS 102.

**1.2 Going concern**

The Directors 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 Directors 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.

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.

• **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.

**THE FULHAM CROSS ACADEMY TRUST**  
(A Company Limited by Guarantee)

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

**1. Accounting policies (continued)**

**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.

• **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.

**1.6 Tangible fixed assets**

Assets costing £3,000 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:

Freehold property	- 50 years
Furniture and fixtures	- 10 years
Computer equipment	- 3 years
Assets under construction	- no depreciation charged

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

The proportion of freehold property allocated as land is not depreciated.

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

**1. Accounting policies (continued)**

**1.7 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.

**1.8 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.

**1.9 Liabilities**

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

**1.10 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 15. Prepayments are not financial instruments.

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 notes 16 and 17. 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.

**THE FULHAM CROSS ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.11 Pensions**

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

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

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

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

**1.12 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 Directors.

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.

**THE FULHAM CROSS ACADEMY TRUST**  
(A Company Limited by Guarantee)

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

**2. Critical accounting estimates and areas of judgement**

Estimates and judgements 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 25, 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**

	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>
Capital grants	4,055,854	<b>4,055,854</b>

	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Capital grants	6,277,585	6,277,585

**4. Income from charitable activities**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Funding for the Academy Trust's educational operations	-	8,831,458	<b>8,831,458</b>
Other educational income	154,784	-	<b>154,784</b>
	<b>154,784</b>	<b>8,831,458</b>	<b>8,986,242</b>



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**4. Income from charitable activities (continued)**

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Funding for the Academy Trust's educational operations	-	8,678,042	8,678,042
Other educational income	176,808	-	176,808
	<u>176,808</u>	<u>8,678,042</u>	<u>8,854,850</u>

**5. Funding for the Academy Trust's educational operations**

	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
<b>DfE/ESFA grants</b>		
General Annual Grant (GAG)	7,719,552	7,719,552
Other DfE/ESFA grants		
Other DfE/ESFA Grants	636,101	636,101
Pupil Premium	422,349	422,349
	<u>8,778,002</u>	<u>8,778,002</u>
<b>Other Government grants</b>		
Local Authority Grants	53,456	53,456
	<u>53,456</u>	<u>53,456</u>
	<u>8,831,458</u>	<u>8,831,458</u>

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**5. Funding for the Academy Trust's educational operations (continued)**

	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
<b>DfE/ESFA grants</b>		
General Annual Grant (GAG)	7,761,439	7,761,439
Other DfE/ESFA grants		
Other DfE/ESFA Grants	368,480	368,480
Pupil Premium	456,456	456,456
	<u>8,586,375</u>	<u>8,586,375</u>
<b>Other Government grants</b>		
Local Authority Grants	91,667	91,667
	<u>91,667</u>	<u>91,667</u>
	<u><u>8,678,042</u></u>	<u><u>8,678,042</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 Universal Infant Free School Meals 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.

**6. Income from other trading activities**

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Lettings income	<u>262,998</u>	<u>262,998</u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Lettings income	<u>259,325</u>	<u>259,325</u>

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**7. Investment income**

	Unrestricted funds 2021 £	Total funds 2021 £
Bank interest	2,504	2,504
	<u>2,504</u>	<u>2,504</u>
	Unrestricted funds 2020 £	Total funds 2020 £
Bank interest	6,565	6,565
	<u>6,565</u>	<u>6,565</u>

**8. Expenditure**

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Academy Trust's educational operations				
Direct costs	6,033,914	768,318	542,858	7,345,090
Allocated support costs	1,766,382	687,421	990,322	3,444,125
	<u>7,800,296</u>	<u>1,455,739</u>	<u>1,533,180</u>	<u>10,789,215</u>
	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Academy Trust's educational operations				
Direct costs	5,792,163	311,145	539,039	6,642,347
Allocated support costs	1,772,156	802,735	919,691	3,494,582
	<u>7,564,319</u>	<u>1,113,880</u>	<u>1,458,730</u>	<u>10,136,929</u>

