

**Company registration number 08398143 (England and Wales)**

**FULHAM CROSS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**



# **FULHAM CROSS ACADEMY TRUST**

## **CONTENTS**

---

|  | <b>Page</b> |
|--|-------------|
| Reference and administrative details                                       | 1 - 2       |
| Directors' report  | 3 - 15      |
| Governance statement   | 16 - 25     |
| Statement on regularity, propriety and compliance                          | 26          |
| Statement of directors' responsibilities                                   | 27          |
| Independent auditor's report on the accounts                               | 28 - 31     |
| Independent reporting accountant's report on regularity                    | 32 - 33     |
| Statement of financial activities including income and expenditure account | 34 - 35     |
| Balance sheet  | 36 - 37     |
| Statement of cash flows  | 38          |
| Notes to the accounts including accounting policies                        | 39 - 60     |

---

# **FULHAM CROSS ACADEMY TRUST**

## **REFERENCE AND ADMINISTRATIVE DETAILS**

---

### **Members**

D Wright  
P Barton  
P Alford  
S Holder  
D McNamara

### **Directors**

S English  
T Barrett  
J Medina  
D Wright  
P Barton (Chair of Directors)  
S Ahmed  
E Porter  
S Brooks (Executive Principal & Accounting Officer)  
T Polglase  
T Kelly  
C Malissard  
B Beason (Resigned 31 March 2023)  
L Martin  
N Yates  
S Kaur (Resigned 18 November 2022)  
J Niang  
A Sapsard (Resigned 30 May 2023)  
L Mackie (Appointed 6 December 2022)  
E Makrydaki (Appointed 11 October 2022)

### **Senior leadership team**

#### **FCAT**

- Trust Finance Director
- Executive Principal
- Trust Finance Director
- SENCo

T Aryee (appointed 1 April 2023)  
S Brooks  
L Robins (resigned 31 March 2023)  
S Harry

#### **FCGS**

- Co-Head of School
- Co-Head of School
- Deputy Headteacher
- Assistant Headteacher
- Assistant Headteacher
- Assistant Headteacher
- Business Manager
- Associate Assistant Headteacher
- Associate Assistant Headteacher

V Tully  
L Grainger (resigned 1 August 2023)  
S Powell  
C Drew  
A Thorpe  
H Bristow  
B Beeson (resigned 31 March 2023)  
T Kelly  
M Abdelrahman

## **FULHAM CROSS ACADEMY TRUST**

### **REFERENCE AND ADMINISTRATIVE DETAILS**

---

#### **FCA**

|                                   |            |
|-----------------------------------|------------|
| - Head of School                  | A Jones    |
| - Deputy Headteacher              | C Johnson  |
| - Assistant Headteacher           | V Naidoo   |
| - Assistant Headteacher           | J Medina   |
| - Assistant Headteacher           | R Jones    |
| - Associate Assistant Headteacher | C McCormac |
| - Associate Assistant Headteacher | L Gilbert  |

**Company registration number** 08398143 (England and Wales)

**Principal and registered office** Fulham Cross Girls' School  
Munster Road  
London  
SW6 6BP

#### **Academies operated**

Fulham Cross Girls' School ("FCGS")  
Fulham Cross Academy ("FCA")

**Independent auditor** UHY Hacker Young LLP  
Quadrant House - Floor 6  
4 Thomas More Square  
London  
E1W 1YW

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

**Solicitors** Browne Jacobson  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ

# FULHAM CROSS ACADEMY TRUST

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

---

The directors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

#### Structure, governance and management

##### Constitution

The 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 its funding agreement with the DfE (the 'Funding Agreement') are the primary governing documents of the Trust.

The Directors act as Trustees for the charitable activities of the Trust, as Governors under education law (but are referred to as Directors throughout) and are also the Directors of the charitable company for the purposes of company law.

Details of the Directors who served during the 2022/23 year are included in the Reference and Administrative Details on page 1.

##### Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while 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.

##### Directors' indemnities

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

##### 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 students within the schools at the time of their election. They are elected by Parents/Carers of students 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.

# FULHAM CROSS ACADEMY TRUST

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### Policies and procedures 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.

An online portal, GovernorHub, is used for all communications to Directors and for storing all relevant documents. Directors take part in annual in-school training on safeguarding and also use online training provided by Modern Governor and High Speed Training improve and update their skills and knowledge.

#### Organisational structure

The Trust is governed by an Executive Board composed of the directors of the company constituted under the Articles of Association of the Trust. The Executive Board acts in accordance with the Funding Agreement and the company's 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 Trust'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. Assess risk regularly and report to the Executive Board annually.
- **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 through the budget.

## **FULHAM CROSS ACADEMY TRUST**

### **DIRECTORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

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 meetings with key leads and through learning walks.

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 1 and controls and authorises the spending of budgets. Curriculum budgets are devolved to Heads of Departments/Faculties. The Executive Principal and the Trust Finance Director meet regularly to monitor and review the current cash flow and budget requirements.

## FULHAM CROSS ACADEMY TRUST

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2023

---

##### Arrangements for setting pay and remuneration of key management personnel

For the Trust's financial year ending August 2023 the Trust identifies its key management personnel as:

| Role                                     | Name               | Remuneration basis    |
|--|--------------------|-----------------------|
| Chair of Directors & Trust Member        | P Barton           | Volunteer Director    |
| Deputy Chair of Directors & Trust Member | S English          | Volunteer Director    |
| Chair of Audit and Risk                  | S English          | Volunteer Director    |
| Chair of Finance Committee               | T Polglase         | Volunteer Director    |
| Executive Principal & Accounting Officer | S Brooks           | Employee of the Trust |
| Co-Heads of School FCGS                  | V Tully/L Grainger | Employee of the Trust |
| Head of School FCA                       | A Jones            | Employee of the Trust |
| Finance Director                         | T Aryee            | Employee of the Trust |
| Operations Lead                          | T Barrett          | Employee of the Trust |

##### 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 and an external consultant.

A full salary reassessment 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.



## **FULHAM CROSS ACADEMY TRUST**

### **DIRECTORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

##### Related parties and other connected charities and organisations

The Trust provides facilities for Queensmill School, a special school for students with autism, providing facilities to enable its students to encounter a mainstream experience as they develop. Students access a mix of mainstream lessons after an assessment is completed.

Following Queensmill's academisation, the Trust and Queensmill agreed a service level agreement to support both organisations and students.

Like other schools in the area, the Trust buys into a local arrangement for Alternative Provision, now delivered by the Ormiston Academy Trust. The service level agreement tariff charged is the same for all schools. This arrangement provides support for students who are temporarily excluded from school or those who can benefit from a temporary alternative curriculum before being reintroduced back into main school provision. There is no organisational relation.

There are no other relationships to mention.

##### **Objectives and activities**

###### Objects and aims

The Trust's 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; and
- a. 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.

###### Objectives, strategies and activities

The Fulham Cross Academy Trust consists of two schools; Fulham Cross Girls' School ('FCGS'), a well-established 11-16 girls' school and Fulham Cross Academy ('FCA'), a mixed, STEM specialist, 11-19 school. Both schools have recently been inspected by OFSTED and are rated 'good'. However, with local and national challenges the Trust must continue to improve to ensure the best possible provision for its students. The White Paper launched in the Summer of 2022 stated the desire for all schools to be part of a strong Multi-Academy Trust. The desire is for FCAT to grow with like-minded partners in the local area.

## FULHAM CROSS ACADEMY TRUST

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2023

---

##### Strategic Targets

1. All learners should experience a transformative and inclusive '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. Sustaining efficient and proactive operational pillars that support a thriving Trust;
6. Leadership should be dynamic, focused, rigorous and robust at all levels across the Trust
7. Strengthening FCAT as the conscious 'Trust of choice' within the West London area

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.

|  | FCA  | FCGS  |
|--|--|---|
| Free School Meals/Pupil Premium          | 34.6%  | 34.7%   |
| Special Educational Needs and Disability | 15.7% (17 students have an Education Health and Care Plan) | 18.5% (9 students have an Education Health and Care Plan) |
| Bi or Multi-lingual                      | 39.6%  | 34.4%   |

##### Public benefit

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.

##### Strategic report

##### Key performance indicators

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

- Student 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

FCGS was inspected in May 2022 and received a 'good' OFSTED rating. FCA received an ungraded inspection in February 2023 and the judgement remained 'good'.

