

THE FULBRIGHT FOUNDATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 SEPTEMBER 2022

REGISTERED CHARITY NUMBER 328571

**THE FULBRIGHT FOUNDATION FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**THE FULBRIGHT FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

TRUSTEE'S REPORT

OBJECTIVES AND ACTIVITIES

Purpose of the charity

The mission of the Fulbright Foundation ("Foundation") is to advance knowledge, promote civic engagement and develop compassionate leaders by:

- enabling citizens of the United States of America and of the United Kingdom, who are normally resident in their home country and are participating in educational exchanges, to engage in programmes of study, teaching, research and training in the other country, and for that purpose facilitating studentships, scholarships, fellowships and other awards.
- facilitating and producing events and conferences (virtual and in person) on a range of subject where academic meets public interest.

Activities

The Foundation carries out these objects by supporting the work of the United States-United Kingdom Educational Commission (commonly known as the US-UK Fulbright Commission), which administers Fulbright scholarships and other academic exchanges between the US and UK, as well as events and colloquia relating to such exchanges.

The charity receives grants and donations from a range of organisations and individuals who wish to support its charitable purposes. These include other charitable foundations in the UK and US, as well as UK and US alumni of the Fulbright scholarship programme.

The Foundation makes grants to the US-UK Fulbright Commission to help fund Fulbright scholarships and other educational exchange programmes such as the UK Summer Institutes programme. Further information is provided in the Achievements and performance section below.

Applications for Fulbright scholarships are encouraged from all sections of the community and are made through the US-UK Fulbright Commission and are open to those at postgraduate level and above; opportunities to participate in short-term exchange schemes are available for students aged 18 and above; all scholarships and grants are offered on the basis of academic merit. Application forms and details of the schemes are available at the US-UK Fulbright Commission website www.fulbright.org.uk.

The trustee confirms that it has complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, including the guidance on "Public Benefit: running a charity (PB2)".

TRUSTEE'S REPORT

ACHIEVEMENTS AND PERFORMANCE

The Foundation pursued its objects by using funds to support scholarships and other programmes run by the US-UK Fulbright Commission.

In the current year, we have stepped up our support for the Commission as its programmes regain a more normal level of activity.

The Foundation received donations of £35,764 from the Louis and Gannett Foundations for the purpose of supporting the Fulbright Commission's UK Summer Institute programme. The programme recommenced this year and the Foundation expects to contribute to the programme in 2023.

Last year's generous bequest of £194,047 from the estate of Jean Nursten has made possible the creation, by the US-UK Fulbright Commission, of an award in Food Security which will enable a UK student to pursue a master's degree at the College of Agriculture and Life Sciences at the University of Florida.

During the year, the Foundation also received a donation of £18,227 from the former US Ambassador Matthew Barzun and Mrs. Barzun. This will increase the funds available for the Barzun prizes which promote community outreach by US students studying in the UK.

The Foundation received a total of £11,192 (2021: £13,022) of donations from alumni of the US UK Fulbright scholarship programme. A grant of £5,000 (2021: £16,000) was made during the year to the Fulbright Commission to contribute to funding the Alumni UK Postgraduate awards.

The Year Ahead

The primary aim of the Fulbright Foundation in 2023 is to continue to support the strategic priorities of the US-UK Educational Commission. In pursuit of these aims, the Foundation will seek to expand its fundraising efforts with foundations and trusts as well as with alumni.

Risk Management

The trustees regularly review and discuss the risks to which the charity is exposed and the potential mitigating actions. The risk register is reviewed at least annually.

TRUSTEE'S REPORT

FINANCIAL REVIEW

Total donations received in the year amounted to £65,183 (2021: £282,083).

The Foundation earned £366 (2021: £46) in bank interest during the year of which £288 is attributable to restricted funds and £78 attributable to unrestricted.

A total of £77,503 (2021: £16,460) was expended on charitable activities for scholarships and other grants from restricted funds.

Governance and management costs are primarily borne by the US-UK Educational Commission. During the year the Foundation incurred governance costs of £423 (2021: £460) of which £176 was from restricted funds and £247 from unrestricted funds.

Reserves Policy

The Trustees recently established a revised reserves policy and decided to reduce progressively the level of free unrestricted reserves of the Foundation to £100,000 in order to use the excess for additional Fulbright awards.

