

Company Registration Number: 08842867 (England)

**THE DUCHY ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**



**THE DUCHY ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	Laetitia Mayne Maire Warwick Neil Helson Philip Brown
<b>Trustees</b>	Matthew Shirley, Chief Executive Officer (resigned 31 December 2020) <sup>1,2</sup> Michael Elliott, Trustee <sup>1,2</sup> Laetitia Mayne, Chair <sup>1,2</sup> Antony Fugill, Chief Executive Officer (appointed 1 January 2021) <sup>1,2</sup> Wendy Ainsworth, Trustee (resigned 30 September 2020) <sup>1,2</sup> Justine Collins, Trustee (appointed 22 April 2021) <sup>1,2</sup> Bryan Mayward, Trustee (appointed 22 April 2021) <sup>1,2</sup> Ronen Day, Trustee (resigned 22 April 2021) <sup>1,2</sup> Anna Ritchie, Trustee (resigned 31 December 2021) <sup>1,2</sup>  <sup>1</sup> Staffing and Finance <sup>2</sup> Standards and Attainment
<b>Company registered number</b>	08842867
<b>Company name</b>	The Duchy Academy Trust
<b>Principal and registered office</b>	24 Saltash Road Callington Cornwall PL17 7EF
<b>Company secretary</b>	Julia Stoneman
<b>Accounting officer</b>	Matthew Shirley (resigned 31/12/2020) Antony Fugill (appointed 01/01/2021)
<b>Senior management team</b>	Matthew Shirley, Chief Executive Officer (resigned 31/12/2020) Louise Barrington, Chief Finance Officer Antony Fugill, Chief Executive Officer (appointed 01/01/2021)
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
<b>Bankers</b>	Lloyds Bank 13 Broad Street Launceston Cornwall PL15 8AG

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

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<b>Solicitors</b>	Wolferstans 60-66 North Hill Plymouth Devon PL4 8EP
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**THE DUCHY ACADEMY TRUST  
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**TRUSTEES REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

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The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates academies for pupils aged 2 to 11 in Cornwall. It has a pupil capacity of 596 and had a roll of 503 in the school census during October 2021.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy Trust was incorporated on 13th January 2014 and opened as a Multi-Academy Trust on 1st February 2014 is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of The Duchy Academy Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as The Duchy Academy Trust.

Details of the Trustees who served throughout the year, and to the date the accounts are approved are included in the Reference and Administration Details on page 1 and 2.

**Members' Liability**

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

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Trust. The limit of this indemnity is £1 million.

**TRUSTEES**

**Method of recruitment and appointment or election of Trustees**

The Trust's Board of Trustees comprises the Headteacher, a minimum of two Parent Trustees, up to three Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Trust, does not exceed one third of the total number of Trustees) and up to ten other Trustees.

The Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to ten Trustees who are appointed by members.
- up to two Parent Trustees who are elected by Parents of registered pupils at the Trust.
- up to three staff Trustees appointed by Trustee board.
- the Headteacher who is treated for all purposes as being an ex officio Governor.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

**THE DUCHY ACADEMY TRUST  
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Policies and Procedures adopted for the Induction and Training of Trustees**

The Trust has a Recruitment, Induction and Training policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academies and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

**Organisational Structure**

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are two committees as follows;

- Staffing and Finance Committee - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- Standards and Attainment Committee - this meets once a term to monitor, evaluate and review Trust's policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Trust and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Trust by the use of budgets and other data, and making major decisions about the direction of the Trust, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Trust Chief Executive Officer, Headteacher, Executive Headteacher, Leaders of Teaching and Learning and the Business Manager. The Senior Leadership Team implement the policies laid down by the Trustees and report back to them on performance.

The Trust has a leadership structure which consists of the Trustees, The Senior Leadership Team and Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trust comprises three primary schools -- Boyton, Callington and Lewannick. During the period the Trust amalgamated the local governing bodies at all three schools, referred to as Local Governing Boards.

The Chief Executive Officer is the Accounting Officer.

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

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

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Trust in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

**Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	1.94

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	3
1%-50%	
51%-99%	
100%	

**Percentage of pay bill spent on facility time**

Provide the total cost of facility time	NIL
Provide the total pay bill	NA
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	NA
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**Related Parties and other Connected Charities and Organisations**

There are no related parties which either control or significantly influence the decisions and operations of The Duchy Academy Trust. There are no sponsors associated with the Trust. Callington Primary School Parents and Staff Association (registered charity number 1076374) and Friends of Lewannick School (registered charity number 1104378) are registered charities and are associated with the Trust.

**THE DUCHY ACADEMY TRUST  
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on children guiding their own learning.

The aims of the Trust during the year ended 31 August 2021 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils.
- to provide a broad and balanced curriculum, including extra-curricular activities.
- to develop the foundation subject curriculum across all schools in the academy
- to develop students as more effective learners.
- to enhance the tertiary provision and outcomes.
- to maintain and develop the Academy sites so to enable students to achieve their full potential.
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- to improve the effectiveness of the Trust by keeping the curriculum and organisational structure under continual review.
- to provide value for money for the funds expended.
- to develop greater coherence, clarity and effectiveness in school systems.
- to comply with all appropriate statutory and curriculum requirements.
- to maintain close links with industry and commerce.
- to develop the Trust's capacity to manage change, and
- to conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.
- to review governance structures across the trust

At The Duchy Academy Trust we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Trust is a community in which children, staff and parents should be part of a happy and caring environment.