## FULHAM CROSS ACADEMY TRUST

### DIRECTORS' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2023

---

##### Review of activities

The Board of Directors (the 'Executive Board') have received regular updates about the schools' achievements and performance throughout the year compared to aims, strategies and financial budgets via regular formal reports from the Executive Principal and the Heads of School of FCGS and FCA. 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:

|                    | 2021  | 2022  | 2023  |
|--------------------|-------|-------|-------|
| Progress 8         | 0.01  | -0.31 | 0.02  |
| Attainment 8       | 44.11 | 50.80 | 45.56 |
| Grade 4+/C En & ma | 60%   | 66%   | 66%   |
| Grade 5+ En & ma   | 37.5% | 48.9% | 38.1% |

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

|                    | 2021  | 2022 | 2023  |
|--------------------|-------|------|-------|
| Progress 8         | 0.80  | 0.15 | 0.33  |
| Attainment 8       | 57.85 | 54.8 | 50.4  |
| Grade 4+/C En & ma | 77.7% | 78%  | 74.4% |
| Grade 5+ En & ma   | 59%   | 65%  | 43.6% |

##### Key Stage 5 Outcomes:

61 students sat an A Level qualification, with an A-E average of 80%.

Vocational qualifications continue to be stronger, with 54 students and an 86% pass rate.

The Trust is aware that students from disadvantaged backgrounds have an even larger performance gap at A level which has been highlighted nationally - disadvantaged students' APS (Average Point Score) is 28.70, whilst non-disadvantaged is 33.58 nationally. The Sixth Form has a particularly high number of Pupil Premium students. This continues to be an area of improvement for the Trust.

## **FULHAM CROSS ACADEMY TRUST**

### **DIRECTORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

##### Financial controls, internal audit and internal scrutiny

The Trust continues to operate its full internal financial controls and audit processes. Bank statements are monitored regularly, no cases of fraud were identified in the year. Three areas for internal scrutiny were agreed at the Audit Committee in the year, with an independent third party service carrying out the scrutiny and reporting its findings to the Audit Committee.

##### Value for money

The Trust believes that it continues to operate appropriate procedures to obtain value for money e.g. in the following ways:

- Staffing: given that majority of the Trust's budget is spent on staffing, a review of every vacancy is conducted as it becomes available, considering the organisational structure and relevant departments to identify if the role could be filled more efficiently.
- Making use of available resources: this includes targeted use of Pupil Premium, Tutoring and Catch-Up funding.
- Increasing the use of Trust assets to generate additional income: the Trust has increased lettings to external agencies out of school hours at both sites.

##### 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.

##### **Financial review**

Most of the Trust's income is obtained from the Education and Skills Funding Agency ('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 2023 totalled £10.0m (2022: £9.3m) and the associated expenditure totalled £10.0m (2022: £9.8m) (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. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned; a charge of £1.095m (2022: £1.096m) was made in the period. The balance on the fund at the period end totalled £46.1m (2022: £46.7m), which is in line with the net book value of assets held on the balance sheet plus capital Condition Improvement Grant carried forward of £46k.

During the year ending 31 August 2023 total income of £10.9m (2022: £10.2m) (excluding restricted fixed asset funds) was higher than expenditure of £10.3m (2022: £10.6m) (excluding fixed asset costs) by £588k (2022: £374k).

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 2023, the scheme's liabilities exceeded its assets by £1.25m (2022: £0.8m). 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.

## **FULHAM CROSS ACADEMY TRUST**

### **DIRECTORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

##### Reserves policy

At 31 August 2023 the Trust held free reserves (unrestricted funds) of £1.6m (2022: £1.2m) and no general restricted fund balance. The free reserves are available for the general objects of the Trust. The Trust holds a further £46.1m (2022: £46.7m) 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 Trust Finance Director meetings.

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.

##### Investment policy

Due to the low interest rates previously available on fixed term and notice accounts, the Directors concluded that the small increase in the amount of interest receivable from using those accounts would not justify compromising the Trust's access to its funds, which are held in immediate access accounts. However, as interest rates have risen, the Trust is reviewing its investment policy to make the most of its reserves and surplus operational cash.

##### Internal scrutiny

The following areas were identified for internal scrutiny during the 2022/23 year – cyber security, income management and HR management. No significant weaknesses in internal controls were identified and, where weaknesses in controls or processes not considered to be significant were identified, plans have been put in place to improve them.

##### Principal risks and uncertainties

The Trust maintains a comprehensive Risk Register covering universal and school specific risks, the latter based on both the political and local landscape, and identifying actions and procedures to mitigate those risks. The full Risk Register was formally reviewed during the year and the internal control systems and the exposure to said risks are monitored by the Directors at each Committee meeting. The principal risks facing the Trust are outlined below; those facing the Trust at an operational level are addressed by its systems and by internal financial and other controls. The Trust's financial and internal controls conform to guidelines issued by the ESFA, and improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented. It is recognised that systems can only provide reasonable, not absolute, assurance that major risks have been adequately managed. Cash flows can be reliably forecast, monitored and reported and staff costs, which make up the majority of expenditure, are relatively stable with contingencies in place to cover such items as sickness and maternity.

## FULHAM CROSS ACADEMY TRUST

### DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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

| <b>Risk</b>  | <b>Consequence</b>  | <b>Mitigating Actions</b>  |
|--|---|--|
| The Trust roll declines significantly  | Funding declines and one or more of the schools becomes unsustainable.<br>The Sixth Form grows more slowly than planned   | The Trust operates a marketing and recruitment strategy for student recruitment. The Trust has initiated and continues to consider short, medium and long-term plans that are designed to mitigate against the risk of a drop in the roll. It is recognised, however, that this will remain a significant risk - particularly the lagged nature of post-16 funds. The Trust has formally informed the ESFA of its concerns about Sixth Form funding. A marketing and recruitment lead is in place. |
| Government funding is inadequate to operate the schools as required by Directors, parents or the DfE | Further funding reductions are made leading to budget reductions which put at risk the quality of teaching and learning.<br>Student enrichment is reduced due to unaffordability.<br>The fabric of the schools is neglected with potential health and safety risks. | The Trust is developing additional streams of revenue through partnership use of its estate. The budget is kept under review to ensure that the Trust's priorities are secured to the extent possible.   |
| The Executive Board lacks relevant skills to oversee the Trust                                       | The Trust fails to recognise the importance of an area of its operations.<br>Inadequate or late decisions result in poor value for money.   | Senior staff are included as part of the advisers to the Executive Board and Committees. The Trust follows the principles of distributed leadership so that knowledge is dispersed and succession planning for the Trust is secured. Training for Directors is made available on an as need basis.   |
| Loss of key Directors  | Loss of contact base and corporate knowledge.<br>Loss of experience and skills.<br>Operational impact on delivery of projects and priorities.   | The Trust is proactive about resignation and recruitment of Directors which the Executive Board keeps under constant review and conducts skills checks. There is capacity within the Directors and ongoing CPD is in place to support succession planning. The Executive Principal has gained the NPQEL qualification and has completed the ASCL Executive Leader course.  |

# **FULHAM CROSS ACADEMY TRUST**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

|  |  |   |
|--|--|---|
| Inappropriate or ineffective staff are employed  | Poor recruitment decisions are made and staff cannot be removed easily. Recruitment costs increase. Disproportionate support and training required.  | The Trust uses a formal application process, shortlisting and interviewing potential staff against professional and employment related standards and criteria. A full safer recruitment checking and recruitment process is carried out prior to appointment. For teaching staff appointments, lesson observations are carried out to OFSTED criteria. New staff undergo a formal induction process and are closely monitored during their induction period. Other Trust policies, including the pay policy, encourage staff to be successful. The Trust retains the services of professional HR, Legal and Employee relations advisers to complement its own in-house skills.  |
| Local Government Pension Scheme pension commitments increase beyond plan   | The Trust's budget available to use for funding student related expenditure will reduce.   | The Trust regularly commissions an actuarial report in its Pension Scheme commitments as part of its overall budget strategy.   |
| One or more of the schools' reputation with the community's existing, or potential, parents and pupils severely declines | The schools are no longer the first choices for the local community so the rolls decline. Parental complaints increase/ are not dealt with appropriately. Parents and others complain to OFSTED about the schools' activities. Staff morale is lowered and recruitment is made harder. | The Trust has rigorous systems for planning and quality assuring the areas covered by the OFSTED regime, including forensic interrogation of student achievement data to guide the type, level and expenditure on intervention/personalised learning. The Trust conducts student, parent and staff satisfaction surveys which are analysed by a professional company and takes the results of these on board in its School Improvement Plan process. The Trust operates a marketing and recruitment strategy for student recruitment. The Trust has initiated and continues to consider short, medium and long term plans that are designed to mitigate against the risk of a drop in the rolls. It is recognised, however, that this will remain a significant risk. |

## **FULHAM CROSS ACADEMY TRUST**

### **DIRECTORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

##### Financial and risk management objectives and policies

###### **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.

###### **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 2022/23 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.