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**9. Analysis of expenditure by activities**

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Academy Trust's educational operations	7,345,090	3,444,125	10,789,215

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Academy Trust's educational operations	6,642,347	3,494,582	10,136,929

**Analysis of direct costs**

	Total funds 2021 £	Total funds 2020 £
Staff costs	5,780,339	5,419,766
Depreciation	925,576	504,896
Educational supplies	277,807	244,661
Examination fees	73,606	74,337
Staff development	22,853	10,996
Educational consultancy	11,334	15,294
Supply staff costs	253,575	372,397
	<b>7,345,090</b>	<b>6,642,347</b>

**Analysis of support costs**

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**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs (continued)**

	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Staff costs	1,766,382	1,772,156
Technology costs	38,531	31,465
Recruitment and support	9,335	17,487
Maintenance of premises & equipment	381,427	455,337
Cleaning	182,483	161,504
Rent and rates	64,526	85,249
Utilities	241,468	250,646
Insurance	22,151	22,058
Pension finance cost	97,000	93,000
Catering	294,829	222,607
Health and safety	16,797	17,986
Other support costs	217,479	273,297
Governance costs	111,717	91,790
	<b>3,444,125</b>	<b>3,494,582</b>

**10. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2021 £</b>	<b>2020 £</b>
Depreciation of tangible fixed assets	768,318	504,896
Fees paid to auditors for:		
- audit	16,500	16,000
- other services	5,630	3,710

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**11. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	5,664,168	5,312,709
Social security costs	606,834	565,546
Pension costs	1,275,719	1,313,667
	<u>7,546,721</u>	<u>7,191,922</u>
Agency staff costs	253,575	372,397
	<u>7,800,296</u>	<u>7,564,319</u>

Staff restructuring costs comprise:

**b. Staff numbers**

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

	2021 No.	2020 No.
Teaching staff	75	75
Support staff	68	72
	<u>143</u>	<u>147</u>

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**11. 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	10	9
In the band £70,001 - £80,000	3	4
In the band £80,001 - £90,000	2	2
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	1	1
In the band £110,001 - £120,000	1	1

**d. Key management personnel**

The key management personnel of the Academy Trust comprise the Accounting Officer and Head of School (FCGS) as listed in the Directors' Report 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 £258,972 (2020 - £311,527).

**12. Directors' remuneration and expenses**

One or more Directors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Directors 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 Directors' remuneration and other benefits was as follows:

		2021 £	2020 £
T Barrett (Staff director)	Remuneration	40,000 - 45,000	40,000 - 45,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000
J Medina (Staff director)	Remuneration	65,000 - 70,000	65,000 - 70,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000
T Kelly	Remuneration	55,000 - 60,000	50,000 - 55,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000
D Fox	Remuneration	100,000 - 105,000	115,000 - 120,000
	Pension contributions paid	20,000 - 25,000	25,000 - 30,000
S Brooks	Remuneration	115,000 - 120,000	110,000 - 115,000
	Pension contributions paid	25,000 - 30,000	25,000 - 30,000

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

**13. Directors' and Officers' insurance**

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Directors and officers indemnity element from the overall cost of the RPA scheme membership.

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**14. Tangible fixed assets**

	Freehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 September 2020	42,986,189	461,363	2,221,275	953,271	46,622,098
Additions	2,807,409	740,723	342,236	250,046	4,140,414
At 31 August 2021	45,793,598	1,202,086	2,563,511	1,203,317	50,762,512
<b>Depreciation</b>					
At 1 September 2020	1,606,579	46,136	55,531	410,359	2,118,605
Charge for the year	470,489	166,345	144,347	144,395	925,576
At 31 August 2021	2,077,068	212,481	199,878	554,754	3,044,181
<b>Net book value</b>					
At 31 August 2021	43,716,530	989,605	2,363,633	648,563	47,718,331
At 31 August 2020	41,379,610	415,227	2,165,744	542,912	44,503,493