**Objectives, Strategies and Activities**

Key priorities for the year are contained in our Academy Development Plan which is available from the Central Office. Improvement focuses identified for this year include:

- To promote positive mental health and emotional well-being for all stakeholders.
- To ensure that interventions, plans and processes are in place enable all children to 'catch up' relevant learning lost to Coronavirus disruption.
- To ensure a high quality and robust curriculum offer to the children across all Academy Schools.
- Implement and standardise agreed assessment systems and procedures.
- Implement and embed new EYFS curriculum across the Academy.
- To identify and address areas for improvement in individual schools.
- To ensure smooth succession with departure of CEO/Headteacher at Callington.
- To maintain positive trajectory in terms of finance.

Key activities and targets were identified in the Academy Development Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding. The activities included the following:

- For our core principles outlined in our mission statement: Together we inspire, Together we nurture, Together we achieve – to be the lived experience within our Academy Trust for every child, staff member and stakeholder. In addition, in line with our values, that every child, staff member and



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

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stakeholder will: feel respected, be happy, be encouraged to be creative, be supported and enabled to develop and utilise perseverance and to develop and maintain healthy friendships.

- To ensure children are accurately targeted for support – the right children identified
- To provide high quality, focussed and effective support that rapidly closes and reduces gaps created by lost learning
- To support children to return to attainment levels in line with peers/national expectations or significantly closer
- To be utilising established and robust monitoring and evaluation systems that ensure all children are reaching full potential across all school subjects
- For subject leaders to have a firm grasp on the attainment and outcomes of children across their schools in their subject areas
- To ensure that there is appropriate, sufficient and effective assessment and moderation to enable accurate and clear measures of progress and attainment for every child to be gathered, recorded for accountability and triangulated.
- To use effective and sufficient assessment data to ensure that ALL children are provided with the necessary focussed teaching to enable continued progress.
- For all children in EYFS across all three schools to access appropriate, exciting and developmental opportunities that enable them to flourish.
- For staff to be confident in the requirements of, application of and assessing the outcomes of the new curriculum.
- For a collaborative Academy wide approach to enable all staff working in EYFS to have confidence and clear direction in the application of the new curriculum.

The following is a list of identified areas that are to be addressed at each individual school – this work will be outlined in Leaders of Teaching and Learning Action Plans and Individual Plans in each school.

**Callington:**

- Induction of NQTs
- Monitor and evaluation of impact of revised methodology of whole class guided reading
- Review marking policy and evaluate impact on outcomes for children
- Review appropriateness of pedagogy to support and enable high quality independent writing, leading to consolidation of assessment accuracy

**Lewannick:**

- Induction of NQTs
- Monitor and evaluation of implementation and impact of strategy to improve spelling outcomes for children
- Review and evaluate pedagogical practices to ensure continuance of high quality provision for ALL children across the school in ALL subjects
- Review writing pedagogy and evaluate impact on high quality writing outcomes – including high quality modelling
- Ensure learning environments throughout school are: high quality, supporting/enabling learning, celebratory and promoting aspirations

**Boyton:**

- Monitor and evaluation of impact of revised methodology of whole class guided reading
- Monitor and evaluate impact of behaviour systems on behaviours for learning
- Review writing pedagogy and evaluate impact on high quality writing outcomes – including high quality modelling
- Review and evaluate pedagogical practices to ensure continuance of high quality provision for ALL children across the school in ALL subjects
- Maintaining a healthy reserve position
- Increase pupil numbers across the trust
- Ensuring the Trust continues to achieve value for money for goods and services

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

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**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Trust aims to advance for the public benefit, education in Callington and Launceston, as well as the surrounding area. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and development schools, offering a broad curriculum with a strong emphasis on foundation subjects.

**STRATEGIC REPORT**

**Achievements and Performance**

Due to the continuing Covid-19 pandemic, progress data is not available.

The Academy has managed to maintain small class sizes, with each year group having its own class, with the exception for two of academies which have mixed years. All classes have a teaching assistant, which is a valuable addition to the classroom.

To ensure that standards are continually assessed, the Trust operates a programme of lesson observations, which are undertaken by the Chief Executive Officer and the Senior Leadership Team.

All schools are judged by Ofsted as Good.

During the year, the Trust secured capital grants totalling £211,023 to address safeguarding compliance works at Boyton and Lewannick, and toilet refurbishment to address conditional issues at Callington.

Callington received £4,800 from Callington Town Council to assist in the redevelopment of the field belonging to the school at St Germans Road.

A number of staff at Callington successfully completed "Trauma and Mental Health Informed School" to achieve practitioner accreditation and Autism Champion training.

Training included, a representative from the Autism Team also carried out whole school training at Callington. Trust wide training relating to the new writing curriculum and Cyber Prevention.

**Covid-19**

During the Covid-19 pandemic, the Trust continued to be operational during the whole of the lock-down period for pupils of key workers and those considered being vulnerable. The Trust continued to provide free school meals to families. Online learning was accessible to pupils, and all staff retained regular contact with pupils. A breakfast club remained open at one of the schools to support pupils and their keyworker parents/carers.

No exceptional costs were reclaimed due to not meeting the government's criteria. No staff were furloughed.

The Trust's Staffing and Finance Committee met regularly during the pandemic in order closely monitor both operational and financial matters.