###### **Plans for future periods**

###### Buildings Programme

Tilbury Douglas were appointed by the DfE as the contractors responsible for the development of the new sports hall, cafeteria and playground space at FCA. Client engagement meetings took place during the 22/23 year and all relevant documentation is with the Hammersmith and Fulham Planning Department for agreement.

The Trust is in the process of negotiating the sale of the site house on the FCGS site. Once completed, the sale proceeds will allow for capital projects to take place which will improve the student experience in the arts and technology.

###### Growth at Fulham Cross Academy

The 23/24 year is the final year of a boys only year group at FCA, after which it will be mixed across all year groups. The Directors anticipate that expansion of the Sixth Form course offer and the introduction of T Levels will see the Sixth Form continue to grow. The Directors are also focused on ensuring that the popularity of FCA does not adversely affect the continuing attractiveness of FCGS to potential students.



**FULHAM CROSS ACADEMY TRUST**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

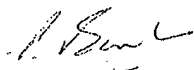
**Auditor**

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the 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 auditor is aware of that information.

UHY Hacker Young LLP was appointed auditor to the charitable company. A resolution proposing re-appointment will be put to the members.

The directors' report, incorporating a strategic report, was approved by order of the board of directors, as the company directors, on 5th December 2023 and signed on its behalf by:



.....  
P Barton

**Chair of Directors**

## **FULHAM CROSS ACADEMY TRUST**

### **GOVERNANCE STATEMENT**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

##### **Scope of responsibility**

As Directors, we acknowledge we have overall responsibility for ensuring that the 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 the DfE's Governance Handbook and competency framework for governance.

The Executive Board has delegated the day-to-day responsibility to the Accounting Officer for ensuring financial controls conform with the requirements of both propriety and good financial management and are in accordance with the requirements and responsibilities assigned to the Trust in the funding agreement between it and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Executive Board any material weaknesses or breakdowns in internal control.

##### **Governance**

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Executive Board has formally met 4 times during the year. Attendance during the year at meetings of the Executive Board was as follows:

| <b>Directors</b>                                    | <b>Meetings attended</b> | <b>Out of possible</b> |
|---|--------------------------|------------------------|
| S English   | 3                        | 4                      |
| T Barrett   | 4                        | 4                      |
| J Medina  | 4                        | 4                      |
| D Wright  | 3                        | 4                      |
| P Barton (Chair of Directors)                       | 3                        | 4                      |
| S Ahmed   | 3                        | 4                      |
| E Porter  | 2                        | 4                      |
| S Brooks (Executive Principal & Accounting Officer) | 4                        | 4                      |
| T Polglase  | 3                        | 4                      |
| T Kelly   | 3                        | 4                      |
| C Malissard   | 2                        | 4                      |
| B Beason (Resigned 31 March 2023)                   | 3                        | 3                      |
| L Martin  | 3                        | 4                      |
| N Yates   | 2                        | 4                      |
| S Kaur (Resigned 18 November 2022)                  | 0                        | 2                      |
| J Niang   | 1                        | 4                      |
| A Sapsard (Resigned 30 May 2023)                    | 1                        | 3                      |
| L Mackie (Appointed 6 December 2022)                | 1                        | 1                      |
| E Makrydaki (Appointed 11 October 2022)             | 2                        | 4                      |

## **FULHAM CROSS ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

#### **Conflicts of interest**

The Trust manages the risk of conflicts of interest arising in three main ways:

- Its Articles of Association contain appropriate restrictions regarding conflicts of interest, including restrictions on Members and Directors buying or selling goods or services to the Trust, restrictions on Directors (other than the Executive Principal and Staff Directors) being employed by the Trust, and restrictions on Directors receiving any financial benefit from the Trust.
- At the beginning of each academic year each Director is required to make a written declaration of his/her interests to the Trust.
- At the beginning of each meeting of the Executive Board and Committee each Director present is required to declare any interest he/she has in the matters under discussion at that meeting.

## **FULHAM CROSS ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

##### **Governance reviews**

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. This is recorded on GovernorHub.

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 October; 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. Governors are also linked with subject areas and meet with colleagues at least twice a year to scrutinize the quality of the curriculum.

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.

Professional Growth (formerly known as 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 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.

The Trust employs external professional advisers to quality assure its financial management systems; 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. The Sixth Form works particularly closely with employers in the region. Employers also support Careers Education and Guidance in both schools.

## **FULHAM CROSS ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

#### **Committees**

##### **The Strategic Management Committee**

##### **Terms of Reference:**

- Undertake tasks as delegated by the Executive Board
- To guide the strategic development of the Trust
- To discuss the management and development of the schools with the Executive Principal
- To liaise directly with the LA and external partners on behalf of the Executive Board
- To oversee arrangements for educational visits, including the appointment of a named coordinator
- 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
- Taking account of this, to recommend candidates for membership of the Board to the Executive Board
- To manage the selection and appointment process on behalf of the Executive Board
- To devise and oversee a process for keeping the effectiveness of the Executive Board under review
- To review committee structures and receive reports from committee chairs

##### **Attendance at meetings in the year was as follows:**

|          | <b>Meetings attended</b> | <b>Out of possible</b> |
|----------|--------------------------|------------------------|
| D Wright | 5                        | 6                      |
| S Brooks | 6                        | 6                      |
| P Barton | 6                        | 6                      |

## **FULHAM CROSS ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

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

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

Terms of Reference:

##### **Finance**

- To agree an annual budget for approval by the Executive Board
- To establish and maintain an up to date 3-year financial plan
- 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
- To ensure that the schools operate within the Trust's Financial Regulations laid down by the DfE
- To monitor expenditure of all voluntary funds kept on behalf of the Executive Board
- To annually review charges and remissions policies and expenses policies
- To make decisions in respect of service agreements
- To make decisions on expenditure following recommendations from other committees
- To ensure, as far as is practical, that Health and Safety issues are appropriately prioritised
- To determine whether sufficient funds are available for pay increments as recommended by the Executive Principal
- In the light of the Executive Principal Performance Management Group's recommendations, to determine whether sufficient funds are available for increments
- To periodically review the Trust's Whistleblowing Policy recommending changes to the Executive Board for approval
- To receive regular reports regarding cashflow through the Trust's bank accounts
- To ensure that monthly management accounts reports are created and shared with the Chair of directors

## **FULHAM CROSS ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

##### **Estates and Premises**

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

##### **Health & Safety**

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

Attendance at meetings in the year was as follows:

| <b>Directors</b>                                    | <b>Meetings attended</b> | <b>Out of possible</b> |
|---|--------------------------|------------------------|
| S English   | 3                        | 4                      |
| T Barrett   | 4                        | 4                      |
| S Ahmed   | 2                        | 4                      |
| S Brooks (Executive Principal & Accounting Officer) | 4                        | 4                      |
| T Polglase  | 4                        | 4                      |
| T Kelly   | 3                        | 4                      |
| B Beason (Resigned 31 March 2023)                   | 2                        | 2                      |

## FULHAM CROSS ACADEMY TRUST

### GOVERNANCE STATEMENT (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2023

---

##### The Audit Committee

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

##### Terms of reference:

1. To consider and approve the Trust's Financial Regulations, and their periodic update
- b. To receive external and internal audit reports and to consider and approve revisions to the Trust's Financial Regulations as necessary
- c. To monitor behaviours and adherence to the Trust's internal control mechanisms through the receipt of annual internal scrutiny reports provided by a party independent from the Trust's finance team, and to meet annually to review these
- d. 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.
- e. To monitor and oversee the Trust's Risk Register
- f. To monitor and review the effectiveness of the external Auditors
- g. To monitor and review the effectiveness of the internal Auditors
- h. To monitor the role of the Accounting Officer, who must be appointed by the Executive Board
- i. To monitor the role of the Trust Finance Director, who must be appointed by the Executive Board
- j. To have oversight of information submitted to the 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 at meetings in the year was as follows:

| Directors  | Meetings attended | Out of possible |
|------------|-------------------|-----------------|
| S English  | 3                 | 4               |
| S Ahmed    | 2                 | 4               |
| T Polglase | 4                 | 4               |

##### **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.



## **FULHAM CROSS ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

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 2022. These include robust internal controls, continuous financial monitoring and external auditing. Continuing with previous good practice, the Trust Finance Director 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, informed by internal audit reports, is in place.