**15. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
Other debtors	64,753	138,388
Prepayments and accrued income	140,403	163,918
	205,156	302,306



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**16. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Salix loan	35,911	35,911
Trade creditors	104,616	505,928
Other creditors	-	37,107
Accruals and deferred income	342,527	249,105
	<u>483,054</u>	<u>828,051</u>
	2021 £	2020 £
<b>Deferred income</b>		
Deferred income at 1 September 2020	76,400	144,792
Resources deferred during the year	182,723	76,400
Amounts released from previous periods	(76,400)	(144,792)
	<u>182,723</u>	<u>76,400</u>

At the balance sheet date the academy trust was holding grant funds received in advance for the 2021/22 academic year.

**17. Creditors: Amounts falling due after more than one year**

	2021 £	2020 £
Salix loan	53,864	89,775

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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Statement of funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
Unrestricted funds	1,492,445	420,286	(230,800)	(614,941)	-	1,066,990
<b>Restricted general funds</b>						
Restricted funds	-	8,831,458	(9,361,839)	530,381	-	-
Pension reserve	(6,116,000)	-	(271,000)	-	(764,000)	(7,151,000)
	<u>(6,116,000)</u>	<u>8,831,458</u>	<u>(9,632,839)</u>	<u>530,381</u>	<u>(764,000)</u>	<u>(7,151,000)</u>
<b>Restricted fixed asset funds</b>						
Capital expenditure from GAG	655,215	-	(129,150)	84,560	-	610,625
Transferred on conversion Fulham College Boys School	7,026,151	-	(74,041)	-	-	6,952,110
Transferred on conversion Fulham College Girls School	19,212,893	-	(103,174)	-	-	19,109,719
Capital grants - Fulham College Boys School	10,171,908	4,041,265	(370,352)	-	-	13,842,821
Capital grants - Fulham College Girls School	7,437,326	14,589	(248,859)	-	-	7,203,056
	<u>44,503,493</u>	<u>4,055,854</u>	<u>(925,576)</u>	<u>84,560</u>	<u>-</u>	<u>47,718,331</u>
<b>Total Restricted funds</b>	<u>38,387,493</u>	<u>12,887,312</u>	<u>(10,558,415)</u>	<u>614,941</u>	<u>(764,000)</u>	<u>40,567,331</u>
<b>Total funds</b>	<u>39,879,938</u>	<u>13,307,598</u>	<u>(10,789,215)</u>	<u>-</u>	<u>(764,000)</u>	<u>41,634,321</u>

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**18. Statement of funds (continued)**

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

The General Annual Grant is funding from the DfE for each School's operating costs.

Other DfE/ESFA grants mainly relate to pupil premium.

Local authority grants mainly relate to statemented funding and grants made for set up of the Studio School.

Capital grants relate to funds received spent on specific capital projects.

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**18. 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 £
<b>Unrestricted funds</b>						
Unrestricted funds	1,953,458	442,698	(176,806)	(726,905)	-	1,492,445
<b>Restricted general funds</b>						
Restricted funds	-	8,678,042	(9,089,227)	411,185	-	-
Pension reserve	(5,136,000)	-	(366,000)	-	(614,000)	(6,116,000)
	<u>(5,136,000)</u>	<u>8,678,042</u>	<u>(9,455,227)</u>	<u>411,185</u>	<u>(614,000)</u>	<u>(6,116,000)</u>
<b>Restricted fixed asset funds</b>						
Capital expenditure from GAG	373,626	-	(34,131)	315,720	-	655,215
Transferred on conversion Fulham College Boys School	7,100,192	-	(74,041)	-	-	7,026,151
Transferred on conversion Fulham College Girls School	19,316,067	-	(103,174)	-	-	19,212,893
Capital grants - Fulham College Boys School	6,160,930	4,150,354	(139,376)	-	-	10,171,908
Capital grants - Fulham College Girls School	5,464,269	2,127,231	(154,174)	-	-	7,437,326
	<u>38,415,084</u>	<u>6,277,585</u>	<u>(504,896)</u>	<u>315,720</u>	<u>-</u>	<u>44,503,493</u>
<b>Total Restricted funds</b>	<u>33,279,084</u>	<u>14,955,627</u>	<u>(9,960,123)</u>	<u>726,905</u>	<u>(614,000)</u>	<u>38,387,493</u>
<b>Total funds</b>	<u>35,232,542</u>	<u>15,398,325</u>	<u>(10,136,929)</u>	<u>-</u>	<u>(614,000)</u>	<u>39,879,938</u>