The Trust updated its Risk Register to reflect those risks it had identified in relation to the pandemic and lock down restrictions, this have been reviewed regularly. The Trust also has a detailed Risk Assessment and is reviewed regularly by Senior Leaders and the Board.

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

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**Key Performance Indicators**

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention - In the period under review, £42,447 was carried forward representing 2% of GAG.

As funding is based on pupil numbers this is also a key performance indicator.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2021 this was 109%, compared to 115% in 2020.

**Going Concern**

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

**FINANCIAL REVIEW**

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE which are shown in 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 useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2021, the Trust received total income of £3,023,972 and incurred total expenditure of £2,955,541. The excess of income over expenditure for the year was £68,431.

At 31 August 2021 the net book value of fixed assets was £4,738,591 and movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 20 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending.

**Reserves Policy**

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have set a target level of free reserves of £150,000 and as at 31st August 2021 held free reserves amounting to £119,978. The Trustees priority for 2021 is to significantly increase its free reserves.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Trust.

**THE DUCHY ACADEMY TRUST  
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Investment Policy**

Investments must be made only in accordance with written procedures approved by the Board of Trustees. The Trustees are committed to ensuring that all funds under their control are administered to maximise return whilst minimising risk.

The Trust operates management of the cash flow to make sure there are sufficient funds in the bank account to cover operational costs.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Board of Trustees has reviewed the major risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Trust are as follows:

**Financial** - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 95% of the Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

**Failures in governance and/or management** - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

**Reputational** - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

**Safeguarding and child protection** - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

**Staffing** - the success of the Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

**Fraud and mismanagement of funds** - The Trust has appointed James Cowper Kreston LLP, the external auditor, to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Trust has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Trust. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

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

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The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Staffing and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 22 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**FUNDRAISING**

The Trust carries out a limited amount of fundraising, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The Trust is aware of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate.

**PLANS FOR FUTURE PERIODS**

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Trust will continue to work with partner schools to improve the educational opportunities for students in the wider community.

The Trust is committed to increasing free reserves. The Trust has agreed robust strategies to ensure this is achieved.

Full details of our plans for the future are given in our Academy Development Plan, which is available on our website.

We plan to maintain small class sizes with a teaching assistant in each class which will reflect in academic outcomes being improved.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

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

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**Disclosure of information to auditors**

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Auditors**

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Approved by order of the Board of Trustees, as the company directors, and signed on the board's behalf by:



**Laetitia Mayne**  
Chair of Trustees  
Date: 2-12-21

**THE DUCHY ACADEMY TRUST  
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**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**SCOPE OF RESPONSIBILITY**

As Trustees we acknowledge we have overall responsibility for ensuring that The Duchy 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.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Duchy Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Ainsworth, Wendy	0	1
Collins, Justine	2	2
Day, Ronen	1	2
Elliott, Michael	3	3
Fugill, Antony	2	2
Mayne, Laetitia	3	3
Mayward, Bryan	1	1
Ritchie, Anna	1	1
Shirley, Matthew	1	1

The Staffing and Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to scrutinise the decision making of the Accounting Officer, plus the Senior Management Team (SMT), acting as critical friends, to ensure that best practice and value for money are fully considered when spending the funds of the Trust.

**Staffing Responsibilities**

1. To work with the schools at a strategic level, giving guidance and make recommendations on matters relating to staff:
  - a) Appointments of all staff across the Trust.
  - b) Staff wellbeing, including a review of workloads, work life balance, working conditions, absence management and support mechanisms;
  - c) Equalities, access and fairness;
  - d) Appraisals and performance management, ensuring fairness and consistency for all staff, and in line with the latest DfE guidance;
  - e) Training and development;
  - f) Promotion;
  - g) Pay and conditions, ensuring these are commensurate with national policy and reflect local needs and circumstances;
  - h) To monitor and receive absence reports;
  - i) Disciplinary matters, grievances and complaints;
  - j) Termination of employment, including succession planning for known retirements, redundancy and resignations;
  - k) Appeals.

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**GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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2. To undertake relevant training, for example safeguarding and safer recruitment vetting, so as to partake fully in The Duchy Academy Trust activities and interview panels.
3. To ensure The Duchy Academy Trust has up to date, relevant and compliant HR policies in place and to review these regularly.
4. To provide regular reports to the Board regarding personnel matters, drawing matters of merit and concern to their attention.
5. To receive reports from the Board's other committees to ensure continuity and consistency, and to make recommendations to them regarding The Duchy Academy Trust's personnel needs.
6. To forward plan with the head teachers of the schools all personnel needs, including staffing structures, ensuring minimum disruption to teaching and support and providing strong business continuity.
7. To ensure realistic budget requirements for all personnel matters.
8. To utilise data from performance management, exit interviews, equalities reviews and other surveys to ensure continuing improvements in standards at The Duchy Academy Trust.
9. To form separate panels relating to appeals, hearings and reviews, ensuring membership is compliant with policy requirements.