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.

Professional Growth 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 Trust Finance Director.

The Trust has a shared CPD programme to grow its own staff. The Trust also works with external partners. Teachers' skills are subject to continuous review and improvement to ensure best value.

The Trust will continue with its 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.

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.

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

The Trust is further investigating possible economies of scale as it consolidates contracts across both sites and spending with individual suppliers is monitored by the Trust Finance Director to ensure they best meet the needs of staff and students.

#### **Pupil Premium and National Tutoring Programme Funding**

Students who are entitled to Pupil Premium are entitled to additional enrichment and support. The Trust is confident that the funds are spent well and reports via the schools' websites how Pupil Premium and National Tutoring Programme funding is spent.

## **FULHAM CROSS ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

##### **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 Fulham Cross Academy Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts.

##### **Capacity to handle risk**

The Executive Board 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 Executive Board 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 2023 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 Executive Board to reflect changing levels of risk.

##### **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 Finance Committee and 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.

The Trust's Audit Committee is independent from the Finance Committee. The Audit Committee oversees the process of internal scrutiny outlined in the Academy Trust Handbook 2022. Under this regime, and to ensure complete transparency, the Trust appoints an independent third party service 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, and the reports are made to committees of the Executive Board, with a summary report going to the full Board and the ESFA annually.

The following areas were identified for internal scrutiny during the 2022/23 year – cyber security, income management and HR management. No significant weaknesses in internal controls were identified and, where weaknesses in controls or processes not considered to be significant were identified, plans have been put in place to improve them.

## **FULHAM CROSS ACADEMY TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---


##### **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:

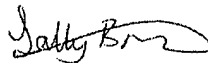
- the work of the internal and external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit Committees and a plan to ensure continuous improvement of the system is in place.

Approved by order of the board of directors on 5th December 2023 and signed on its behalf by:



**P Barton**  
**Chair of Directors**



**S Brooks**  
**Executive Principal & Accounting Officer**

## **FULHAM CROSS ACADEMY TRUST**

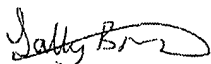
### **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2023**

---

As accounting officer of 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, including for estates safety and management, 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 Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust's board of directors are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

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.



**S Brooks**  
**Accounting Officer**

## **FULHAM CROSS ACADEMY TRUST**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

The directors (who also act as trustees for Fulham Cross Academy Trust) are responsible for preparing the directors' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 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 accounts for each financial year. Under company law, the directors must not approve the accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- 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 accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of directors on 5th December 2023 and signed on its behalf by:



P Barton  
Chair of Directors

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FULHAM CROSS ACADEMY TRUST**

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### **Opinion**

We have audited the accounts of Fulham Cross Academy Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' 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 accounts in the UK, including the FRC'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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FULHAM CROSS  
ACADEMY TRUST (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

---

**Other information**

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts 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.

**Opinions 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 including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the directors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the 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, including the incorporated strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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 directors**

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FULHAM CROSS  
ACADEMY TRUST (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

---

**Auditor's responsibilities for the audit of the accounts**

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the academy trust and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the academy trust, which were contrary to applicable laws and regulations including fraud, 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.

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 inflated income and the academy trust's net income for the year.

**Audit procedures performed included:**

- reviewing the financial statement disclosures to underlying supporting documentation
- enquiry of trust staff in compliance functions to identify any instances of non-compliance with laws and regulations
- review of correspondence with and reports with regulators, including correspondence with the ESFA
- enquiries of management, those charged with governance and the trust's legal advisors and the review of relevant correspondence around actual and potential litigation and claims
- reviewing minutes of meetings with those charged with governance
- review of internal audit reports during the year and discussion and consideration of any significant matters raised
- assessing the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FULHAM CROSS  
ACADEMY TRUST (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

---

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Subarna Banerjee (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young LLP**

**14 December 2023**

**Chartered Accountants  
Statutory Auditor**

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

In accordance with the terms of our engagement letter dated 17 April 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Fulham Cross Academy Trust during the period 1 September 2022 to 31 August 2023 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 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 Fulham Cross Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

14 December 2023

The accounting officer is responsible, under the requirements of Fulham Cross Academy Trust's funding agreement with the Secretary of State for Education dated 1 March 2013 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 period 1 September 2022 to 31 August 2023 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.

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

The work undertaken to draw to our conclusion includes:

- Evaluation of the general control environment;
- Confirmation that the internal delegations have been approved by the governing body, and conform to the limits set by the Department for Education;
- Review of the declaration of interests to ensure completeness;
- Review of minutes for evidence of declaration of interest;
- A sample of payments has been reviewed to confirm that each item has been appropriately authorised in accordance with the academy trust's delegated authorities;
- A sample of cash payments were reviewed for unusual transactions;
- A sample of expenditure items were reviewed against specific terms of grant funding within the funding agreement;
- Formal representations have obtained from the governing body and the accounting officer acknowledging their responsibilities for matters relating to regularity and propriety.

In line with the Framework and guide for External Auditors and Reporting Accountants of Academy Trusts issued April 2023, we have not performed any additional procedures regarding the academy trust's compliance with safeguarding, health and safety and estates management.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*UHY Hacker Young*

**UHY Hacker Young LLP  
Reporting Accountant**

4 Thomas More Square  
London  
E1W 1YW

Dated: 14 December 2023

# FULHAM CROSS ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2023

|   | Notes | Unrestricted funds<br>£ | Restricted funds:<br>General £ Fixed asset £ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|---|-------|-------------------------|--|--------------------|--------------------|
| <b>Income and endowments from:</b>                          |       |                         |  |                    |                    |
| Donations and capital grants                                | 3     | -                       | -  | 371,301            | 25,525             |
| Charitable activities:                                      |       |                         |  |                    |                    |
| - Funding for educational operations                        | 4     | 108,140                 | 10,368,464                                   | -                  | 9,839,427          |
| Other trading activities                                    | 5     | 434,440                 | -  | -                  | 375,105            |
| Investments   | 6     | 204                     | -  | -                  | 155                |
| <b>Total</b>  |       | <b>542,784</b>          | <b>10,368,464</b>                            | <b>371,301</b>     | <b>11,282,549</b>  |
| <b>Expenditure on:</b>                                      |       |                         |  |                    |                    |
| Charitable activities:                                      |       |                         |  |                    |                    |
| - Educational operations                                    | 8     | -                       | 10,323,161                                   | 1,095,064          | 11,418,225         |
| <b>Total</b>  | 7     | <b>-</b>                | <b>10,323,161</b>                            | <b>1,095,064</b>   | <b>11,418,225</b>  |
| <b>Net income/(expenditure)</b>                             |       | <b>542,784</b>          | <b>45,303</b>                                | <b>(723,763)</b>   | <b>(135,676)</b>   |
| Transfers between funds                                     | 17    | (230,834)               | 58,521                                       | 172,313            | -                  |
| <b>Other recognised gains/(losses)</b>                      |       |                         |  |                    |                    |
| Actuarial (losses)/gains on defined benefit pension schemes | 19    | -                       | (409,000)                                    | -                  | (409,000)          |
| <b>Net movement in funds</b>                                |       | <b>311,950</b>          | <b>(305,176)</b>                             | <b>(551,450)</b>   | <b>(544,676)</b>   |
| <b>Reconciliation of funds</b>                              |       |                         |  |                    |                    |
| Total funds brought forward                                 |       | 1,243,339               | (829,000)                                    | 46,703,525         | 47,117,864         |
| Total funds carried forward                                 |       | 1,555,289               | (1,134,176)                                  | 46,152,075         | 46,573,188         |

