

Company Registration Number: 10199461 (England & Wales)

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2021

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

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Reference and Administrative Details

Members

Stuart Bain, Bishop of Durham representative
Mark East, Area Deanery representative
Richard Thorndyke, Diocesan Board of Finance representative
Paul Rickeard, Diocese of Durham Educational Trust
Craig Alderson - Chair of Directors

Directors

C R Alderson, Chair¹
Dr J L Steel, Vice Chair¹
W Aitken, Executive Headteacher¹
K Alley
Rev D J Bage
J Croft
H Jervis (appointed 26 February 2021)¹
Rev P M Sinclair (appointed 13 July 2021)
M Stand (resigned 13 July 2021)¹
Prof. T J U Thompson (resigned 13 July 2021)
R Twedde (resigned 4 November 2020)¹

¹ Members of Finance and Audit Committee

Company registered number

10199461

Company name

The Dove Academy Trust

Principal and registered office

High Coniscliffe CE Primary School
Ulnaby Lane
High Coniscliffe
Darlington
Co Durham
DL2 2LL

Company secretary

C Broadbent

Senior management team

W Aitken, Principal
K Boyce, Vice Principal
S McTimoney, Assistant Vice Principal
C Toner, Assistant Vice Principal
C Broadbent, Trust Business Manager

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Reference and Administrative Details (continued)
For the year ended 31 August 2021

Independent auditors

Clive Owen LLP
Chartered Accountants
Statutory Auditors
140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

Bankers

Lloyds Bank plc
21-23 Northgate
Darlington
Co Durham
DL1 1TL

Solicitors

Muckle LLP
Time Central
32 Gallowgate
Newcastle Upon Tyne
NE1 4BF

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Directors' Report
For the year ended 31 August 2021

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

The Dove Academy Trust includes High Coniscliffe CE Primary School and St Mary's CE Primary School, both based in Darlington. The schools admit pupils aged 4 to 11 have a combined capacity of 315 with 302 on roll in the school census in summer 2021.

Structure, governance and management

Constitution

The academy trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum and Articles of Association are the primary governing document of the academy trust.

The Directors of The Dove Academy Trust are also the Directors of the charitable company for the purposes of company law.

The charitable company is known as The Dove Academy Trust.

Details of the Directors who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

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 academy trust has purchased insurance to protect Directors from claims arising against negligent acts, errors or omissions occurring whilst on academy trust business.

Method of recruitment and appointment or election of Directors

The members appoint a minimum of seven Directors, including the Executive Headteacher. Member appointed Directors, with the consent of the Diocesan Board of Education, may appoint up to four co-opted Directors. The term of office for any Director is 4 years, except in the case of the Executive Headteacher or co-opted Director which will be determined by the Board of Directors. Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

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Directors' Report (continued)
For the year ended 31 August 2021

Structure, governance and management (continued)

Policies adopted for the induction and training of Directors

The training and induction provided for new Directors depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All new Directors are given a tour of the academy and the chance to meet with staff and students. All Directors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Directors. Induction tends to be done informally and is tailored specifically to the individual.

Directors undertake termly training with themes which reflect areas for development in the annual self-review. Alongside this an annual skills audit is used to prioritise further areas for development and succession planning as well as to identify the skills required when attracting new Directors.

Organisational structure

During the year the academy trust continued to operate a unified management structure. The Structure consists of: the Members, the Directors, the Finance and Audit Committee, the Christian Character Committee, the Local Academy Councils, and the Senior Leadership team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trust's Scheme of Delegation along with the Local Academy Councils' Terms of Reference makes clear the delegated responsibility for decision making within the academy. The School Development Plan makes clear the Directors' key priorities for the year and how progress will be monitored and recorded.

The Executive Headteacher is the Accounting Officer for the academy trust. The academy trust's Business Manager is the Chief Financial Officer.

The Chair of the Board of Directors and the Executive Headteacher plan the work of the Board.

The Senior Leadership Team consists of the Executive Headteacher, the Head of School from High Coniscliffe CE Primary School, the Head of School and Deputy Head of School from St Mary's Cockerton CE Primary School and the Trust Business Manager. The Scheme of Delegation makes clear the decisions delegated to the Executive Headteacher. The Senior Leadership Team is responsible for the day to day operation of the academy trust particularly in relation to teaching and learning, wellbeing and policy implementation.

Arrangements for setting pay and remuneration of key management personnel

Performance Management arrangements are robust with the Executive Headteacher reporting to the Board of Directors annually. The Performance Management of the Executive Headteacher is completed by two Directors with an external assessor.

The pay structure is consulted on with all staff annually and follows the guidance of teachers' pay and conditions. Staff objectives reflect the academy trust's priorities for the year and captured in the School Development Plans.

Related parties and other connected charities and organisations

The Dove Academy Trust consists of two primary schools – High Coniscliffe CE Primary School and St Mary's Cockerton CE Primary School.

The academy trust is not related to any other charities.

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Directors' Report (continued)
For the year ended 31 August 2021

Objectives and activities

Objects and aims

The Company's object ('the objects') is 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 academies which shall offer a broad and balance curriculum and which shall include:
- i. Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and
 - ii. other academies whether with or without a designated religious character; but in relation to each of the academies to recognise and support their individual ethos, whether or not designated Church of England; and
- b) to promote for the benefit of the inhabitants of the areas which the academies are situated 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 with the object of improving the condition of life of the said inhabitants subject at all times to any restrictions contained within any trusts applying to the land held by the Company.

In accordance with the Articles of Association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with emphasis on science, outdoor education and vocational subjects and their practical applications.

Each school within the academy trust has its own Mission Statement;

High Coniscliffe CE Primary School

We promote a Christian ethos through the commandments Jesus taught: to love God and to love one another. We strive to promote Christian values of friendship, thankfulness, justice, hope and endurance.

We celebrate that there is something wonderful and unique in every person and encourage in children a sense of awe and wonder about the world.