**Finance Responsibilities**

1. To ensure sound monitoring and scrutiny of The Duchy Academy Trust's finances and resources.
2. To give guidance to officers and make recommendations so as to constantly improve the management of The Duchy Academy Trust's resources and ensure legal compliance.
3. To safeguard the assets and investments of The Duchy Academy Trust and its respective educational establishments.
4. To receive a termly budget report from the PFO/PBM.
5. To monitor monthly expenditure, and make reports to the Board of Trustees, drawing matters of merit and concern to their attention.
6. To aid forward planning of financial resources, whilst considering The Duchy Academy Trust's indicative funding as notified annually by the DfE, and whilst monitoring student intake numbers, curriculum and staffing costs and capital expenditure requirements, and to formulate and keep a three year budget plan.
7. To approve all transfers between budget headings to a limit of £29,999 on the recommendation of the CEO and in accordance with the Finance Policy.
8. To authorise the allocation of all orders and contracts between £30,000 and £100,000.
9. To follow the Trust's Finance Policy in regards to tendering.
10. To review any subsidiary trading companies, joint ventures, letting and leasing arrangements.
11. To receive the Auditors report and make recommendations to the Board.
12. To ensure all areas of insurance are adequately covered annually and assist with asset registers if required.
13. To follow ESFA guidelines in applying for grants.
14. To ensure financial compliance. To investigate and report on any financial irregularities, including whistleblowing in very serious cases.
15. To secure the attendance or advice of external, professional advisers as and when required.
16. To work within an agreed framework for procurement, so as to ensure quality, fairness and consistency.
17. To consider and recommend acceptance / non acceptance The Duchy Academy Trust's budget at the start of each financial year and as appropriate. This will form part of the annual report to the Board of Trustees and for filing in accordance with the Companies Act and the Charity Commission.
18. To ensure provision of free school meals for all eligible students.
19. To review the charging and remissions policy from time to time.
20. In accordance with the Academies Financial Handbook, to choose the most appropriate way to manage a programme of risk review and check financial controls. This could be the appointment of an internal audit service, asking external auditors to carry out supplementary work, appointing a non-employed trustee etc
21. To undertake the role of the Audit Committee.



**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Meetings**

Attendance at The Staffing and Finance Committee meetings in the year was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Ainsworth, Wendy	0	1
Collins, Justine	4	4
Day, Ronen	3	4
Elliott, Michael	4	6
Fugill, Antony	4	4
Mayne, Laetitia	6	6
Mayward, Bryan	2	2
Ritchie, Anna	2	2
Shirley, Matthew	1	2

The Audit Committee is a sub-committee of the main Board of Trustees. The Audit Committee forms part of the responsibilities under Staffing and Finance Committee.

Its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework, reporting its findings annually to the Trustees and the Accounting Officer as a critical element of the Trust's annual reporting requirements.

The Standards and Attainment Committee is a sub committee of the main Board of Trustees.

**Purpose**

The committee shall oversee the academic performance of all schools within The Duchy Academy Trust.

**Responsibilities**

1. Report termly on the educational performance and progress of The Duchy Academy Trust to the Board.
2. Ensure recommendations from the committee are implemented in the Academies in the Trust.
3. Hold the Headteachers and staff to account for the performance of the Academies in the Trust through regular monitoring; to receive termly progress reports from Local Governing Committees and monitor and address issues as appropriate.
4. Ensure there is a strategic vision for continuous school improvement based upon effective school self evaluation.
5. Set targets for improvement and measure the performance of the schools within the Trust against the national and local context.
6. Ensure improvements in curriculum development provide a broad and balanced learning experience.
7. Identify best practice in the Academies, which can be shared across the Trust.
8. Utilise best practice from other academies or multi academy Trusts to support high quality professional development within The Duchy Academy Trust.

**Meetings**

The committee will meet at least termly; an agenda and minutes will be provided for all meetings.

The Chair and Vice Chair will be appointed annually by the Trust Board.

Members of Local Governing Committees, Senior Leaders, and staff members of the academies can be invited to attend meetings.

During the year the Trust commissioned an independent review of governance across the trust. Following the recommendations received from the review, the Trust is restructuring governance and is actively seeking to appoint new trustees and members. The Trust has amalgamated its governing bodies at two of the academies, removed some of the sub-committees to centralise the staffing and financial responsibilities to Trustees.

**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**REVIEW OF VALUE FOR MONEY**

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees 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:

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Not allocating time/resources to areas where few improvements can be achieved.
- Making comparisons with similar Academies using data provided by the ESFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.

**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 ongoing process designed to identify and prioritise the risks the achievement of 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 Duchy Academy Trust for the period from 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 Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that have been in place for the period from 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 Trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Regular reviews by the Staffing and Finance 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

**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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- Clearly defined purchasing (assets purchase or capital investment) guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- To appoint James Cowper Kreston LLP to perform additional checks.

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

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank account reconciliations
- Testing of fixed assets
- Testing of income
- Testing of compliance

On a quarterly basis the auditor reports to the Board of Trustees, through the Staffing and Finance Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

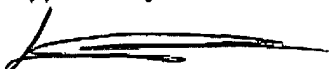
**REVIEW OF EFFECTIVENESS**

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

- The work of the internal auditor
- The work of the external auditor
- The financial management and governance self-assessment process
- 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 Staffing and Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



**Laetitia Mayne**  
Trustee  
Date: 2-12-21

  
**Antony Fugill**  
Accounting Officer

**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of The Duchy Academy Trust I have considered my responsibility to notify the Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the 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 Trust board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the 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 Trustees and ESFA.