Restricted reserves are held where donations or grants to the charity have been defined by the donor as to be used for a specific charitable purpose.

As at 30 September 2022 the total reserves of the charity amounted to £483,270.

Of these, £379,689 (2021: £368,595), were held in restricted funds; the principal balances are in the Nursten Fund £171,205, the Barzun Fund, founded to promote community outreach by US students studying in the UK which holds £62,848 and the Louis/Gannett Fund, which supports the Fulbright Commission's Summer Institute programme, which holds £102,080.

Unrestricted reserves were £103,581 (2021: £103,750), in line with approved target free reserves.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Fulbright Foundation was established by the United States-United Kingdom Educational Commission (commonly known as the US-UK Fulbright Commission) on the 9 March 1989. It is now governed by a trust deed dated 9 March 1990. The Foundation is a registered charity (number 328571).

On 30th September 2014, the British Fulbright Scholars Association (registered charity number 292242), the alumni organisation for Fulbright scholars in the UK, merged with the Fulbright Foundation. The BFSA has now been "linked" by the Charity Commission to the Foundation and the fundraising by the BFSA has been integrated into the Foundation.

Trustees

The sole trustee is the Fulbright Foundation (Trustee) Limited, a company limited by guarantee and incorporated in England and Wales, company number 9155112.

TRUSTEE'S REPORT

Directors of the Fulbright Foundation (Trustee) Limited who served during the year and up to the date of this report are as follows:

| | <u>Other occupation</u> |
|---|--|
| Sara Cerrell (Chair) | Founder and Managing Director, Global Change Network |
| Graham Archer (Appointed 1 September 2022) | Director for Disadvantage and International, Department for Education. |
| Zamila Bunglawala (Resigned 31 August 2022) | Director International Education Directorate, Department for Education |
| Kathryn Crockart | Minister Counsellor for Public Affairs, US Embassy |
| Mukul Devichand | Editor of Audio Programming, New York Times |
| Drake Dubin | Chief Operating Officer, Business in the Community |
| Victoria Garnett | Detective Superintendent, Metropolitan Police |
| Dame Vivian Hunt | Chief Innovation Officer at UnitedHealth Group |
| Professor Keith Magee | Chair and Professor of Social Justice, Newcastle University |
| Paul O'Neill | Company Director |
| Miriam Patterson | Senior International Know-How Editor at Practical Law, Thomson Reuters |
| Robin Saunders | Managing Partner, Clearbrook Capital Partners |
| Professor Sir Steve Smith | UK Government International Education Champion, Department for Education |
| Susan Stewart | Director, The Open University of Scotland |
| Christina Tribble | Cultural Affairs Officer, US Embassy |

The directors of the Fulbright Foundation (Trustee) Limited are appointed by its existing board of directors and are generally drawn from the directors of the US UK Fulbright Commission (which is the sole corporate commissioner of the US UK Educational Commission) up to seven of whom are US citizens appointed by the US Ambassador, and up to seven are UK citizens appointed by the Secretary of State for Education, one of whom is in practice nominated by the Scottish Government.

Secretary and Treasurer

| | |
|-------------------------|--|
| Maria Balinska-Szczerba | Executive Director, US UK Fulbright Commission |
|-------------------------|--|

The trustee meets three times a year; supporting committees meet regularly and report to the trustee at the trustee meetings.

The supporting committees are: Finance, Audit & Risk, Alumni & Outreach and Remuneration and Nominations.

TRUSTEE'S REPORT

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name: The Fulbright Foundation

Charity registration number (England and Wales): 328571

Address

Unit 302, Third Floor, Camelford House
89 Albert Embankment
London SE1 7TP

Bankers

| | |
|----------------|-----------------------------|
| Lloyds Bank | COIF Charities Deposit Fund |
| Oxford Street | 85 Queen Victoria Street |
| London W1D 2HW | London, EC4V 4ET |

Auditors

Moore Kingston Smith LLP
Chartered Accountants and Registered Auditors
9 Appold Street,
London, EC2A 2AP

Solicitors

Bates Wells Braithwaite
10 Queen Street Place
London EC4R 1BE

TRUSTEE'S REPORT

Statement of Trustee's Responsibilities

The trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 'The Financial Reporting Standard applicable in the UK and Ireland'.

The law applicable to charities in England and Wales requires the trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the method and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustee is aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustee has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditor is aware of that information.