We encourage high aspirations and self-worth by motivating, nurturing and valuing every individual, striving to prepare them for life's opportunities and challenges. This is why 'I can if I try' is our school motto.

We may be a small school but we are a great big family taking an active role in our local community and the wider world.

St Mary's Cockerton CE Primary School

The school is distinguished by its Christian foundation and the principles that flow from this. The school is committed to developing the full potential of its pupils as individuals – spiritually, emotionally and academically. We exert no pressure to believe, yet Christian values are built into our ethos and teaching whilst respecting other world faiths. Spiritual development forms an integral part of school life and collective worship is an essential part of the school day.

We strive to forge strong links between school, home and the local community. We aim to display a high quality of care and understanding to the school community.

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Directors' Report (continued)
For the year ended 31 August 2021

Objectives and activities (continued)

Objectives, strategies and activities

The main objectives of the academy trust during the year ended 31 August 2021 are summarised below:

- a) Each school in the academy trust is judged as at least good by Ofsted
- b) The one off universal catch-up grant directly tackles the impact of lost teaching time
- c) The Trust's remote education provision supports children's learning at home
- d) The mental health and wellbeing of children and staff is supported
- e) Children move onto to the next stage of their education as confident, compassionate, aspirational and eager individuals
- f) Engagement and partnership with families and communities fosters high expectations and ambitious goals
- g) Staff are supported and developed to meet career goals
- h) Efficient and targeted allocation of funding ensures staff, services and resources have the highest impact and create positive outcomes
- i) The staffing restructure improves the financial position of the Trust

The activities undertaken to achieve these objectives are all intended to provide the highest quality of education in the public sector for students between the ages of 4 and 11. The Senior Leadership Team draw on each school's development plans to prioritise specific improvements for each individual school. Progress towards each plan is reviewed by each school's Local Academy Council.

Public benefit

The academy trust's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Directors have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Directors have considered this guidance in deciding what activities the academy trust should undertake.

Strategic report

Achievements and performance

Due to the lack of statutory testing because of the COVID-19 pandemic there are no assessment results to report.

COVID-19 continued to have a significant impact leading to the majority of the Trust's objectives relating to the ever changing pandemic situation and its effect on the children and their families. The Trust's two key aims for the use of the universal one off grant were:

- To support pupil's Social, Emotional and Mental Health following significant disruption to life and education due to the COVID-19 pandemic.
- To support the catch up of key skills in English and Maths, of core concepts that have been lost or delayed due to significant period of time out of school.

In order to meet these aims the following priorities were set:

- To re-engage the children in their love of reading.
- To support pupil's Social, Emotional and Mental Health following significant disruption to life and education due to the COVID-19 pandemic.
- To support the catch up of key skills in English and Maths, of core concepts that have been lost or delayed due to significant period of time out of school.

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Directors' Report (continued)
For the year ended 31 August 2021

Strategic report (continued)

Achievements and performance (continued)

To achieve these priorities the following strategies were implemented:

- High quality first teaching- a whole school approach to explicit instruction, scaffolding, flexible grouping and cognitive and metacognitive strategies (*EEF Metacognition and self-regulated learning*) were developed through professional development and linked to remote education strategies for each year group.
- High quality resources linked to stages of early reading effectively supported reading progression.

In addition, at St Mary's Cockerton

- a programme of outdoor education to focus on Social, Emotional and Mental Health in addition to the development of outdoor skills, and physical activity for all pupils in KS2. Data collected via a strengths and difficulties questionnaire (**SDQ**) demonstrated a statistically significant effect of intervention on children's social-emotional mental health and wellbeing in years 3, 4 and 6. Although there wasn't statistically significant change in year 5, mean scores indicated improvement in emotional difficulties, hyperactivity, and peer difficulties.
- during the provision of outdoor education, class teachers worked with targeted groups of children on key skills in English and Maths
- the National School Breakfast Programme provided hot breakfast for all children when in school and breakfast at home when they were not in school (school closure / self-isolation). On average 82% of children took up the offer when at school leading to improved attendance, reduced lateness, improved manners and children happy and ready to learn as they entered the classroom

Remote Education

Teachers covered the same curriculum areas remotely as they would in school wherever possible and appropriate. However, there had to be adaptations in some subjects. For example, activities for PE were designed with consideration that the school range of outside space, equipment and apparatus would not be available. Each year group was set with an expectation about what remote education would be set and approximate timings to support families based on DfE recommendations

All remote education was set using the online tool 'Seesaw' which is a digital platform for remote education provision that was used consistently across the Trust in order to allow interaction, assessment and feedback. At the end of the national lockdown the platform provided school and home with a learning journal of all work that has been completed along with all comments from the teacher, child and parents / carers.

We recognised that some pupils may not have suitable online access at home and took the following steps to support:

- Through the government scheme we had a small number of laptops we were able to lend to pupils.
- Printed materials was provided on request if the household has no online access.
- Children deemed vulnerable because they had difficulty engaging with remote education at home (for example due to a lack of devices or quiet space to study) attended school.

A variety of methods were used within the remote education provision, including:

- recorded teaching (the majority of which was video/audio recordings made by teachers along with additional content to enhance this from sources such as Oak National Academy).
- activities to be completed either directly via Seesaw or completed offline and then uploaded to Seesaw.
- links to commercially available websites supporting the teaching of specific subjects or areas, including video clips or sequences.

Some pupils, for example pupils with special educational needs and disabilities (SEND), not able to access remote education without support from adults at home, were supported regularly by the SENDCO.

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Directors' Report (continued)
For the year ended 31 August 2021

Strategic report (continued)

Achievements and performance (continued)

Year Group	Baseline assessments in April			End of year assessments in July		
	% working at expected standard or beyond			% working at expected standard or beyond		
	Reading	Writing	Maths	Reading	Writing	Maths
1	54	38	15	71	50	71
2	73	67	27	70	67	53
3	43	29	21	80	53	46
4	56	25	31	64	63	54
5	33	47	27	50	50	43
6	44	71	59	83	71	71

Although there are significant variations, the overall trends are positive across all year groups and all subjects. With low pupil numbers and a great range of factors (variations in engagement with home learning, continued absence from school after lockdown due to isolation periods, the pandemic affecting children and families in many different ways etc) trends and patterns are difficult to identify.