**Antony Fugill**  
Accounting Officer  
Date:

**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial . Under company law, the Trustees 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 Trustees are required to:

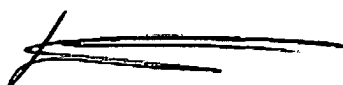
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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



**Laetitia Mayne**  
Chair of Trustees  
Date: 2-12-21

**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**OPINION**

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

In our opinion the financial statements:

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

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 Trustees with respect to going concern are described in the relevant sections of this report.

**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**OTHER INFORMATION**

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees 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 Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:



**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

**USE OF OUR REPORT**

This report is made solely to the charitable 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 charitable 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 charitable Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Nathan Coughlin FCA (Senior statutory auditor)**  
for and on behalf of  
**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
Salt Quay House  
4 North East Quay  
Sutton Harbour  
Plymouth  
PL4 0BN

**Date:** 16 December 2021

**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 4 December 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 Duchy Academy Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Duchy 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 Duchy 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 Duchy Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE DUCHY ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of The Duchy Academy Trust's funding agreement with the Secretary of State for Education dated 29 January 2014 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy Trust complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and noncompliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**CONCLUSION**

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



Nathan Coughlin FCA (Reporting Accountant)  
**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
Salt Quay House  
4 North East Quay  
Sutton Harbour  
Plymouth  
PL4 0BN

**Date:** 16 December 2021

**THE DUCHY ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>						
Donations and capital grants	4	9,720	2,581	242,512	254,813	152,454
Other trading activities		11,337	-	-	11,337	16,781
Investments	8	37	-	-	37	191
Charitable activities	5	185,598	2,572,187	-	2,757,785	2,591,506
<b>Total income</b>		<b>206,692</b>	<b>2,574,768</b>	<b>242,512</b>	<b>3,023,972</b>	<b>2,760,932</b>
<b>Expenditure on:</b>						
Raising funds		1,332	-	-	1,332	2,987
Charitable activities		145,211	2,630,243	178,755	2,954,209	2,918,098
<b>Total expenditure</b>		<b>146,543</b>	<b>2,630,243</b>	<b>178,755</b>	<b>2,955,541</b>	<b>2,921,085</b>
<b>NET INCOME/ (EXPENDITURE)</b>		<b>60,149</b>	<b>(55,475)</b>	<b>63,757</b>	<b>68,431</b>	<b>(160,153)</b>
Transfers between funds	20	-	(14,387)	14,387	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>60,149</b>	<b>(69,862)</b>	<b>78,144</b>	<b>68,431</b>	<b>(160,153)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	27	-	(605,000)	-	(605,000)	(182,000)
<b>Net movement in funds</b>		<b>60,149</b>	<b>(674,862)</b>	<b>78,144</b>	<b>(536,569)</b>	<b>(342,153)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		17,382	(1,638,983)	4,896,882	3,275,281	3,617,434
Net movement in funds		60,149	(674,862)	78,144	(536,569)	(342,153)
<b>Total funds carried forward</b>		<b>77,531</b>	<b>(2,313,845)</b>	<b>4,975,026</b>	<b>2,738,712</b>	<b>3,275,281</b>

The Statement of financial activities includes all gains and losses recognised in the year.

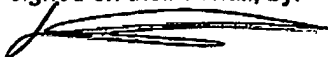
The notes on pages 29 to 59 form part of these financial statements.

**THE DUCHY ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:08842867**

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

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets		4,738,591	4,765,762
	16		
<b>Current assets</b>			
Stocks	17	5,372	5,744
Debtors	18	191,954	150,133
Cash at bank and in hand		424,257	200,300
		621,583	356,177
Creditors: amounts falling due within one year	19	(151,462)	(177,658)
<b>Net current assets</b>		470,121	178,519
<b>Total assets less current liabilities</b>		5,208,712	4,944,281
<b>Net assets excluding pension liability</b>		5,208,712	4,944,281
Defined benefit pension scheme liability	27	(2,470,000)	(1,669,000)
<b>Total net assets</b>		2,738,712	3,275,281
<b>Funds of the Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	20	4,975,026	4,896,882
Restricted income funds	20	126,155	30,017
Restricted funds excluding pension liability	20	5,101,181	4,926,899
Pension reserve	20	(2,440,000)	(1,669,000)
<b>Total restricted funds</b>	20	2,661,181	3,257,899
<b>Unrestricted income funds</b>	20	77,531	17,382
<b>Total funds</b>		2,738,712	3,275,281

The financial statements on pages 26 to 59 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Laetitia Mayne  
Chair of Trustees  
Date: 2-12-21

  
Anthony Fugill  
Accounting Officer

The notes on pages 29 to 59 form part of these financial statements.

**THE DUCHY ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	22	273,132	(21,848)
<b>Cash flows from investing activities</b>	23	(49,175)	61,201
<b>Change in cash and cash equivalents in the year</b>		<b>223,957</b>	<b>39,353</b>
Cash and cash equivalents at the beginning of the year		200,300	160,947
<b>Cash and cash equivalents at the end of the year</b>	<b>24, 25</b>	<b>424,257</b>	<b>200,300</b>

The notes on pages 29 to 59 form part of these financial statements

**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**1. GENERAL INFORMATION**

The Duchy Academy Trust is a company limited by guarantee, incorporated in England and Wales, company number: 08842867. The registered office is 24 Saltash Road, Callington, Cornwall, United Kingdom, PL17 7EF.

**2. 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.

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the 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.