# FULHAM CROSS ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

| Comparative year information<br>Year ended 31 August 2022 | Notes | Unrestricted<br>funds<br>£ | Restricted funds:<br>General | Fixed asset<br>£   | Total<br>2022<br>£ |
|---|-------|----------------------------|------------------------------|--------------------|--------------------|
| <b>Income and endowments from:</b>                        |       |                            |                              |                    |                    |
| Donations and capital grants                              | 3     | -                          | -                            | 25,525             | 25,525             |
| Charitable activities:                                    |       |                            |                              |                    |                    |
| - Funding for educational operations                      | 4     | 232,023                    | 9,607,404                    | -                  | 9,839,427          |
| Other trading activities                                  | 5     | 375,105                    | -                            | -                  | 375,105            |
| Investments   | 6     | 155                        | -                            | -                  | 155                |
| <b>Total</b>  |       | <u>607,283</u>             | <u>9,607,404</u>             | <u>25,525</u>      | <u>10,240,212</u>  |
| <b>Expenditure on:</b>                                    |       |                            |                              |                    |                    |
| Charitable activities:                                    |       |                            |                              |                    |                    |
| - Educational operations                                  | 8     | 232,018                    | 10,356,175                   | 1,096,476          | 11,684,669         |
| <b>Total</b>  | 7     | <u>232,018</u>             | <u>10,356,175</u>            | <u>1,096,476</u>   | <u>11,684,669</u>  |
| <b>Net income/(expenditure)</b>                           |       | 375,265                    | (748,771)                    | (1,070,951)        | (1,444,457)        |
| Transfers between funds                                   | 17    | (198,916)                  | 142,771                      | 56,145             | -                  |
| <b>Other recognised gains/(losses)</b>                    |       |                            |                              |                    |                    |
| Actuarial gains on defined benefit pension schemes        | 19    | -                          | 6,928,000                    | -                  | 6,928,000          |
| <b>Net movement in funds</b>                              |       | <u>176,349</u>             | <u>6,322,000</u>             | <u>(1,014,806)</u> | <u>5,483,543</u>   |
| <b>Reconciliation of funds</b>                            |       |                            |                              |                    |                    |
| Total funds brought forward                               |       | <u>1,066,990</u>           | <u>(7,151,000)</u>           | <u>47,718,331</u>  | <u>41,634,321</u>  |
| Total funds carried forward                               |       | <u>1,243,339</u>           | <u>(829,000)</u>             | <u>46,703,525</u>  | <u>47,117,864</u>  |

# FULHAM CROSS ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2023

|   |       | 2023             |                   | 2022             |                   |
|---|-------|------------------|-------------------|------------------|-------------------|
|   | Notes | £                | £                 | £                | £                 |
| <b>Fixed assets</b>                                     |       |                  |                   |                  |                   |
| Tangible assets   | 12    |                  | 46,105,623        |                  | 46,703,525        |
| <b>Current assets</b>                                   |       |                  |                   |                  |                   |
| Debtors   | 13    | 385,374          |                   | 374,042          |                   |
| Cash at bank and in hand                                |       | 1,823,958        |                   | 1,352,025        |                   |
|   |       | <u>2,209,332</u> |                   | <u>1,726,067</u> |                   |
| <b>Current liabilities</b>                              |       |                  |                   |                  |                   |
| Creditors: amounts falling due within one year          | 14    | (488,767)        |                   | (464,772)        |                   |
| <b>Net current assets</b>                               |       |                  | 1,720,565         |                  | 1,261,295         |
| <b>Total assets less current liabilities</b>            |       |                  | 47,826,188        |                  | 47,964,820        |
| Creditors: amounts falling due after more than one year | 15    |                  | -                 |                  | (17,956)          |
| <b>Net assets excluding pension liability</b>           |       |                  | 47,826,188        |                  | 47,946,864        |
| Defined benefit pension scheme liability                | 19    |                  | (1,253,000)       |                  | (829,000)         |
| <b>Total net assets</b>                                 |       |                  | <u>46,573,188</u> |                  | <u>47,117,864</u> |
| <b>Funds of the academy trust:</b>                      |       |                  |                   |                  |                   |
| <b>Restricted funds</b>                                 | 17    |                  |                   |                  |                   |
| - Fixed asset funds                                     |       |                  | 46,152,075        |                  | 46,703,525        |
| - Restricted income funds                               |       |                  | 118,824           |                  | -                 |
| - Pension reserve                                       |       |                  | (1,253,000)       |                  | (829,000)         |
| <b>Total restricted funds</b>                           |       |                  | 45,017,899        |                  | 45,874,525        |
| <b>Unrestricted income funds</b>                        | 17    |                  | 1,555,289         |                  | 1,243,339         |
| <b>Total funds</b>                                      |       |                  | <u>46,573,188</u> |                  | <u>47,117,864</u> |

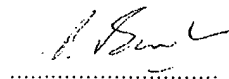
**FULHAM CROSS ACADEMY TRUST**

**BALANCE SHEET (CONTINUED)**

**AS AT 31 AUGUST 2023**

---

The accounts on pages 34 to 60 were approved by the directors and authorised for issue on 5th December 2023.  
and are signed on their behalf by:



.....  
P Barton

**Chair of Directors**

Company registration number 08398143 (England and Wales)

**FULHAM CROSS ACADEMY TRUST**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

|   | Notes | 2023<br>£ | £         | 2022<br>£ | £         |
|---|-------|-----------|-----------|-----------|-----------|
| <b>Cash flows from operating activities</b>   |       |           |           |           |           |
| Net cash provided by operating activities   | 20    |           | 633,501   |           | 45,171    |
| <b>Cash flows from investing activities</b>   |       |           |           |           |           |
| Dividends, interest and rents from investments                                      |       | 204       |           | 155       |           |
| Capital grants from DfE Group   |       | 371,301   |           | 25,525    |           |
| Purchase of tangible fixed assets   |       | (497,162) |           | (81,670)  |           |
| <b>Net cash used in investing activities</b>  |       |           | (125,657) |           | (55,990)  |
| <b>Cash flows from financing activities</b>   |       |           |           |           |           |
| Repayment of Salix loan   |       | (35,911)  |           | (35,908)  |           |
| <b>Net cash used in financing activities</b>  |       |           | (35,911)  |           | (35,908)  |
| <b>Net increase/(decrease) in cash and cash equivalents in the reporting period</b> |       |           | 471,933   |           | (46,727)  |
| Cash and cash equivalents at beginning of the year                                  |       |           | 1,352,025 |           | 1,398,752 |
| <b>Cash and cash equivalents at end of the year</b>                                 |       |           | 1,823,958 |           | 1,352,025 |



# FULHAM CROSS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 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

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical 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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Fulham Cross Academy Trust meets the definition of a public entity under FRS102

##### 1.2 Going concern

The directors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company 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 accounts 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 accounts.

##### 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 period for which it is receivable, and any abatement in respect of the period 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.

###### Donations

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

# FULHAM CROSS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 1 Accounting policies

(Continued)

##### Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

#### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

##### 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.

#### 1.5 Tangible fixed assets and depreciation

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 that require 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:

|                         |                                |
|-------------------------|--------------------------------|
| Freehold property       | Straight-line over 20-50 years |
| Plant and machinery     | Straight-line over 20 years    |
| Computer equipment      | Straight-line over 3 years     |
| Furniture and equipment | Straight-line over 5 years     |

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.

# FULHAM CROSS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 1 Accounting policies

(Continued)

No depreciation is provided in respect of freehold land.

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

#### 1.6 Liabilities

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

#### 1.7 Leased assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the statement of financial activities so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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

#### 1.8 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 basis are as follows.

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are not financial instruments. Prepayments are valued at the amount prepaid net of any trade discounts due.

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

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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.

# FULHAM CROSS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 1 Accounting policies

(Continued)

##### 1.9 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### 1.10 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The 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 are 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 net income or expenditure 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.

##### 1.11 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 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.

## FULHAM CROSS ACADEMY TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 2 Critical accounting estimates and areas of judgement

Accounting 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 19, will impact on 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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 Donations and capital grants

|                | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|----------------|----------------------------|--------------------------|--------------------|--------------------|
| Capital grants | -                          | 371,301                  | 371,301            | 25,525             |

# FULHAM CROSS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 4 Funding for the academy trust's educational operations

|                                 | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|---------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| <b>DfE/ESFA grants</b>          |                            |                          |                    |                    |
| General annual grant (GAG)      | -                          | 8,892,051                | 8,892,051          | 8,423,837          |
| Other DfE/ESFA grants:          |                            |                          |                    |                    |
| - Pupil premium                 | -                          | 462,240                  | 462,240            | 437,996            |
| - Others                        | -                          | 673,410                  | 673,410            | 427,655            |
|                                 | -                          | 10,027,701               | 10,027,701         | 9,289,488          |
| <b>Other government grants</b>  |                            |                          |                    |                    |
| Local authority grants          | -                          | 340,763                  | 340,763            | 317,916            |
| <b>Other incoming resources</b> | 108,140                    | -                        | 108,140            | 232,023            |
| <b>Total funding</b>            | 108,140                    | 10,368,464               | 10,476,604         | 9,839,427          |

Other DfE/ESFA grants includes Recovery Premium of £152,000, Supplementary Grants of £252,000 and Mainstream Schools Additional Grants of £130,000.