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**18. Statement of funds (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Fulham Cross Academy	192,212	499,492
Fulham Cross Girls' School	875,918	992,953
Total before fixed asset funds and pension reserve	1,068,130	1,492,445
Restricted fixed asset fund	47,718,331	44,503,493
Pension reserve	(7,151,000)	(6,116,000)
<b>Total</b>	<b>41,635,461</b>	<b>39,879,938</b>

**Total cost analysis by academy**

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £
Fulham Cross Academy	2,504,065	799,848	136,057	801,987	4,241,957
Fulham Cross Girls' School	3,529,850	966,534	141,300	983,549	5,621,233
<b>Academy Trust</b>	<b>6,033,915</b>	<b>1,766,382</b>	<b>277,357</b>	<b>1,785,536</b>	<b>9,863,190</b>

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
Fulham Cross Academy	2,530,092	638,528	376,108	614,114	4,158,842
Fulham Cross Girls' School	3,258,271	1,137,429	168,119	1,220,520	5,784,339
<b>Academy Trust</b>	<b>5,788,363</b>	<b>1,775,957</b>	<b>544,227</b>	<b>1,834,634</b>	<b>9,943,181</b>

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**19. 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	-	-	47,718,331	<b>47,718,331</b>
Current assets	1,066,990	536,918	-	<b>1,603,908</b>
Creditors due within one year	-	(483,054)	-	<b>(483,054)</b>
Creditors due in more than one year	-	(53,864)	-	<b>(53,864)</b>
Provisions for liabilities and charges	-	(7,151,000)	-	<b>(7,151,000)</b>
<b>Total</b>	<b>1,066,990</b>	<b>(7,151,000)</b>	<b>47,718,331</b>	<b>41,634,321</b>

**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	-	-	44,503,493	<b>44,503,493</b>
Current assets	1,492,445	917,826	-	<b>2,410,271</b>
Creditors due within one year	-	(828,051)	-	<b>(828,051)</b>
Creditors due in more than one year	-	(89,775)	-	<b>(89,775)</b>
Provisions for liabilities and charges	-	(6,116,000)	-	<b>(6,116,000)</b>
<b>Total</b>	<b>1,492,445</b>	<b>(6,116,000)</b>	<b>44,503,493</b>	<b>39,879,938</b>

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**20. Reconciliation of net income to net cash flow from operating activities**

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	2,518,383	5,261,396
<b>Adjustments for:</b>		
Depreciation	925,576	504,896
Capital grants from DfE and other capital income	(4,055,854)	(6,277,585)
Interest receivable	(2,504)	(6,565)
Defined benefit pension scheme cost less contributions payable	174,000	273,000
Defined benefit pension scheme finance cost	97,000	93,000
Decrease/(increase) in debtors	97,150	(151,579)
(Decrease)/increase in creditors	(344,997)	263,911
<b>Net cash used in operating activities</b>	<b>(591,246)</b>	<b>(39,526)</b>

**21. Cash flows from financing activities**

	2021 £	2020 £
Repayments of borrowing	(35,911)	(35,911)
<b>Net cash used in financing activities</b>	<b>(35,911)</b>	<b>(35,911)</b>