**2.2 GOING CONCERN**

The Trustees 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 Trust to continue as a going concern. The Trustees 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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 Trust has continued to implement a robust action plan with clear strategies that returned the Trust to positive reserves in the prior year. During the year, the Trust has been successful in building up reserves to a more sustainable level that is more consistent with the target levels set in the reserves policy.

**2.3 INCOME**

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

• **Donations**

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

• **Other Income**

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

• **Donated fixed assets (excluding transfers on conversion or into the 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 Trust's accounting policies.

**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**2. ACCOUNTING POLICIES (continued)**

**2.4 EXPENDITURE**

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

- **Expenditure on raising funds**

This includes all expenditure incurred by the Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**2.5 TAXATION**

The 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 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.

**2.6 TANGIBLE FIXED ASSETS**

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

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:



**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**2. ACCOUNTING POLICIES (continued)**

**2.6 TANGIBLE FIXED ASSETS (CONTINUED)**

Long-term leasehold property	- 2% straight line - buildings, 125 years straight line - land
Furniture and fixtures	- 20% straight line
Motor vehicles	- 25% reducing balance
Computer equipment	- 3 years straight line

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

**2.7 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on the cost of purchases on a first in first out basis.

**2.8 DEBTORS**

Trade and other debtors with not stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**2.9 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**2.10 LIABILITIES**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.

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

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**2. ACCOUNTING POLICIES (continued)**

**2.11 FINANCIAL INSTRUMENTS**

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the 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 18. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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 19. 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.

**2.12 PENSIONS**

Retirement benefits to employees of the 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 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 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.

**THE DUCHY ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**2. ACCOUNTING POLICIES (continued)**

**2.13 FUND ACCOUNTING**

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

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.

Investment income, gains and losses are allocated to the appropriate fund.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**3. 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 valuation of land and buildings transferred on conversion to an academy. The Trustees use all information available including valuation reports and benchmarking these valuations to determine the fair value.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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.

Critical areas of judgement:

The Trust obtains use of fixed assets as a lessee. The classification of such leases as an operating or finance lease requires the Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

**THE DUCHY ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

**4. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Donations	9,720	2,581	13,800	26,101
Capital Grants	-	-	228,712	228,712
	<u>9,720</u>	<u>2,581</u>	<u>242,512</u>	<u>254,813</u>

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Donations	365	17,161	-	17,526
Capital Grants	-	-	134,928	134,928
	<u>365</u>	<u>17,161</u>	<u>134,928</u>	<u>152,454</u>

**5. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Education	41,507	2,572,187	2,613,694
Nursery	144,091	-	144,091
<b>TOTAL 2021</b>	<u>185,598</u>	<u>2,572,187</u>	<u>2,757,785</u>

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Education	30,182	2,436,401	2,466,583
Nursery	124,923	-	124,923
<b>TOTAL 2020</b>	<u>155,105</u>	<u>2,436,401</u>	<u>2,591,506</u>

**THE DUCHY ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

**6. FUNDING FOR THE TRUST'S EDUCATION**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
<b>DFE/ESFA GRANTS</b>			
General Annual Grant	-	2,126,350	2,126,350
Other DfE/ESFA Grants:			
PE & Sports Premium	-	52,270	52,270
Pupil Premium	-	136,585	136,585
Universal Infant Free School Meals	-	66,025	66,025
Teachers Pay and Pension Grant	-	105,200	105,200
Other DfE/ESFA Grants	-	9,754	9,754
	-	-	2,496,184
<b>OTHER GOVERNMENT GRANTS</b>			
High Needs	-	17,135	17,135
Local authority income	-	19,828	19,828
	-	36,963	36,963
Other income from the Trust's education	41,507	-	41,507
<b>COVID-19 ADDITIONAL FUNDING (DFE/ESFA)</b>			
Catch-up Premium	-	39,040	39,040
	-	39,040	39,040
	41,507	2,572,187	2,613,694

**THE DUCHY ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

**6. FUNDING FOR THE TRUST'S EDUCATION (CONTINUED)**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
<b>DFE/ESFA GRANTS</b>			
General Annual Grant	-	2,043,981	2,043,981
Other DfE/ESFA Grants:			
PE & Sports Premium	-	52,330	52,330
Pupil Premium	-	236,826	236,826
Universal Infant Free School Meals	-	65,440	65,440
Other DfE/ESFA Grants	-	9,600	9,600
	-	-	2,408,177
<b>OTHER GOVERNMENT GRANTS</b>			
High Needs	-	24,060	24,060
Local Authority Income	-	4,164	4,164
	-	28,224	28,224
Other Income from the Trust's education	30,182	-	30,182
	30,182	2,436,401	2,466,583

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

The Trust received £39,040 of funding for catch-up premium and costs incurred in respect of this funding totalled £36,559. The balance will be expended in the next academic year.

**7. INCOME FROM OTHER TRADING ACTIVITIES**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings	-	-	623
Consultancy	-	-	2,355
Fees received	9,413	9,413	11,322
Other	1,924	1,924	2,481
	11,337	11,337	16,781

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

**7. INCOME FROM OTHER TRADING ACTIVITIES (CONTINUED)**

All prior year figures relate to unrestricted income.

**8. INVESTMENT INCOME**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	37	37	191

All prior year figures relate to unrestricted income.