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following in the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the requirements of the Charities Act 2011. Advantage is taken in preparing this report of the provisions applicable to small entities including from preparing a Strategic Report.

Signed on behalf of the trustee:



Sara Cerrell (Mar 17, 2023 15:29 GMT)

Sara Cerrell

Chair of the Fulbright Foundation (Trustee) Limited

Dated: 9 March 2023

**THE FULBRIGHT FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF THE FULBRIGHT FOUNDATION

Opinion

We have audited the financial statements of The Fulbright Foundation for the year ended 30th September 2022 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30th September 2022, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 trustees' 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 charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF THE FULBRIGHT FOUNDATION

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF THE FULBRIGHT FOUNDATION

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- we obtained an understanding of the legal and regulatory requirements applicable to the charitable company through the use of permanent audit file information, updated this year for any changes that have been identified by management or by our own investigations and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council;
- we obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance and through reviews of relevant accounting and management records;
- we assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, based on our work as outlined above;
- we enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations, using associated documentary evidence to better understand items of interest;
- based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. As well as specific audit testing, this included approaching accounting records with an inquisitive and sceptical mindset such that we examined items that were felt to be of interest or of higher risk in this area, and obtaining additional corroborative evidence as required.

To address the risk of fraud through management override of controls, we carried out the following work:

- procedures were undertaken to identify any unusual or unexpected matters, and the rationale behind any such matters was examined;
- journal entries were reviewed to identify unusual transactions;

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE FULBRIGHT FOUNDATION

- judgements and assumptions made in determining the accounting estimates set out in the accounting policies were reviewed.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE FULBRIGHT FOUNDATION

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Statutory auditor

24 March 2023
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

THE FULBRIGHT FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

| | Note | 2022 Unrestricted Funds £ | 2022 Restricted Funds £ | 2022 Total £ | 2021 Unrestricted Funds £ | 2021 Restricted Funds £ | 2021 Total £ |
|--|-------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| INCOME AND EXPENDITURE | | | | | | | |
| INCOME | | | | | | | |
| Donations | 2 | - | 65,183 | 65,183 | - | 282,083 | 282,083 |
| Investment income - interest | 2 | 78 | 288 | 366 | 13 | 33 | 46 |
| TOTAL INCOME | | <u>78</u> | <u>65,471</u> | <u>65,549</u> | <u>13</u> | <u>282,116</u> | <u>282,129</u> |
| EXPENDITURE | | | | | | | |
| Charitable Activities | 3 | 247 | 77,679 | 77,926 | 261 | 16,199 | 16,460 |
| TOTAL EXPENDITURE | | <u>247</u> | <u>77,679</u> | <u>77,926</u> | <u>261</u> | <u>16,199</u> | <u>16,460</u> |
| NET (EXPENDITURE) / INCOME | | <u>(169)</u> | <u>(12,208)</u> | <u>(12,377)</u> | <u>(248)</u> | <u>265,917</u> | <u>265,669</u> |
| Other recognised gains / (losses) | | | | | | | |
| Exchange gains / (losses) on cash balances | | - | 23,302 | 23,302 | - | (1,699) | (1,699) |
| NET MOVEMENT IN FUNDS | | <u>(169)</u> | <u>11,094</u> | <u>10,925</u> | <u>(248)</u> | <u>264,218</u> | <u>263,970</u> |
| RECONCILIATION OF FUNDS | | | | | | | |
| Total funds brought forward | | 103,750 | 368,595 | 472,345 | 103,998 | 104,377 | 208,375 |
| Total funds carried forward | 7, 8 | <u>103,581</u> | <u>379,689</u> | <u>483,270</u> | <u>103,750</u> | <u>368,595</u> | <u>472,345</u> |

All gains or losses arising in the year are included in the Statement of Financial Activities and arise from continuing operations.
The notes on pages 15 to 21 form part of these accounts.


THE FULBRIGHT FOUNDATION
BALANCE SHEET
AS AT 30 SEPTEMBER 2022

| | Note | 2022 £ | 2021 £ |
|--|----------|----------------|----------------|
| CURRENT ASSETS | | | |
| Debtors | 4 | - | 11,319 |
| Cash at Bank | | 485,587 | 463,096 |
| Total current assets | | 485,587 | 474,415 |
| CURRENT LIABILITIES | | | |
| Creditors falling due within one year: | 5 | 2,317 | 2,070 |
| Total current liabilities | | 2,317 | 2,070 |
| TOTAL NET ASSETS | 6 | 483,270 | 472,345 |
| FUNDS OF THE CHARITY | | | |
| Restricted funds | 7 | 379,689 | 368,595 |
| Unrestricted funds | 8 | 103,581 | 103,750 |
| TOTAL FUNDS | | 483,270 | 472,345 |

The notes on pages 15 to 21 form part of these accounts.