#### 5 Other trading activities

|                 | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|-----------------|----------------------------|--------------------------|--------------------|--------------------|
| Lettings income | 84,195                     | -                        | 84,195             | 37,928             |
| Other income    | 350,245                    | -                        | 350,245            | 337,177            |
|                 | 434,440                    | -                        | 434,440            | 375,105            |

#### 6 Investment income

|                     | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|---------------------|----------------------------|--------------------------|--------------------|--------------------|
| Short term deposits | 204                        | -                        | 204                | 155                |

**FULHAM CROSS ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**7 Expenditure**

|   | Staff costs<br>£ | Non-pay expenditure<br>Premises<br>£ | Other<br>£       | Total<br>2023<br>£ | Total<br>2022<br>£ |
|---|------------------|--------------------------------------|------------------|--------------------|--------------------|
| Academy's educational operations                  |                  |                                      |                  |                    |                    |
| - Direct costs                                    | 6,553,981        | 1,095,064                            | 675,850          | 8,324,895          | 8,055,121          |
| - Allocated support costs                         | 1,431,015        | 668,925                              | 993,390          | 3,093,330          | 3,629,548          |
|   | <u>7,984,996</u> | <u>1,763,989</u>                     | <u>1,669,240</u> | <u>11,418,225</u>  | <u>11,684,669</u>  |
| Net income/(expenditure) for the year includes:   |                  |                                      |                  | 2023<br>£          | 2022<br>£          |
| Operating lease rentals                           |                  |                                      |                  | 62,232             | 44,250             |
| Depreciation of tangible fixed assets             |                  |                                      |                  | 1,095,064          | 1,096,476          |
| Fees payable to auditor for:                      |                  |                                      |                  |                    |                    |
| - Audit   |                  |                                      |                  | 19,000             | 17,250             |
| - Other services                                  |                  |                                      |                  | 7,000              | 5,750              |
| Net interest on defined benefit pension liability |                  |                                      |                  | <u>35,000</u>      | <u>122,000</u>     |

# FULHAM CROSS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 8 Charitable activities

|                            | 2023              | 2022              |
|----------------------------|-------------------|-------------------|
|                            | £                 | £                 |
| All from restricted funds: |                   |                   |
| <b>Direct costs</b>        |                   |                   |
| Educational operations     | 8,324,895         | 8,055,121         |
| <b>Support costs</b>       |                   |                   |
| Educational operations     | 3,093,330         | 3,629,548         |
|                            | <u>11,418,225</u> | <u>11,684,669</u> |

|                                  | 2023             | 2022             |
|----------------------------------|------------------|------------------|
|                                  | £                | £                |
| <b>Analysis of support costs</b> |                  |                  |
| Support staff costs              | 1,431,015        | 1,809,613        |
| Technology costs                 | 252,018          | 189,621          |
| Premises costs                   | 668,925          | 760,681          |
| Catering                         | 411,755          | 397,780          |
| Pension finance cost             | 35,000           | 122,000          |
| Other support costs              | 187,748          | 192,620          |
| Governance costs                 | 106,869          | 157,233          |
|                                  | <u>3,093,330</u> | <u>3,629,548</u> |

#### 9 Staff

##### Staff costs

Staff costs during the year were:

|   | 2023             | 2022             |
|---|------------------|------------------|
|   | £                | £                |
| Wages and salaries                      | 5,857,443        | 5,656,485        |
| Social security costs                   | 637,142          | 629,493          |
| Pension costs                           | 1,103,821        | 1,536,214        |
|   | <u>7,598,406</u> | <u>7,822,192</u> |
| Staff costs - employees                 | 7,598,406        | 7,822,192        |
| Agency staff costs                      | 386,590          | 388,127          |
|   | <u>7,984,996</u> | <u>8,210,319</u> |
| Staff development and other staff costs | 35,314           | 24,703           |
|   | <u>8,020,310</u> | <u>8,235,022</u> |
| Total staff expenditure                 | 8,020,310        | 8,235,022        |



# FULHAM CROSS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 9 Staff

(Continued)

##### Staff numbers

The average number of persons employed by the academy trust during the year was as follows:

|                            | 2023<br>Number | 2022<br>Number |
|----------------------------|----------------|----------------|
| Teachers                   | 79             | 76             |
| Administration and support | 69             | 66             |
|                            | <u>148</u>     | <u>142</u>     |

##### Higher paid staff

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

|                     | 2023<br>Number | 2022<br>Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000   | 12             | 13             |
| £70,001 - £80,000   | 4              | 3              |
| £80,001 - £90,000   | 3              | 2              |
| £90,001 - £100,000  | 2              | 1              |
| £120,001 - £130,000 | -              | 1              |
| £130,001 - £140,000 | 1              | -              |
|                     | <u>1</u>       | <u>-</u>       |

##### Key management personnel

The key management personnel of the academy trust comprise the Accounting Officer, the Co-Heads of School (FCGS) and the Head of School (FCA). The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £548,465 (2022: £501,851).

## **FULHAM CROSS ACADEMY TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

#### **10 Directors' remuneration and expenses**

One or more of the 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, and not in respect of their services as directors.

The value of directors' remuneration and other benefits was as follows:

T Barrett (Staff Director):

- Remuneration £45,000 - £50,000 (2022: £40,000 - £45,000)
- Employer's pension contributions £10,000 - £15,000 (2022: £10,000 - £15,000)

J Medina (Staff Director):

- Remuneration £70,000 - £75,000 (2022: £65,000 - £70,000)
- Employer's pension contributions £15,000 - £20,000 (2022: £15,000 - £20,000)

T Kelly (Associate Assistant Head):

- Remuneration £60,000 - £65,000 (2022: £55,000 - £60,000)
- Employer's pension contributions £10,000 - £15,000 (2022: £10,000 - £15,000)

S Brooks (Executive Principal):

- Remuneration £130,000 - £135,000 (2022: £120,000 - £125,000)
- Employer's pension contributions £30,000 - £35,000 (2022: £25,000 - £30,000)

B Beason (Business Manager) (resigned 31 March 2023):

- Remuneration £30,000 - £35,000 (2022: £45,000 - £50,000)
- Employer's pension contributions £0 - £5,000 (2022: £10,000 - £15,000)

During the year, no director expenses have been incurred (2022: £nil)

#### **11 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 trust 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.

# FULHAM CROSS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 12 Tangible fixed assets

|                       | Freehold<br>property | Plant and<br>machinery | Computer<br>equipment | Furniture<br>and<br>equipment | Total      |
|-----------------------|----------------------|------------------------|-----------------------|-------------------------------|------------|
|                       | £                    | £                      | £                     | £                             | £          |
| <b>Cost</b>           |                      |                        |                       |                               |            |
| At 1 September 2022   | 45,793,598           | 2,593,616              | 1,222,735             | 1,234,233                     | 50,844,182 |
| Additions             | 348,639              | 133,481                | 3,953                 | 11,089                        | 497,162    |
| At 31 August 2023     | 46,142,237           | 2,727,097              | 1,226,688             | 1,245,322                     | 51,341,344 |
| <b>Depreciation</b>   |                      |                        |                       |                               |            |
| At 1 September 2022   | 2,608,146            | 354,222                | 631,909               | 546,380                       | 4,140,657  |
| Transfers             | 40,324               | (49,452)               | 98,185                | (89,057)                      | -          |
| Charge for the year   | 562,573              | 134,304                | 151,340               | 246,847                       | 1,095,064  |
| At 31 August 2023     | 3,211,043            | 439,074                | 881,434               | 704,170                       | 5,235,721  |
| <b>Net book value</b> |                      |                        |                       |                               |            |
| At 31 August 2023     | 42,931,194           | 2,288,023              | 345,254               | 541,152                       | 46,105,623 |
| At 31 August 2022     | 43,185,452           | 2,239,394              | 590,826               | 687,853                       | 46,703,525 |

Transfers between classes of assets have been made during the year to bring in-line with the fixed asset register.