**9. EXPENDITURE**

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	1,332	1,332
Education:				
Direct costs	1,786,486	145,803	129,782	2,062,071
Allocated support costs	440,858	156,571	204,181	801,610
Nursery:				
Direct costs	85,172	-	-	85,172
Allocated support costs	-	5,356	-	5,356
	<u>2,312,516</u>	<u>307,730</u>	<u>335,295</u>	<u>2,955,541</u>

**THE DUCHY ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

**9. EXPENDITURE (CONTINUED)**

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	2,987	2,987
Education:				
Direct costs	1,892,366	145,354	20,308	2,058,028
Allocated support costs	335,637	121,417	262,750	719,804
Nursery:				
Direct costs	126,226	7,650	-	133,876
Allocated support costs	-	6,390	-	6,390
	<u>2,354,229</u>	<u>280,811</u>	<u>286,045</u>	<u>2,921,085</u>

**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Education	2,062,071	801,610	2,863,681
Nursery	85,172	5,356	90,528
	<u>2,147,243</u>	<u>806,966</u>	<u>2,954,209</u>

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Education	2,058,028	719,804	2,777,832
Nursery	133,876	6,390	140,266
	<u>2,191,904</u>	<u>726,194</u>	<u>2,918,098</u>



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

**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS**

	<b>Education 2021 £</b>	<b>Nursery 2021 £</b>	<b>Total funds 2021 £</b>
Pension finance costs	14,000	-	14,000
Staff costs	440,858	-	440,858
Depreciation	32,952	-	32,952
Staff development	8,448	-	8,448
Other costs	33,474	-	33,474
Recruitment and support	1,676	-	1,676
Maintenance of premises and equipment	24,851	826	25,677
Cleaning	20,828	715	21,543
Rent and rates	18,209	902	19,111
Energy costs	40,812	2,127	42,939
Insurance	10,690	584	11,274
Security and transport	2,870	202	3,072
Catering	83,994	-	83,994
Office overheads	24,107	-	24,107
Legal and professional	25,340	-	25,340
Bank interest and charges	794	-	794
Educational consultancy	17,707	-	17,707
	<b>801,610</b>	<b>5,356</b>	<b>806,966</b>

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

**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS (continued)**

	Education 2020 £	Nursery 2020 £	Total funds 2020 £
Pension finance cost	12,000	-	12,000
Staff costs	427,519	-	427,519
Depreciation	19,654	1,034	20,688
Staff development	2,378	-	2,378
Other costs	28,796	-	28,796
Recruitment and support	1,513	-	1,513
Maintenance of premises and equipment	12,982	826	13,808
Cleaning	13,588	715	14,303
Rent and rates	17,143	902	18,045
Energy costs	40,408	2,127	42,535
Insurance	11,102	584	11,686
Security and transport	3,836	202	4,038
Catering	54,785	-	54,785
Technology costs	(658)	-	(658)
Office overheads	21,894	-	21,894
Legal and professional	25,911	-	25,911
Bank interest and charges	1,312	-	1,312
Educational consultancy	25,641	-	25,641
	<u>719,804</u>	<u>6,390</u>	<u>726,194</u>

**11. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	2,233	8,933
Depreciation of tangible fixed assets	178,755	173,963
Fees paid to auditors for:		
- audit	9,130	8,975
- other services	4,905	7,375
	<u>194,923</u>	<u>198,246</u>

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

**12. STAFF**

**a. STAFF COSTS**

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	1,662,637	1,698,375
Social security costs	131,022	132,737
Pension costs	518,857	515,913
	<u>2,312,516</u>	<u>2,347,025</u>
Staff restructuring costs	-	7,204
	<u>2,312,516</u>	<u>2,354,229</u>
	2021 £	2020 £
Redundancy payments	-	7,204
	<u>-</u>	<u>7,204</u>

**b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS**

There were no staff restructuring costs in the year.

**c. STAFF NUMBERS**

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

	2021 No.	2020 No.
Teachers	30	32
Admin and support	57	61
Management	2	2
	<u>89</u>	<u>95</u>

**d. HIGHER PAID STAFF**

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

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**12. STAFF (CONTINUED)**

**d. HIGHER PAID STAFF (CONTINUED)**

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
In the band £80,001 - £90,000	<b>1</b>	<b>1</b>

**e. KEY MANAGEMENT PERSONNEL**

The key management personnel of the Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) 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 Trust was £146,562 (3 members) (2020: £345,487, 5 members).

**13. CENTRAL SERVICES**

The Trust has provided the following central services to its academies during the year:

- Business and finance
- School improvement support and management

The Trust charges for these services on the following basis:

Pupil numbers (amounting to ESG income per school).

The actual amounts charged during the year were as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Boyton Primary School	<b>18,857</b>	<b>16,783</b>
Callington Primary School	<b>72,896</b>	<b>71,726</b>
Lewannick Primary School	<b>22,803</b>	<b>23,837</b>
<b>TOTAL</b>	<b>114,556</b>	<b>112,346</b>

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**14. TRUSTEES' REMUNERATION AND EXPENSES**

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, from the Trust in respect of their role as Trustees. The value of trustees' remuneration and other benefits was as follows: A Ritchie: Remuneration £10,000 - £15,000 (2020: £40,000 - £45,000) Employer's Pension Contributions £0 - £5,000 (2020: £5,000 - £10,000). M Shirley: Remuneration £30,000 - £35,000 (2020: £85,000 - £90,000), Employer's pension contributions £5,000 - £10,000 (2020: £20,000 - £25,000). A Fugill: Remuneration £40,000 - £45,000, Employer's pension contributions £5,000 - £10,000. M Shirley resigned as Chief Executive Officer during the year and A Fugill was appointed to the role.