Careful tracking of progress and targeted intervention along with what is hoped will be a more settled and consistent year at school should mean the children make accelerated progress next year.

Year Group	Baseline assessments in April			End of year assessments in July		
	% working at expected standard or beyond			% working at expected standard or beyond		
	Reading	Writing	Maths	Reading	Writing	Maths
1	23	4	33	56	36	73
2	41	10	33	40	50	54
3	37	30	10	83	27	17
4	43	13	53	*	*	*
5	43	59	41	75	36	40
6	21	7	28	66	58	66

*end of year assessments not completed due to class isolating

Again the overall picture is positive but there are areas of concern such as writing across the board which has suffered. Year 3 data looks concerning, however there are significant needs within that class and we expect there to be 5 children in that class with an Educational Health Care Plan by spring next year.

Achievements and performance

Current Ofsted ratings:

- High Coniscliffe CE Primary School: **Outstanding**
- St Mary's Cockerton CE Primary School: **Good**

Key performance indicators

Total income per pupil	-£6,039
Total GAG income per pupil	-£4,677
Staff costs per pupil	£4,803
Total costs per pupil	£6,316

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Directors' Report (continued)
For the year ended 31 August 2021

Strategic report (continued)

Achievements and performance (continued)

Staff cost as % total cost	76%
Staff cost as % total income	-80%
Pupil to teacher ratio	20
Net current assets/income	-1.31

Going concern

After making appropriate enquiries, the board of Directors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

Financial review

Most of the academy trust's income is obtained from the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy trust also received grants for fixed assets from the DfE/ESFA. In accordance with the Charities Statement of Recommended practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown under the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2021, total expenditure of £1,945,000 was in excess of recurrent grant funding from the DfE/ESFA together with other incoming resources. The excess of expenditure over income for the year (excluding pension reserve movements and restricted fixed asset funds) was £65,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the academies objectives.

At 31 August 2021 the net book value of fixed assets was £652,000 and movements in tangible fixed assets are shown in note 13 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy trust.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of the LGPS pensions scheme, resulting in a deficit of £1,453,000 recognised on the Balance Sheet.

The academy trust held fund balances at 31 August 2021 of £(559,000) comprising £678,000 of restricted fixed asset funds, £(1,453,000) restricted pension reserve deficit, £41,000 of restricted general funds and £175,000 of unrestricted funds.

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Directors' Report (continued)
For the year ended 31 August 2021

Reserves policy

There are a number of constraints placed upon academies in terms of financial management. One of these constraints is the inability to borrow funds. This constraint represents a key risk to The Dove Academy Trust in relation to financial planning and monitoring.

One of the ways in which the trust mitigates this risk is through the effective management of reserves, which provide alternative temporary funding streams should there be a delay in grant receipts or a sudden unforeseen increase in expenditure.

Setting a reserves policy helps inform the way in which the trust manages its cash, liquid assets and debt.

The financial risks have been reviewed in terms of impact and likelihood as part of the strategic risk management process. The main financial risk to the academy trust is that of managing its short-term cash flow effectively. To mitigate this risk, it has been agreed that an appropriate minimum reserves balance would equate to 4 weeks' worth of expenditure, both in terms of salaries and invoices. In broad terms this would equate to approximately £140,000. The level of reserves is reviewed by the Directors regularly throughout the year. The minimum level of reserves for the ongoing needs of the academy is reviewed by the Directors on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The academy trust's current level of unrestricted reserves are in surplus by £175,000 and therefore are considered to be above the level of reserves required for the ongoing needs of the academy trust.

The ESFA are able to set limits on the sum of GAG that can be carried forward from one year to the next. There are currently no limits in place as at August 2021.

The DfE does expect academy trusts to use their allocated funding for the full benefit of their current pupils. Therefore, the academy trust will not build up a substantial surplus without having in place a clear plan for how it will be used to benefit our pupils.

Investment policy

The academy trust invests surplus funds through money market accounts. Interest rates are reviewed prior to each investment. This policy maximises investment return whilst minimising risks to the principal sum.

Principal risks and uncertainties

The principal risks and uncertainties are centered on changes in the level of funding from DfE/ESFA. In addition, the academy trust is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the academy trust Balance Sheet.

The Directors have assessed the major risks, to which the academy trust is exposed, in particular those relating specifically to teaching provision of facilities and other operational areas of the academy trust, and its finances. The Directors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains they have ensured they have adequate insurance cover. The academy trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The academy trust has fully implemented the requirements of the Safe Recruitment procedures and all staff have received training in this area in addition to training on Child Protection.

The academy trust is subject to a number of risks and uncertainties in common with other academies. The academy trust has in place procedures to identify and mitigate financial risks.

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Directors' Report (continued)
For the year ended 31 August 2021

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Directors.

Plans for future periods

The Board of Directors is currently exploring a range of options to develop the academy trust. Increasing the number of schools currently within the academy trust is being actively explored.

Funds held as custodian on behalf of others

There are no funds held as Custodian Directors on behalf of others.

Auditor

Insofar as the Directors are aware:

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

The Directors' Report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on _____ and signed on its behalf
by:

C R Alderson
Chair of Directors

THE DOVE ACADEMY TRUST
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Governance Statement

Scope of responsibility

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

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

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

Governance

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

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

Director	Meetings attended	Out of a possible
C R Alderson, Chair	5	5
Dr J L Steel, Vice Chair	5	5
M Stand(resigned 13 July 2021)	4	5
Rev D J Bage	4	5
R Tweddle(resigned 4 November 2020)	2	2
K Alley	5	5
J Croft	2	5
W Aitken, Executive Headteacher	5	5
H Jervis(appointed 26 February 2021)	2	2
Rev P M Sinclair(appointed 13 July 2021)	1	1
Prof T J U Thompson(resigned 13 July 2021)	4	5

The Board of Directors met less than six times due to clearly established committees/portfolio groups of Directors who can deal with specific areas of responsibility, following robust terms of reference.