**22. Cash flows from investing activities**

	2021 £	2020 £
Interest received	2,504	6,565
Purchase of tangible fixed assets	(4,140,414)	(6,593,305)
Capital grants from DfE Group	4,055,854	6,277,585
<b>Net cash used in investing activities</b>	<b>(82,056)</b>	<b>(309,155)</b>

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**23. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand and at bank	1,398,752	1,315
Notice deposits (less than 3 months)	-	2,106,650
<b>Total cash and cash equivalents</b>	<b>1,398,752</b>	<b>2,107,965</b>

**24. Analysis of changes in net debt**

	At 1 September 2020 £	Cash flows £	Other non- cash changes £	At 31 August 2021 £
Cash at bank and in hand	2,107,965	(709,213)	-	1,398,752
Debt due within 1 year	(35,911)	35,911	(35,911)	(35,911)
Debt due after 1 year	(89,775)	-	35,911	(53,864)
	<b>1,982,279</b>	<b>(673,302)</b>	<b>-</b>	<b>1,308,977</b>

**25. 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 The London Borough of Hammersmith and Fulham. 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.



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**25. Pension commitments (continued)**

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £754,290 (2020 - £714,667).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £227,000 (2020 - £419,000), of which employer's contributions totalled £178,000 (2020 - £326,000) and employees' contributions totalled £49,000 (2020 - £93,000). The agreed contribution rates for future years are 23.3% for employers and between 5.5 and 7.5% for employees.

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

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

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**25. Pension commitments (continued)**

**Principal actuarial assumptions**

	2021 %	2020 %
Rate of increase in salaries	3.90	3.25
Rate of increase for pensions in payment/inflation	2.90	2.25
Discount rate for scheme liabilities	1.65	1.60
Inflation assumption (CPI)	2.90	2.25

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
<i>Retiring today</i>		
Males	21.6	21.8
Females	24.3	24.4
<i>Retiring in 20 years</i>		
Males	22.9	23.2
Females	25.7	25.9

**Sensitivity analysis**

	2021 £000	2020 £000
Discount rate +0.1%	(308)	(263)
Discount rate -0.1%	316	269
Mortality assumption - 1 year increase	508	397
Mortality assumption - 1 year decrease	(488)	(383)
CPI rate +0.1%	272	34
CPI rate -0.1%	(265)	(34)

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

**Share of scheme assets**

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

	2021 £	2020 £
Equities	2,673,000	2,148,000
Property	555,000	494,000
Cash and other liquid assets	347,000	337,000
Cash plus funds	1,274,000	593,000
Investment funds	-	496,000
Other bonds	861,000	783,000
<b>Total market value of assets</b>	<b>5,710,000</b>	<b>4,851,000</b>

The actual return on scheme assets was £683,000 (2020 - £242,000).

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

	2021 £	2020 £
Current service cost	(352,000)	(599,000)
Administrative expenses	(1,000)	(1,000)
Net interest cost	(96,000)	(92,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(449,000)</b>	<b>(692,000)</b>

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

	2021 £	2020 £
<b>At 1 September</b>	<b>10,967,000</b>	<b>8,894,000</b>
Interest cost	175,000	165,000
Employee contributions	49,000	93,000
Actuarial losses	1,368,000	1,274,000
Benefits paid	(50,000)	(58,000)
Current service cost	352,000	599,000
<b>At 31 August</b>	<b>12,861,000</b>	<b>10,967,000</b>

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**25. Pension commitments (continued)**

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

	2021 £	2020 £
<b>At 1 September</b>	<b>4,851,000</b>	<b>3,758,000</b>
Interest income	78,000	72,000
Actuarial gains	604,000	660,000
Employee contributions	49,000	93,000
Benefits paid	(50,000)	(58,000)
Employer contributions	178,000	326,000
<b>At 31 August</b>	<b>5,710,000</b>	<b>4,851,000</b>

**26. 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.

**27. Related party transactions**

Owing to the nature of the Academy Trust and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the directors 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 other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.