### 13 Debtors

|                                | 2023<br>£      | 2022<br>£      |
|--------------------------------|----------------|----------------|
| VAT recoverable                | 156,882        | 93,501         |
| Prepayments and accrued income | 228,492        | 280,541        |
|                                | <u>385,374</u> | <u>374,042</u> |

**FULHAM CROSS ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

|                              | <b>2023</b>    | <b>2022</b>    |
|------------------------------|----------------|----------------|
|                              | <b>£</b>       | <b>£</b>       |
| Salix loan                   | 17,956         | 35,911         |
| Trade creditors              | 85,106         | 66,062         |
| Other creditors              | 9,439          | -              |
| Accruals and deferred income | 376,266        | 362,799        |
|                              | <u>488,767</u> | <u>464,772</u> |

**15 Creditors: amounts falling due after more than one year**

|            | <b>2023</b> | <b>2022</b>   |
|------------|-------------|---------------|
|            | <b>£</b>    | <b>£</b>      |
| Salix loan | -           | 17,956        |
|            | <u>-</u>    | <u>17,956</u> |

| <b>Analysis of loans</b>              | <b>2023</b> | <b>2022</b>   |
|---------------------------------------|-------------|---------------|
|                                       | <b>£</b>    | <b>£</b>      |
| Wholly repayable within five years    | 17,956      | 53,867        |
| Less: included in current liabilities | (17,956)    | (35,911)      |
|                                       | <u>-</u>    | <u>17,956</u> |

**16 Deferred income**

|                                     | <b>2023</b>    | <b>2022</b>    |
|-------------------------------------|----------------|----------------|
|                                     | <b>£</b>       | <b>£</b>       |
| Deferred income is included within: |                |                |
| Creditors due within one year       | 193,322        | 106,323        |
|                                     | <u>193,322</u> | <u>106,323</u> |
| Deferred income at 1 September 2022 | 106,323        | 106,323        |
| Released from previous years        | (106,323)      | -              |
| Resources deferred in the year      | 193,322        | -              |
|                                     | <u>193,322</u> | <u>106,323</u> |
| Deferred income at 31 August 2023   | <u>193,322</u> | <u>106,323</u> |

# **FULHAM CROSS ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

#### **17 Funds**

|                                     | Balance at<br>1 September<br>2022<br>£ | Income<br>£       | Expenditure<br>£    | Gains,<br>losses and<br>transfers<br>£ | Balance at<br>31 August<br>2023<br>£ |
|-------------------------------------|--|-------------------|---------------------|--|--------------------------------------|
| <b>Restricted general funds</b>     |  |                   |                     |  |                                      |
| General Annual Grant (GAG)          | -                                      | 8,892,051         | (8,950,572)         | 58,521                                 | -                                    |
| Pupil premium                       | -                                      | 462,240           | (383,150)           | -                                      | 79,090                               |
| Other DfE/ESFA grants               | -                                      | 673,410           | (673,410)           | -                                      | -                                    |
| Other government grants             | -                                      | 340,763           | (301,029)           | -                                      | 39,734                               |
| Pension reserve                     | (829,000)                              | -                 | (15,000)            | (409,000)                              | (1,253,000)                          |
|                                     | <u>(829,000)</u>                       | <u>10,368,464</u> | <u>(10,323,161)</u> | <u>(350,479)</u>                       | <u>(1,134,176)</u>                   |
| <b>Restricted fixed asset funds</b> |  |                   |                     |  |                                      |
| Inherited on conversion             | 25,884,614                             | -                 | (214,440)           | -                                      | 25,670,174                           |
| DfE group capital grants            | 20,294,934                             | 371,301           | (729,284)           | -                                      | 19,936,951                           |
| Capital expenditure from<br>GAG     | 523,977                                | -                 | (151,340)           | 172,313                                | 544,950                              |
|                                     | <u>46,703,525</u>                      | <u>371,301</u>    | <u>(1,095,064)</u>  | <u>172,313</u>                         | <u>46,152,075</u>                    |
| <b>Total restricted funds</b>       | <u>45,874,525</u>                      | <u>10,739,765</u> | <u>(11,418,225)</u> | <u>(178,166)</u>                       | <u>45,017,899</u>                    |
| <b>Unrestricted funds</b>           |  |                   |                     |  |                                      |
| General funds                       | <u>1,243,339</u>                       | <u>542,784</u>    | <u>-</u>            | <u>(230,834)</u>                       | <u>1,555,289</u>                     |
| <b>Total funds</b>                  | <u>47,117,864</u>                      | <u>11,282,549</u> | <u>(11,418,225)</u> | <u>(409,000)</u>                       | <u>46,573,188</u>                    |

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.

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

**FULHAM CROSS ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**17 Funds**

**(Continued)**

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

|                                     | Balance at<br>1 September<br>2021<br>£ | Income<br>£       | Expenditure<br>£    | Gains,<br>losses and<br>transfers<br>£ | Balance at<br>31 August<br>2022<br>£ |
|-------------------------------------|--|-------------------|---------------------|--|--------------------------------------|
| <b>Restricted general funds</b>     |  |                   |                     |  |                                      |
| General Annual Grant (GAG)          | -                                      | 8,423,837         | (8,566,608)         | 142,771                                | -                                    |
| Pupil premium                       | -                                      | 437,996           | (437,996)           | -                                      | -                                    |
| Other DfE/ESFA grants               | -                                      | 427,655           | (427,655)           | -                                      | -                                    |
| Other government grants             | -                                      | 317,916           | (317,916)           | -                                      | -                                    |
| Pension reserve                     | (7,151,000)                            | -                 | (606,000)           | 6,928,000                              | (829,000)                            |
|                                     | <u>(7,151,000)</u>                     | <u>9,607,404</u>  | <u>(10,356,175)</u> | <u>7,070,771</u>                       | <u>(829,000)</u>                     |
| <b>Restricted fixed asset funds</b> |  |                   |                     |  |                                      |
| Inherited on conversion             | 26,061,829                             | -                 | -                   | -                                      | 26,061,829                           |
| DfE group capital grants            | 21,045,877                             | 25,525            | (1,096,476)         | 56,145                                 | 20,031,071                           |
| Capital expenditure from<br>GAG     | 610,625                                | -                 | -                   | -                                      | 610,625                              |
|                                     | <u>47,718,331</u>                      | <u>25,525</u>     | <u>(1,096,476)</u>  | <u>56,145</u>                          | <u>46,703,525</u>                    |
| <b>Total restricted funds</b>       | <u>40,567,331</u>                      | <u>9,632,929</u>  | <u>(11,452,651)</u> | <u>7,126,916</u>                       | <u>45,874,525</u>                    |
| <b>Unrestricted funds</b>           |  |                   |                     |  |                                      |
| General funds                       | <u>1,066,990</u>                       | <u>607,283</u>    | <u>(232,018)</u>    | <u>(198,916)</u>                       | <u>1,243,339</u>                     |
| <b>Total funds</b>                  | <u>41,634,321</u>                      | <u>10,240,212</u> | <u>(11,684,669)</u> | <u>6,928,000</u>                       | <u>47,117,864</u>                    |

# FULHAM CROSS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 17 Funds

(Continued)

#### Total funds analysis by academy

|  | 2023<br>£   | 2022<br>£  |
|--|-------------|------------|
| Fund balances at 31 August 2023 were allocated as follows: |             |            |
| Fulham Cross Girls' School ("FCGS")                        | 1,219,515   | 1,020,682  |
| Fulham Cross Academy ("FCA")                               | 454,598     | 222,657    |
| Total before fixed assets fund and pension reserve         | 1,674,113   | 1,243,339  |
| Restricted fixed asset fund                                | 46,152,075  | 46,703,525 |
| Pension reserve  | (1,253,000) | (829,000)  |
| Total funds  | 46,573,188  | 47,117,864 |

#### Total cost analysis by academy

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

|  | Teaching and<br>educational<br>support staff<br>£ | Other support<br>staff costs<br>£ | Educational<br>supplies<br>£ | Other costs<br>excluding<br>depreciation<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|--|---|-----------------------------------|------------------------------|---|--------------------|--------------------|
| Fulham Cross Girls'<br>School ("FCGS") | 3,642,512   | 673,280                           | 210,238                      | 931,574                                       | 5,457,604          | 5,726,686          |
| Fulham Cross Academy<br>("FCA")        | 2,918,071   | 884,916                           | 185,687                      | 861,902                                       | 4,850,576          | 4,861,509          |
|  | 6,560,583   | 1,558,196                         | 395,925                      | 1,793,476                                     | 10,308,180         | 10,588,195         |