Directors have established a Finance, Audit and Risk Committee, Christian Character Committee and a Local Academy Council for each academy. These committees are all committees of the Board but have different membership rules. The scheme of delegation identifies the delegated responsibilities assigned to these committees in order to ensure that matters can be dealt with in appropriate detail and with sufficient frequency.

The academy trust has not carried out a review this year due to the ongoing COVID-19 pandemic but intends to complete this next year.

The Finance, Audit and Risk committee is a sub-committee of the main Board of Directors. The purpose of this committee is to assist the decision making of the Board of Directors, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Directors' responsibility to ensure sound management of the academy trust's finances and resources, including proper planning, monitoring and probity. To make appropriate comments and recommendations on such matters to the Board of Directors on a regular basis.

Staff employed by the academy trust are not members of this committee, but may attend to provide information and participate in discussions. The Executive Principal in their role as Accounting Officer and the Chief Financial Officer (Trust Business Manager) will normally attend meetings of the Committee.

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Governance Statement (continued)

Governance (continued)

Three members must be present for meetings to be quorate, with the majority present being Directors.

Responsibilities of the committee are as follows:

1. Oversight of the day-to-day operation of the academy trust finances for each school within the academy trust, with due regard for the requirements of the Academies Financial Handbook and the Academy Funding agreement.
2. To consider the academy trust's funding, notified annually by the ESFA, and to assess its implications for the academy trust, in consultation with the Executive Headteacher, in advance of the financial year, drawing any matters of significance or concern to the attention of the Board of Directors.
3. To consider and apportion individual school's funding to each Local Academy Council within the academy trust with due regard to the supplementary funding agreement for each school and the Academies Financial Handbook.
4. To consider and recommend acceptance/non-acceptance of the budget for each academy within the academy trust, before the start of each financial year.
5. To contribute to the formulation of the each academy's development plan, through the consideration of financial priorities and proposals, in consultation with the Leadership Teams, with the stated and agreed aims and objectives of each academy.
6. To receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
7. To receive reports from the Business Manager in order to monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the academy trust and each academy, and with the financial regulations of the ESFA drawing any matters of concern to the attention of the Board of Directors.
8. To monitor and review procedures for ensuring the effective implementation and operation of financial management on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement.
9. To prepare the financial statements for filing in accordance with Companies Act and Charity Commission requirements.
10. To receive auditors' reports and to recommend to the Board of Directors action as appropriate in response to audit findings.
11. To recommend to the Board of Directors the appointment or reappointment of the auditors of the academy trust.

The specific audit related duties of the Committee shall be to:

1. Review the academy trust's internal and external financial statements and reports to ensure that they reflect best practice.
2. Discuss with the external auditor the nature and scope of each forthcoming audit and to ensure that the external auditor has the fullest co-operation of staff.
3. To provide assurance to the Board of Directors that risks are being adequately identified and managed by reviewing the risks to internal financial control at the trust; and agreeing a programme of work to address and provide assurance on, those risks.
4. Ensure that the academy trust's internal audit service meets, or exceeds, the standards specified in the Academies Financial Handbook.
5. Consider internal audit reports, including value-for-money reports and the arrangements for their implementation.
6. The outcome of audit work should inform the governance statement that accompanies the academy trust's annual accounts and, so far as is possible, provide assurance to the external auditors.
7. Consider any other matters where requested to do so by the Board of Directors; and report at least once a year to the Board of Directors on the discharge of the above duties.

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Governance Statement (continued)

Governance (continued)

Attendance during the year at meetings was as follows:

Director	Meetings attended	Out of a possible
R Tweddle, Chair (resigned 4 November 2020)	1	1
H Jervis, Chair (appointed 26 February 2021)	2	2
M Eyres	1	2
D French	1	2
C R Alderson	3	3
W Aitken, Executive Principal	3	3
C Broadbent	3	3

The Local Academy Councils (LACs)

The purpose of this committee is to:

- Determine school level policies which reflect the school's ethos and values to include e.g. admissions; SEND; safeguarding and child protection; curriculum; behaviour
- Engagement with stakeholders
- School's vision and strategy, agreeing key priorities and key performance indicators (KPIs) against which progress towards achieving the vision can be measured: determine
- School staffing structure
- Auditing and reporting arrangements for matters of compliance (e.g. safeguarding, Health and Safety, employment): agree
- Reporting arrangements for progress on key priorities: agree
- Benchmarking and academy value for money: ensure robustness
- Setting and review of the curriculum
- Standards achieved and pupils attending
- Review of admissions policy
- Extended school agenda

Each Local Academy Council have 12 members comprising the following:

- a) VA converter 7 foundation (6 appointed by DBE/DYET and 1 Incumbent ex officio)
- b) VC converter 3 foundation (2 and 1 above)
- c) VC converter 4 appointed by Board of Directors
- d) 1 elected staff member
- e) 2 elected parents of registered pupils in the academy
- f) Executive Headteacher - an ex officio member of the Local Academy Council
- g) 1 Co-opted member

The Christian Character Committee (CCC)

The purpose of this committee is to:

- to uphold the Christian character of the school's foundation
- to ensure that the Christian character of the school's foundation permeates all aspects of the its work
- to review RE and Collective Worship policies
- to monitor and attend acts of collective worship
- to support the evaluation of the school's Anglican nature using any published materials, including National Society materials
- to help the school prepare for denominational inspections using SIAMS documentation
- to ensure familiarity with the school's religious education syllabus and to monitor standards in RE
- to attend relevant training and disseminate this to governors and school staff
- to liaise with the parish churches

The Chair, Members and Clerk of the CCC are appointed by the Board of Directors. There is a member of the Board of Directors other than its Chair. The committee consists of 3 Directors, the Executive Headteacher and 2 members appointed from each Local Academy Council.