The financial statements were approved by the Board and authorised for issue on 9 March 2023 and were signed on its behalf by:

Sara Cerrell 
 Sara Cerrell (Mar 17, 2023 15:29 GMT)
Chair
 Date: 9 March 2023

Maria Balinska-Szczerba 
Secretary
 Date: 9 March 2023

**THE FULBRIGHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

1 ACCOUNTING POLICIES

Charity Information

The Fulbright Foundation is a charity domiciled in England and Wales. The Registered office is Unit 302, Third Floor, Camelford House, 89 Albert Embankment, London SE1 7TP.

a) Accounting convention

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Ireland' ("FRS 102") issued on 16 July 2014 and the requirements of the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity.

Monetary amounts in these financial statements are rounded to the nearest pound.

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

The principal accounting policies adopted are set out below.

b) Going Concern

These financial statements are prepared on a going concern basis. The Trustee has assessed whether the use of the going concern basis is appropriate and has considered possible events or conditions that might cast significant doubt on the ability of the Foundation to continue as a going concern.

The Trustee has made this assessment for a period of at least one year from the date of the approval of the financial statements.

The Trustee is of the view that there are no material uncertainties for the coming year that affect their assessment, particularly in the light of the continued support of the Foundation's sponsoring organisations.

Following due consideration, the Trustee has concluded that there is a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason the Trustee continues to adopt the going concern basis in preparing these financial statements.

c) Income

All income is included in the Statement of Financial Activities when the Charity is legally entitled to the income, the amount can be quantified with reasonable accuracy and the receipt of income is probable.

d) Expenditure

Expenditure is accounted for on an accruals basis.

e) Cash flow

The charity has made use of the exemption, as a small charity, from the requirement to prepare a cash flow statement.

f) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling in the period of the transaction. All assets held at the balance sheet date which are denominated in US dollars are translated at the closing rate of \$1.1165 to sterling (2021: \$1.3467). Gains and losses arising on translation are included in the Statement of Financial Activities for the period.

g) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts.

h) Debtors

Debtors are measured at the amounts recoverable.

i) Creditors

Creditors are recognised where there is a present obligation at the reporting 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 can be estimated reliably.

**THE FULBRIGHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

1 ACCOUNTING POLICIES (Continued)

j) Financial instruments

The charity has elected to apply the provisions of section 11 'Basic Financial Instruments' and section 12 'Other Financial Instruments Issues' of FRS 102 to all its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the charity's obligations are discharged, cancelled, or they expire.

k) Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustee is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

In the view of the trustee, in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements, nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

THE FULBRIGHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

2 ANALYSIS OF INCOME

| | Unrestricted Funds £ | Restricted Funds £ | Total 2022 £ | Unrestricted Funds £ | Restricted Funds £ | Total 2021 £ |
|--------------------------|----------------------------|--------------------------|--------------------|----------------------------|--------------------------|--------------------|
| <u>Donations</u> | | | | | | |
| Legacies and donations | - | 11,192 | 11,192 | - | 207,069 | 207,069 |
| Grants | - | 53,991 | 53,991 | - | 75,014 | 75,014 |
| Total Donations | - | 65,183 | 65,183 | - | 282,083 | 282,083 |
| <u>Investment income</u> | | | | | | |
| Bank interest received | 78 | 288 | 366 | 13 | 33 | 46 |
| Total Investment income | 78 | 288 | 366 | 13 | 33 | 46 |

3 ANALYSIS OF CHARITABLE EXPENDITURE

| | Grant funding of activities £ | Support Costs £ | Total 2022 £ | Grant funding of activities £ | Support Costs £ | Total 2021 £ |
|---|-------------------------------------|-----------------------|--------------------|-------------------------------------|-----------------------|--------------------|
| <u>Direct expenditure on Charitable activities (note 9)</u> | | | | | | |
| Scholarship programme | 77,503 | - | 77,503 | 16,000 | - | 16,000 |
| Summer institutes | - | - | - | - | - | - |
| Total | 77,503 | - | 77,503 | 16,000 | - | 16,000 |
| <u>Governance costs (note 10)</u> | 176 | 247 | 423 | 199 | 261 | 460 |
| Total charitable expenditure | 77,679 | 247 | 77,926 | 16,199 | 261 | 16,460 |

Notes:

Governance costs above include auditor's remuneration of nil (2021: nil) as the costs are met by the United States - United Kingdom Educational Commission.