# FULHAM CROSS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 18 Analysis of net assets between funds

|  | Unrestricted<br>Funds<br>£ | Restricted funds:<br>General<br>£ | Fixed asset<br>£  | Total<br>Funds<br>£ |
|--|----------------------------|-----------------------------------|-------------------|---------------------|
| <b>Fund balances at 31 August 2023 are represented by:</b> |                            |                                   |                   |                     |
| Tangible fixed assets                                      | -                          | -                                 | 46,105,623        | 46,105,623          |
| Current assets   | 1,555,289                  | 607,591                           | 46,452            | 2,209,332           |
| Current liabilities  | -                          | (488,767)                         | -                 | (488,767)           |
| Pension scheme liability                                   | -                          | (1,253,000)                       | -                 | (1,253,000)         |
| <b>Total net assets</b>                                    | <b>1,555,289</b>           | <b>(1,134,176)</b>                | <b>46,152,075</b> | <b>46,573,188</b>   |

|  | Unrestricted<br>Funds<br>£ | Restricted funds:<br>General<br>£ | Fixed asset<br>£  | Total<br>Funds<br>£ |
|--|----------------------------|-----------------------------------|-------------------|---------------------|
| <b>Fund balances at 31 August 2022 are represented by:</b> |                            |                                   |                   |                     |
| Tangible fixed assets                                      | -                          | -                                 | 46,703,525        | 46,703,525          |
| Current assets   | 1,243,339                  | 482,728                           | -                 | 1,726,067           |
| Current liabilities  | -                          | (464,772)                         | -                 | (464,772)           |
| Non-current liabilities                                    | -                          | (17,956)                          | -                 | (17,956)            |
| Pension scheme liability                                   | -                          | (829,000)                         | -                 | (829,000)           |
| <b>Total net assets</b>                                    | <b>1,243,339</b>           | <b>(829,000)</b>                  | <b>46,703,525</b> | <b>47,117,864</b>   |

#### 19 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020, and that of the LGPS related to the period ended 31 March 2022.

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

#### Teachers' Pension Scheme

##### Introduction

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



## FULHAM CROSS ACADEMY TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 19 Pension and similar obligations

(Continued)

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.

##### **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 2020. The valuation report was published by the Department for Education on 30 October 2023.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% 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 £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million;
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth

The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to the TPS in the period amounted to £363,000 (2022: £340,000).

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

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 contributions are as noted below. The agreed contribution rates for future years are between 5.5% and 12.5% for employees and 12.4% for employers.

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.

# FULHAM CROSS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 Pension and similar obligations

(Continued)

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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

| Total contributions made | 2023<br>£ | 2022<br>£ |
|--------------------------|-----------|-----------|
| Employer's contributions | 363,000   | 340,000   |
| Employees' contributions | 103,000   | 95,000    |
| Total contributions      | 466,000   | 435,000   |

| Principal actuarial assumptions                    | 2023<br>% | 2022<br>% |
|--|-----------|-----------|
| Rate of increase in salaries                       | 4.00      | 4.05      |
| Rate of increase for pensions in payment/inflation | 3.00      | 3.05      |
| Discount rate for scheme liabilities               | 5.20      | 4.25      |
| Inflation assumption (CPI)                         | 3.00      | 3.05      |

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

|                      | 2023<br>Years | 2022<br>Years |
|----------------------|---------------|---------------|
| Retiring today       |               |               |
| - Males              | 21.6          | 21.4          |
| - Females            | 24.3          | 24.1          |
| Retiring in 20 years |               |               |
| - Males              | 22.6          | 22.9          |
| - Females            | 25.6          | 26.1          |

Scheme liabilities would have been affected by changes in assumptions as follows:

# FULHAM CROSS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 Pension and similar obligations

(Continued)

| Defined benefit pension scheme net liability | 2023<br>£          | 2022<br>£        |
|--|--------------------|------------------|
| Scheme assets                                | 6,523,000          | 5,671,000        |
| Scheme obligations                           | (7,776,000)        | (6,500,000)      |
| Net liability                                | <u>(1,253,000)</u> | <u>(829,000)</u> |

#### The academy trust's share of the assets in the scheme

|                              | 2023<br>Fair value<br>£ | 2022<br>Fair value<br>£ |
|------------------------------|-------------------------|-------------------------|
| Equities                     | 4,044,000               | 3,686,000               |
| Cash and other liquid assets | 65,000                  | 57,000                  |
| Other bonds                  | 1,500,000               | 907,000                 |
| Property                     | 914,000                 | 1,021,000               |
| Total market value of assets | <u>6,523,000</u>        | <u>5,671,000</u>        |

The actual return on scheme assets was £536,000 (2022: £(185,000)).

#### Amount recognised in the statement of financial activities

|                        | 2023<br>£      | 2022<br>£      |
|------------------------|----------------|----------------|
| Current service cost   | 343,000        | 824,000        |
| Interest income        | (247,000)      | (95,000)       |
| Interest cost          | 282,000        | 217,000        |
| Total operating charge | <u>378,000</u> | <u>946,000</u> |

**FULHAM CROSS ACADEMY TRUST****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2023****19 Pension and similar obligations****(Continued)****Changes in the present value of defined benefit obligations****2023****£**

|                        |           |
|------------------------|-----------|
| At 1 September 2022    | 6,500,000 |
| Current service cost   | 343,000   |
| Interest cost          | 282,000   |
| Employee contributions | 103,000   |
| Actuarial loss/(gain)  | 698,000   |
| Benefits paid          | (150,000) |
| At 31 August 2023      | 7,776,000 |

**Changes in the fair value of the academy trust's share of scheme assets****2023****£**

|                        |           |
|------------------------|-----------|
| At 1 September 2022    | 5,671,000 |
| Interest income        | 247,000   |
| Actuarial (gain)/loss  | 289,000   |
| Employer contributions | 363,000   |
| Employee contributions | 103,000   |
| Benefits paid          | (150,000) |
| At 31 August 2023      | 6,523,000 |

# FULHAM CROSS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 20 Reconciliation of net expenditure to net cash flow from operating activities

|   | Notes | 2023<br>£      | 2022<br>£     |
|---|-------|----------------|---------------|
| Net expenditure for the reporting period (as per the statement of financial activities) |       | (135,676)      | (1,444,457)   |
| Adjusted for:   |       |                |               |
| Capital grants from DfE and other capital income  |       | (371,301)      | (25,525)      |
| Investment income receivable  | 6     | (204)          | (155)         |
| Defined benefit pension costs less contributions payable                                | 19    | (20,000)       | 484,000       |
| Defined benefit pension scheme finance cost   | 19    | 35,000         | 122,000       |
| Depreciation of tangible fixed assets   |       | 1,095,064      | 1,096,476     |
| (Increase) in debtors   |       | (11,332)       | (168,886)     |
| Increase/(decrease) in creditors  |       | 41,950         | (18,282)      |
| <b>Net cash provided by operating activities</b>  |       | <b>633,501</b> | <b>45,171</b> |

#### 21 Analysis of changes in net funds

|  | 1 September<br>2022<br>£ | Cash flows<br>£ | 31 August<br>2023<br>£ |
|--|--------------------------|-----------------|------------------------|
| Cash                                       | 1,352,025                | 471,933         | 1,823,958              |
| Loans falling due within one year          | (35,911)                 | 17,955          | (17,956)               |
| Loans falling due after more than one year | (17,956)                 | 17,956          | -                      |
|  | <b>1,298,158</b>         | <b>507,844</b>  | <b>1,806,002</b>       |

#### 22 Long-term commitments

##### Operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

|                                   | 2023<br>£     | 2022<br>£     |
|-----------------------------------|---------------|---------------|
| Amounts due within one year       | 10,122        | 14,039        |
| Amounts due in two and five years | 18,286        | 21,010        |
|                                   | <b>28,408</b> | <b>35,049</b> |

# **FULHAM CROSS ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### **23 Related party transactions**

No related party transactions took place in the period of account, other than certain directors' remuneration and expenses already disclosed in note 10.

### **24 Members' liability**

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