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance (continued)

Review of value for money

As Accounting Officer, the Executive Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Directors where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Identifying opportunities to obtain value for money in terms of services across both schools in the academy trust
- Implementing the Trust staffing restructure
- Early identification of children with specific needs to ensure receipt of additional funding through the high needs block
- Continuous review of the provision for and progress of children in receipt of pupil premium funding
- Targeted allocation of the PE and Sports Funding Grant
- Effective use of the universal one off catch up funding grant

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Dove Academy Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Directors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. For this academic and financial year, risks related to the COVID-19 pandemic have been assessed and mitigated through thorough planning, adherence to all guidance and consultation with stakeholders and health and safety partners. The Board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Governance Statement (continued)

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Directors has decided to buy-in an internal audit service from Veritau

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- testing of payroll systems
- testing of budget management and financial processing systems
- testing of income systems

On a termly basis, the internal auditor reports to the Board of Directors on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The schedule of work has been delivered as planned, and no material control issues have been identified as a result of the internal auditor's work. Recommendations for internal control improvements are raised from time to time, and procedures are put in place accordingly.

Review of effectiveness

As Accounting Officer, the Executive Headteacher 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 audit provider;
- the work of the external auditors;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Directors on
on their behalf by:

and signed

C R Alderson
Chair of Directors

W Aitken
Accounting Officer

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Statement on Regularity, Propriety and Compliance

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

I confirm that I and the academy trust Board of Directors are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

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

W Aitken
Accounting Officer
Date:

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Statement of Directors' responsibilities
For the year ended 31 August 2021

The Directors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Directors on
and signed on its behalf by:

C R Alderson
Chair of Directors

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Dove Academy Trust

Opinion

We have audited the financial statements of The Dove Academy Trust (the 'academy trust') for the period ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Dove Academy Trust
(continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report including the Strategic Report for the financial period for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report including the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 Directors' Responsibilities Statement, the Directors (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Dove Academy Trust
(continued)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the trust. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non compliance throughout the audit. We determined the most significant of these to be the regulations as stated in the funding agreement and the rules as per the Academies Handbook 2020. Other key laws and regulations included safeguarding, GDPR, health and safety and employment law
- Enquiry of trustees and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Review of board minutes and correspondence with regulators
- Enquiry of trustees and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. 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. 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 concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Dove Academy Trust
(continued)

Use of our report

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

Kevin Shotton BA BFP FCA (Senior Statutory Auditor)

for and on behalf of

Clive Owen LLP

Chartered Accountants

Statutory Auditors

140 Coniscliffe Road

Darlington

Co Durham

DL3 7RT

Date:

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to The Dove Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 19 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Dove Academy Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Dove 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 Dove Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Dove Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Dove Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Dove Academy Trust's funding agreement with the Secretary of State for Education dated 22 September 2016 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to The Dove Academy Trust and the Education & Skills Funding Agency (continued)

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Review documentation provided to Directors and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Directors;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meetings held; and
- Review whether there is a risk register in place.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Clive Owen LLP

Reporting Accountant
140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

Date:

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 August 2021

	Note	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Income from:						
Donations and capital grants	3	-	-	18	18	107
Other trading activities		16	-	-	16	31
Charitable activities		51	1,691	-	1,742	1,773
Total income		<u>67</u>	<u>1,691</u>	<u>18</u>	<u>1,776</u>	<u>1,911</u>
Expenditure on:						
Charitable activities		57	1,866	22	1,945	1,794
Total expenditure		<u>57</u>	<u>1,866</u>	<u>22</u>	<u>1,945</u>	<u>1,794</u>
Net movement in funds before other recognised gains/(losses)		10	(175)	(4)	(169)	117
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(23)	-	(23)	(275)
Net movement in funds		<u>10</u>	<u>(198)</u>	<u>(4)</u>	<u>(192)</u>	<u>(158)</u>
Reconciliation of funds:						
Total funds brought forward		165	(1,214)	682	(367)	(209)
Net movement in funds		10	(198)	(4)	(192)	(158)
Total funds carried forward		<u>175</u>	<u>(1,412)</u>	<u>678</u>	<u>(559)</u>	<u>(367)</u>

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

The notes on pages 29 to 54 form part of these financial statements.

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)
Registered number: 10199461

Balance Sheet
As at 31 August 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	13	652	557
		652	557
Current assets			
Debtors	14	34	137
Cash at bank and in hand		310	381
		344	518
Creditors: amounts falling due within one year	15	(102)	(112)
		242	406
Net current assets		242	406
Total assets less current liabilities		894	963
Net assets excluding pension liability		894	963
Defined benefit pension scheme liability	23	(1,453)	(1,330)
Total net assets		(559)	(367)

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)
Registered number: 10199461

Balance Sheet (continued)
As at 31 August 2021

	Note		2021 £000	2020 £000
Funds of the academy trust				
Restricted funds:				
Fixed asset funds	16	678	682	
Restricted income funds	16	41	116	
		719	798	
Restricted funds excluding pension asset	16	719	798	
Pension reserve	16	(1,453)	(1,330)	
		(1,453)	(1,330)	
Total restricted funds	16		(734)	(532)
Unrestricted income funds	16		175	165
			(559)	(367)
Total funds			(559)	(367)

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 25 to 54 were approved by the Directors, and authorised for issue on and are signed on their behalf, by:

C R Alderson
Chair of Directors

The notes on pages 29 to 54 form part of these financial statements.

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Statement of Cash Flows
For the year ended 31 August 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net cash provided by operating activities	18	28	88
Cash flows from investing activities	19	(99)	(15)
Change in cash and cash equivalents in the period		(71)	73
Cash and cash equivalents at the beginning of the period		381	308
Cash and cash equivalents at the end of the period	20, 21	<u>310</u>	<u>381</u>

The notes on pages 29 to 54 form part of these financial statements

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2021

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy trust to continue as a going concern. The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The reported share of the LGPS deficit at the Balance Sheet date has a significant impact on the restricted funds, however the Directors would draw attention to the cash reserves held by the academy trust. Also being an academy trust containing a faith school, the building occupied is not reflected on the Balance Sheet as described further in accounting policy 2. This has a direct impact on the academy trust's reported net asset position.