The charity does not employ any staff and there are no employees (2021: nil) who receive emoluments of more than £60,000.

**THE FULBRIGHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

4 DEBTORS

| | 2022 | 2021 |
|-----------------------------------|-------------|---------------|
| | £ | £ |
| Due from the Fulbright Commission | <u>-</u> | <u>11,319</u> |

5 CREDITORS

| | 2022 | 2021 |
|-----------------|--------------|--------------|
| | £ | £ |
| Other creditors | <u>2,317</u> | <u>2,070</u> |

6 ANALYSIS OF NET ASSETS

| | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total |
|-------------------------|---------------------|-------------------|-----------------------|---------------------|-------------------|-----------------------|
| | Funds | Funds | 2022 | Funds | Funds | 2021 |
| | £ | £ | £ | £ | £ | £ |
| Current Assets: Debtors | - | - | - | 11,319 | - | 11,319 |
| Cash at Bank | 105,898 | 379,689 | 485,587 | 94,501 | 368,595 | 463,096 |
| Current Liabilities | (2,317) | - | (2,317) | (2,070) | - | (2,070) |
| | <u>103,581</u> | <u>379,689</u> | <u>483,270</u> | <u>103,750</u> | <u>368,595</u> | <u>472,345</u> |

**THE FULBRIGHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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7 MOVEMENT ON RESTRICTED FUNDS

| Current year | Balance 1 Oct 21 | Income | Expenditure | Gains & (losses) | Balance 30 Sept 22 |
|-----------------------------|---------------------|---------------|-----------------|------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| Anthony Eden Fund | 5,582 | 4 | - | - | 5,586 |
| US Fulbright Foundation | 206 | - | - | - | 206 |
| Professor R Worchester | 8,184 | 6 | - | - | 8,190 |
| Zurich (formerly BAT) | 3,084 | 3 | - | - | 3,087 |
| Louis/Gannett Foundations | 51,828 | 35,830 | - | 14,422 | 102,080 |
| Nursten Food Security Award | 194,060 | 145 | (23,000) | - | 171,205 |
| Diamond Foundation Fund | 13,425 | 10 | - | - | 13,435 |
| Alumni Fund | 7,022 | 11,206 | (5,176) | - | 13,052 |
| Wallitt Foundation | 49,503 | - | (49,503) | - | - |
| Ambassador Barzun Fund | 35,701 | 18,267 | - | 8,880 | 62,848 |
| | 368,595 | 65,471 | (77,679) | 23,302 | 379,689 |

| Prior year | Balance 1 Oct 20 | Income | Expenditure | Gains & (losses) | Balance 30 Sept 21 |
|-----------------------------|---------------------|----------------|-----------------|------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| Anthony Eden Fund | 5,581 | 1 | - | - | 5,582 |
| US Fulbright Foundation | 206 | - | - | - | 206 |
| Professor R Worchester | 8,182 | 2 | - | - | 8,184 |
| Zurich (formerly BAT) | 3,083 | 1 | - | - | 3,084 |
| Louis/Gannett Foundations | 27,329 | 25,518 | - | (1,019) | 51,828 |
| Nursten Food Security Award | - | 194,060 | - | - | 194,060 |
| Diamond Foundation Fund | 13,424 | 1 | - | - | 13,425 |
| Alumni Fund | 10,197 | 13,024 | (16,199) | - | 7,022 |
| Wallitt Foundation | - | 49,503 | - | - | 49,503 |
| Ambassador Barzun Fund | 36,375 | 6 | - | (680) | 35,701 |
| | 104,377 | 282,116 | (16,199) | (1,699) | 368,595 |

The Anthony Eden Fund comprises donations received from Fulbright alumni and to which current grantees may apply for assistance with emergency travel costs.