1.3 Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

– **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance Sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

– **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.

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2021

1. Accounting policies (continued)

1.3 Income (continued)

– **Other income**

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

– **Donated fixed assets (excluding transfers on conversion or into the academy trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

– **Charitable activities**

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2021

1. Accounting policies (continued)

1.7 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on the following bases:

Long-term leasehold land	- Over 125 years
Long-term leasehold property	- Over 50 years
Furniture and equipment	- Over 7 years
Computer equipment	- Over 3 years

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

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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1. Accounting policies (continued)

1.11 Liabilities and provisions

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. Provisions are recognised when the academy has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. 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.

1.13 Operating leases

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

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1. Accounting policies (continued)

1.14 Pensions

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

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

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

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

1.15 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the Directors.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

2. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a

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For the year ended 31 August 2021

2. Critical accounting estimates and areas of judgement (continued)

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 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. In the current year the actuary has made assumptions to estimate the liability associated with McCloud Sargeant (McCloud) and GMP Indexation and Equalisation (GMP).

Depreciation – Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £22,000.

Critical areas of judgement:

Land – Land is held under a 125 year lease from Darlington Borough Council. These assets are included on the Balance Sheet of the academy trust due to the significant risks and rewards of ownership belonging to the academy, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy could use them without major modification.

Buildings – The building at High Coniscliffe is held under a 125 year lease with Darlington Borough Council. The building is included on the Balance Sheet of the academy trust due to the significant risks and rewards of ownership belonging to the academy trust, the lease term being the major part of the economic life of the asset and the asset being of such a specialised nature that only the academy could use it without major modification.

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2. Critical accounting estimates and areas of judgement (continued)

The building at St Mary's is owned by the Diocese of Durham. The academy occupies the buildings under a mere licence. The licence delegates aspects of the management of the buildings to the academy for the time being, but does not vest any rights over the buildings to the academy. The Diocese of Durham has given an undertaking to the Secretary of State that they will not give academy less than two years notice to terminate the occupation of the buildings. Having considered the factual matrix under which the academy is occupying the buildings the Directors have concluded that the value of the buildings occupied by the academy at the date of conversion to an academy will not be recognised on the Balance Sheet of the academy trust. In addition, whilst the occupation constitutes a donation in kind to the academy trust, the Directors consider that the cost of obtaining a valuation for such a donation outweighs the expense and therefore no such donation and related expense are included in the Statement of Financial Activities. Any additions since conversion funded by grant bids or from GAG will be capitalised as leasehold improvements and written off over their economic life.

3. Income from donations and capital grants

	Unrestricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Donations	-	7	7	1
Capital Grants	-	11	11	106
	<u>-</u>	<u>18</u>	<u>18</u>	<u>107</u>
Total 2020	<u>1</u>	<u>106</u>	<u>107</u>	

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For the year ended 31 August 2021

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

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Funding for the Academy Trust's educational operations				
General Annual Grant (GAG)	-	1,365	1,365	1,389
Other DfE/ESFA grants				
Pupil Premium	-	123	123	121
PE and Sport Premium	-	35	35	35
UIFSM	-	39	39	44
Rates	-	8	8	8
Teachers' pay grant	-	14	14	14
Teachers' pension grant	-	48	48	48
Other DfE Group grants	-	6	6	39
	-	-	1,638	1,698
Other Government grants				
SEN	-	29	29	33
Local Authority grants	-	-	-	2
	-	29	29	35
Other income from the academy trust's academy's educational operations	51	-	51	38
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	24	24	-
	-	24	24	-
COVID-19 additional funding (non-DfE/ESFA)				
Other COVID-19 funding	-	-	-	2
	-	-	-	2
	51	1,691	1,742	1,773
Total 2020	38	1,735	1,773	

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

The academy trust received £24,000 of COVID-19 catch-up premium and the costs incurred in respect of this funding totalled £24,000.

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For the year ended 31 August 2021

4. Funding for the academy trust's academy's educational operations (continued)

5. Income from other trading activities

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Income from facilities and services	12	12	18
Rentals and lettings income	2	2	4
RPA Claims	-	-	6
Other	2	2	3
	<u>16</u>	<u>16</u>	<u>31</u>
Total 2020	<u>31</u>	<u>31</u>	

6. Expenditure

	Staff Costs 2021 £000	Premises 2021 £000	Other 2021 £000	Total 2021 £000	Total 2020 £000
Academy's educational operations:					
Direct costs	1,325	-	69	1,394	1,287
Allocated support costs	223	100	228	551	507
	<u>1,548</u>	<u>100</u>	<u>297</u>	<u>1,945</u>	<u>1,794</u>
Total 2020	<u>1,462</u>	<u>82</u>	<u>250</u>	<u>1,794</u>	

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6. Expenditure (continued)

In 2021, of the total expenditure £57,000 (2020: £47,000) was to unrestricted funds, £1,866,000 (2020: £1,729,000) was to restricted funds and £22,000 (2020: £18,000) was to restricted fixed asset funds.

There were no individual transactions exceeding £5,000 for:

Compensation payments
Gift made by the academy trust
Fixed asset losses
Stock losses
Unrecoverable debts
Cash losses

There were no ex-gratia payments in the period.

7. Analysis of expenditure by activities

	Activities undertaken directly 2021 £000	Support costs 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Academy's educational operations	1,394	551	1,945	1,794
Total 2020	1,287	507	1,794	

Analysis of direct costs

	Total funds 2021 £000	Total funds 2020 £000
Staff costs	1,325	1,227
Educational supplies	40	52
Staff development	1	3
Educational consultancy	5	5
Other costs	23	-
	1,394	1,287

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Notes to the Financial Statements
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7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £000	Total funds 2020 £000
Net interest on pension cost	22	17
Staff costs	223	235
Depreciation	22	18
Technology costs	45	46
Maintenance of premises and equipment	27	20
Cleaning	4	3
Other premises costs	17	16
Energy	28	20
Rent and rates	8	8
Insurance	7	7
Operating lease rentals	2	2
Catering	57	28
Legal costs - other	-	8
Security	-	1
Other costs	76	67
Governance costs	13	11
	<u>551</u>	<u>507</u>

8. Net income/(expenditure)

Net income/(expenditure) for the period includes:

	2021 £000	2020 £000
Operating lease rentals	2	2
Depreciation of tangible fixed assets	22	18
Loss on disposal of fixed assets	-	1
Fees paid to auditors for:		
- audit	8	8
- other services	1	2
	<u>33</u>	<u>31</u>

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Notes to the Financial Statements
For the year ended 31 August 2021

9. Staff

a. Staff costs

Staff costs during the period were as follows:

	2021 £000	2020 £000
Wages and salaries	1,055	1,080
Social security costs	97	92
Pension costs	325	281
	<u>1,477</u>	<u>1,453</u>
Agency staff costs	35	9
Staff restructuring costs	36	-
	<u>1,548</u>	<u>1,462</u>

Included in pension costs is a charge of £78,000 (2020 : £29,000) in respect of the LGPS actuarial valuation.

	2021 £000	2020 £000
Redundancy payments	33	-
Severance payments	1	-
Other restructuring costs	2	-
	<u>36</u>	<u>-</u>

b. Non-statutory/non-contractual staff severance payments

Included in Staff restructuring costs are non contractual amounts totalling £2,000 (2020: £nil).

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	13	13
Administration & Support	33	35
Management	5	5
	<u>51</u>	<u>53</u>

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9. Staff (continued)

d. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	-
In the band £80,001 - £90,000	1	1
	1	1

e. Key management personnel

The key management personnel of the academy trust comprise the Directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £370,000 (2020: £381,000).

10. Directors' remuneration and expenses

One or more Directors has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Directors' remuneration and other benefits was as follows:

		2021 £000	2020 £000
W Aitken, Executive Headteacher	Remuneration	85 - 90	85 - 90
	Pension contributions paid	20 - 25	20 - 25

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

12. Central services

The academy trust has provided the following central services to its academies during the period:

- Human Resources
- Financial Services
- Legal Services
- Education and Support Services; and
- Technology Support Services

The academy trust charges for these services on the following basis:

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Notes to the Financial Statements
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12. Central services (continued)

The central services costs incurred during the year were £49,000 (2020 : £47,000) and were split between the two different academies based on pupil numbers.

The actual amounts charged during the period were as follows:

	2021 £000	2020 £000
High Coniscliffe CE Primary School	18	18
St Mary's Cockerton CE Primary School	31	29
Total	<u>49</u>	<u>47</u>

13. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 September 2020	567	20	53	640
Additions	108	1	8	117
At 31 August 2021	<u>675</u>	<u>21</u>	<u>61</u>	<u>757</u>
Depreciation				
At 1 September 2020	39	6	38	83
Charge for the period	11	3	8	22
At 31 August 2021	<u>50</u>	<u>9</u>	<u>46</u>	<u>105</u>
Net book value				
At 31 August 2021	<u>625</u>	<u>12</u>	<u>15</u>	<u>652</u>
At 31 August 2020	<u>528</u>	<u>14</u>	<u>15</u>	<u>557</u>

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Notes to the Financial Statements
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14. Debtors

	2021 £000	2020 £000
Prepayments and accrued income	30	130
VAT recoverable	4	7
	34	137
	34	137

15. Creditors: Amounts falling due within one year

	2021 £000	2020 £000
Trade creditors	12	10
Other taxation and social security	22	23
Other creditors	28	31
Accruals and deferred income	40	48
	102	112
	102	112

	2021 £000	2020 £000
Deferred income at 1 September 2020	28	30
Resources deferred during the period	21	28
Amounts released from previous periods	(28)	(30)
Deferred income at 31 August 2020	21	28
	21	28

At the Balance Sheet date the academy trust holds funding received in advance in respect of free school meals.

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Notes to the Financial Statements
For the year ended 31 August 2021

16. Statement of funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds					
General Funds	165	67	(57)	-	175
Restricted general funds					
General Annual Grant (GAG)	77	1,365	(1,401)	-	41
Pupil Premium	-	123	(123)	-	-
Other DfE/ESFA Grants	39	150	(189)	-	-
SEN	-	29	(29)	-	-
Covid-19 Catch up premium	-	24	(24)	-	-
Pension reserve	(1,330)	-	(100)	(23)	(1,453)
	(1,214)	1,691	(1,866)	(23)	(1,412)
Restricted fixed asset funds					
Inherited on conversion	527	-	(11)	-	516
Devolved Formula Capital	57	11	(9)	-	59
GAG	1	-	-	-	1
CIF	95	-	(1)	-	94
Insurance claims	2	-	-	-	2
Donations	-	7	(1)	-	6
	682	18	(22)	-	678
Total Restricted funds	(532)	1,709	(1,888)	(23)	(734)
Total funds	(367)	1,776	(1,945)	(23)	(559)

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Notes to the Financial Statements
For the year ended 31 August 2021

16. Statement of funds (continued)

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

The General Annual Grant (GAG) must be used for the normal running of the academy including salaries and related costs, overheads, repairs and maintenance, and insurance.

Pupil Premium is additional funding to be spent as the school sees fit to support deprived students.

Universal Infant Free School Meals (included within Other DfE/ESFA Grants) is funding to provide a free school lunch to all pupils in reception, year 1 and year 2.

Other DfE/ESFA Grants also includes the PE and sport premium grant, rates relief, teachers' pay grant and teachers' pension grant.

SEN is funding for pupils with Special Educational Needs.

Covid-19 Catch up premium is funding to be spent on additional resources needed to help pupils catch up on learning lost due to the Covid-19 pandemic.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 23.

The restricted fixed asset funds represent monies received to purchase fixed assets.

Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly.