The US Fulbright Foundation fund comprises the previously unrestricted funds of the Fulbright Foundation for Education & Cultural Exchange (UK) Inc.

Professor Sir Robert Worchester donated money to sponsor postgraduates studying government at the London School of Economics.

The Zurich Fund was originally given by BAT Industries to sponsor students of Business Administration.

The Elizabeth and Jeff Louis Foundation and the Gannett Foundation make donations to support the summer institutes.

Jean Nursten fund reflects donation received to fund UK citizens undertaking a postgraduate degree in the US in Food Security studies.

The Diamond Family Foundation made a donation in 2014 to fund awards which include a project in Africa after initial postgraduate study in the US or UK.

An Alumni restricted fund was established following the merger with the British Fulbright Scholars Association to hold reserves transferred from the BFSa and new donations received from Alumni. This restricted fund is to support the UK postgraduate award programme.

The Wallitt Foundation made a donation in 2021 to fund the Global Challenges Teaching Award focused on Racial Justice.

The former US ambassador in London, Matthew Barzun, has made, together with his wife, a donation to fund community outreach by US students and scholars studying in the UK. [\[7\]](#)

**THE FULBRIGHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

8 MOVEMENT ON UNRESTRICTED FUNDS

| Current year | Balance 1 Oct 21 | Income | Expenditure | Gains & (losses) | Balance 30 Sept 22 |
|--------------------|---------------------|--------|-------------|------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| Unrestricted Funds | 103,750 | 78 | (247) | - | 103,581 |
| | 103,750 | 78 | (247) | - | 103,581 |

| Prior year | Balance 1 Oct 20 | Income | Expenditure | Gains & (losses) | Balance 30 Sept 21 |
|--------------------|---------------------|--------|-------------|------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| Unrestricted Funds | 103,998 | 13 | (261) | - | 103,750 |
| | 103,998 | 13 | (261) | - | 103,750 |

The unrestricted funds will be used to support the work of the United States - United Kingdom Educational Commission (the US-UK Fulbright Commission).

THE FULBRIGHT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
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9 CHARITABLE ACTIVITIES

Grants paid to the United States-United Kingdom Educational Commission

| | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Total 2022 £ | Unrestricted Funds 2021 £ | Restricted Funds 2021 £ | Total 2021 £ |
|------------------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Alumni Fund | - | 5,000 | 5,000 | - | 16,000 | 16,000 |
| NurstenFood Security Fund | - | 23,000 | 23,000 | - | - | - |
| From Other Fundraising | - | 49,503 | 49,503 | - | - | - |
| Total Charitable Expenditure | - | 77,503 | 77,503 | - | 16,000 | 16,000 |

10 GOVERNANCE COSTS

General management, administration, and publicity costs are currently incurred by the United States - United Kingdom Educational Commission (US UK Fulbright Commission) on behalf of the charity.

The directors of the trustee who are considered to be the charity's key management personnel, did not receive any remuneration or reimbursed expenses (2021: nil).

11 RELATED PARTY TRANSACTIONS

i) US UK Educational Commission

During the year transactions took place with the United States - United Kingdom Educational Commission, which has common objectives and is under common control with the Foundation.

Outstanding balances at 30 September were:

| | 2022 | 2021 |
|------------------------------|------------|---------------|
| <i>Owed by:</i> | | |
| US-UK Educational Commission | - | 11,319 |
| | <u>-</u> | <u>11,319</u> |
| <i>Owed to:</i> | | |
| US-UK Educational Commission | 247 | - |
| | <u>247</u> | <u>-</u> |

These transactions are in respect of grants from sponsors or donors totalling £77,503 (2021: £16,000) less net payments of £65,207 (2021: £16,000) and expenses recharged of £730 (2021: £5,581).

ii) British Fulbright Scholars Association

On 30 September 2014, the British Fulbright Scholars Association (BFSA) (registered charity number: previously 292242; now 328571-1) formally merged with the Fulbright Foundation. These financial statements do not consolidate the results of the BFSA as the charity has taken advantage of the small group exemption as permitted by FRS 102.

Following the merger, the Foundation received the closing reserves of the BFSA at 30 September 2014 of £5,693. Any income received by the BFSA since the merger date is due to the Foundation. As at 30 September 2022, the net assets of the BFSA were zero.

iii) None of the trustees have been paid any remuneration or received any other benefits from an employment with the Charity. No trustee expenses have been incurred.