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

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Notes to the Financial Statements
For the year ended 31 August 2021

16. Statement of funds (continued)

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General Funds	142	70	(47)	-	-	165
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted general funds						
General Annual Grant (GAG)	16	1,389	(1,327)	(1)	-	77
Pupil Premium	-	121	(121)	-	-	-
Other DfE/ESFA Grants	48	188	(197)	-	-	39
SEN	-	33	(33)	-	-	-
Other Government grants	-	2	(2)	-	-	-
Other grants	-	2	(2)	-	-	-
Pension reserve	(1,009)	-	(46)	-	(275)	(1,330)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(945)	1,735	(1,728)	(1)	(275)	(1,214)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted fixed asset funds						
Inherited on conversion	539	-	(12)	-	-	527
Devolved Formula Capital	53	11	(7)	-	-	57
GAG	-	-	-	1	-	1
CIF	-	95	-	-	-	95
Insurance claims	2	-	-	-	-	2
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	594	106	(19)	1	-	682
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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Notes to the Financial Statements
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16. Statement of funds (continued)

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Total Restricted funds	(351)	1,841	(1,747)	-	(275)	(532)
Total funds	(209)	1,911	(1,794)	-	(275)	(367)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £000	2020 £000
High Coniscliffe CE Primary School	114	125
St Mary's CE Primary School	102	156
Total before fixed asset funds and pension reserve	216	281
Restricted fixed asset fund	678	682
Pension reserve	(1,453)	(1,330)
Total	(559)	(367)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2021 £000	Total 2020 £000
High Coniscliffe CE Primary School	474	83	16	120	693	682
St Mary's CE Primary School	773	140	24	193	1,130	1,094
Central services	78	-	-	22	100	-
Academy trust	1,325	223	40	335	1,923	1,776

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17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	652	652
Current assets	175	143	26	344
Creditors due within one year	-	(102)	-	(102)
Provisions for liabilities and charges	-	(1,453)	-	(1,453)
Total	<u>175</u>	<u>(1,412)</u>	<u>678</u>	<u>(559)</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	557	557
Current assets	165	228	125	518
Creditors due within one year	-	(112)	-	(112)
Provisions for liabilities and charges	-	(1,330)	-	(1,330)
Total	<u>165</u>	<u>(1,214)</u>	<u>682</u>	<u>(367)</u>

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

	2021 £000	2020 £000
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(169)	117
Adjustments for:		
Loss on disposal	-	1
Depreciation	22	18
Capital grants from DfE and other capital income	(18)	(106)
Defined benefit pension scheme cost less contributions payable	78	29
Defined benefit pension scheme finance cost	22	17
Decrease in stocks	-	4
Decrease in debtors	103	6
(Decrease)/increase in creditors	(10)	2
Net cash provided by operating activities	28	88

19. Cash flows from investing activities

	2021 £000	2020 £000
Purchase of tangible fixed assets	(117)	(26)
Capital grants from DfE Group	18	11
Net cash used in investing activities	(99)	(15)

20. Analysis of cash and cash equivalents

	2021 £000	2020 £000
Cash in hand and at bank	310	381
Total cash and cash equivalents	310	381

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21. Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash at bank and in hand	381	(71)	310
	<u>381</u>	<u>(71)</u>	<u>310</u>

22. Capital commitments

	2021 £000	2020 £000
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	108
	<u>-</u>	<u>108</u>

23. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2021.

Contributions amounting to £28,000 were payable to the schemes at 31 August 2021 (2020 - £29,000) and are included within creditors.

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £155,000 (2020 - £151,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2021 was £118,000 (2020 - £126,000), of which employer's contributions totalled £95,000 (2020 - £101,000) and employees' contributions totalled £ 23,000 (2020 - £25,000). The agreed contribution rates for future years are 24.7 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.70	3.30
Rate of increase for pensions in payment/inflation	2.70	2.30
Discount rate for scheme liabilities	1.70	1.70
Inflation assumption (CPI)	2.70	2.30
Commutation of pensions to lump sums	85.00	85.00

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23. Pension commitments (continued)

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

	2021 Years	2020 Years
Retiring today		
Males	22.3	22.2
Females	24.3	24.2
Retiring in 20 years		
Males	23.3	23.2
Females	25.8	25.7

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	(67)	(56)
Discount rate -0.1%	67	56
Mortality assumption - 1 year increase	(110)	(88)
Mortality assumption - 1 year decrease	113	90
CPI rate +0.1%	55	46
CPI rate -0.1%	(55)	(46)

Share of scheme assets

The academy trust's share of the assets in the scheme was:

	2021 £000	2020 £000
Equities	819	547
Corporate bonds	250	162
Property	90	78
Cash and other liquid assets	64	54
Government bonds	224	264
Total market value of assets	1,447	1,105

The actual return on scheme assets was £232,000 (2020 - £3,000).

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23. Pension commitments (continued)

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

	2021 £000	2020 £000
Current service cost	(173)	(170)
Past service cost	-	40
Interest income	20	20
Interest cost	(42)	(37)
Total amount recognised in the Statement of Financial Activities	(195)	(147)

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

	2021 £000	2020 £000
Opening defined benefit obligation	2,435	2,003
Current service cost	173	170
Interest cost	42	37
Employee contributions	23	25
Actuarial losses	235	252
Benefits paid	(8)	(12)
Past service costs	-	(40)
Closing defined benefit obligation	2,900	2,435

Changes in the fair value of the academy trust's share of scheme assets were as follows:

	2021 £000	2020 £000
Opening fair value of scheme assets	1,105	994
Interest income	20	20
Actuarial gains/(losses)	212	(23)
Employer contributions	95	101
Employee contributions	23	25
Benefits paid	(8)	(12)
Closing fair value of assets	1,447	1,105

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24. Operating lease commitments

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

	2021 £000	2020 £000
Amounts Payable		
Within 1 year	2	2
Later than 1 year and not later than 5 years	3	5
	<u>5</u>	<u>7</u>

25. Related party transactions

Owing to the nature of the academy trust and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the directors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

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