Other related party transactions involving the trustees are set out in Note 30.

During the year, retirement benefits were accruing to 1 Trustees (2020 - 2) in respect of defined benefit pension schemes.

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

**15. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2021 was £995 (2020 - £975). The cost of this insurance is included in the total insurance cost.

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**16. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>COST OR VALUATION</b>					
At 1 September 2020	5,300,009	459,597	226,921	44,255	6,030,782
Additions	125,894	-	25,690	-	151,584
At 31 August 2021	<u>5,425,903</u>	<u>459,597</u>	<u>252,611</u>	<u>44,255</u>	<u>6,182,366</u>
<b>DEPRECIATION</b>					
At 1 September 2020	654,275	345,572	226,921	38,252	1,265,020
Charge for the year	92,765	74,971	9,518	1,501	178,755
At 31 August 2021	<u>747,040</u>	<u>420,543</u>	<u>236,439</u>	<u>39,753</u>	<u>1,443,775</u>
<b>NET BOOK VALUE</b>					
At 31 August 2021	<u>4,678,863</u>	<u>39,054</u>	<u>16,172</u>	<u>4,502</u>	<u>4,738,591</u>
At 31 August 2020	<u>4,645,734</u>	<u>114,025</u>	<u>-</u>	<u>6,003</u>	<u>4,765,762</u>

**17. STOCKS**

	2021 £	2020 £
Raw materials and consumables	<u>5,372</u>	<u>5,744</u>

**18. DEBTORS**

	2021 £	2020 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	504	180
Other debtors	2,700	131
Prepayments and accrued income	181,049	118,725
VAT recoverable	7,701	31,097
	<u>191,954</u>	<u>150,133</u>

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**19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade creditors	46,115	40,652
Other taxation and social security	29,159	28,984
Other creditors	38,979	40,069
Accruals and deferred income	37,209	67,953
	<u>151,462</u>	<u>177,658</u>
	2021 £	2020 £
Deferred income at 1 September 2020	66,208	35,488
Resources deferred during the year	38,515	66,208
Amounts released from previous periods	(66,208)	(35,488)
<b>Deferred Income at 31 August 2020</b>	<u><b>38,515</b></u>	<u><b>66,208</b></u>

Deferred income relates to funding received in advance relating to Universal Infant Free School Meals.

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**20. STATEMENT OF FUNDS**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>UNRESTRICTED FUNDS</b>						
General Fund	17,382	206,692	(146,543)	-	-	77,531
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	-	2,126,350	(2,080,207)	(3,696)	-	42,447
Pupil Premium	-	136,585	(136,585)	-	-	-
Higher Needs	-	17,135	(14,363)	-	-	2,772
Teachers Pay and Pension Grant	-	105,200	(105,200)	-	-	-
Universal Infant Free School Meals	-	66,025	(61,829)	-	-	4,196
PE and Sports	28,432	52,270	(28,590)	-	-	52,112
Covid Catch Up Premium	-	39,040	(25,868)	(10,691)	-	2,481
Other restricted funds	1,585	32,163	(11,601)	-	-	22,147
Pension reserve	(1,669,000)	-	(166,000)	-	(605,000)	(2,440,000)
	<b>(1,638,983)</b>	<b>2,574,768</b>	<b>(2,630,243)</b>	<b>(14,387)</b>	<b>(605,000)</b>	<b>(2,313,845)</b>



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**20. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	4,471,184	-	(85,303)	-	-	4,385,881
DFC transferred on conversion	7,899	-	(175)	-	-	7,524
Assets purchased from GAG	60,613	-	(22,575)	3,696	-	41,734
Capital Improvement Fund (CIF)	292,644	210,748	(56,934)	-	-	446,458
Devolved formula capital (DFC)	55,942	17,964	(4,381)	-	-	69,525
Other capital grants	8,800	-	(4,787)	10,691	-	14,704
Donated Fixed Assets	-	13,800	(4,600)	-	-	9,200
	<u>4,896,882</u>	<u>242,512</u>	<u>(178,755)</u>	<u>14,387</u>	<u>-</u>	<u>4,975,026</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>3,257,899</u>	<u>2,817,280</u>	<u>(2,808,998)</u>	<u>-</u>	<u>(605,000)</u>	<u>2,661,181</u>
<b>TOTAL FUNDS</b>	<u>3,275,281</u>	<u>3,023,972</u>	<u>(2,955,541)</u>	<u>-</u>	<u>(605,000)</u>	<u>2,738,712</u>

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**20. STATEMENT OF FUNDS (CONTINUED)**

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

**Restricted Funds**

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Trust, including education and support costs.

Pupil Premium - Represents funding received from the ESFA for children that qualify for free school meals to enable the academy to address the current underlying inequalities between those children and their wealthier peers.

Higher Needs - Funding received by the Local Authority to support students with additional needs.

Teachers Pay and Pension Grant - funding to support the Trust with the cost of the increase in pay and employer contributions to the Teachers Pension Scheme.

Universal Infant Free School Meals - Funding received in order to meet its obligations to provide free school meals to all pupils in reception, year 1 and year 2.

PE and Sports Grant - Funding received from the ESFA to make additional and sustainable improvements to the quality of PE and sport we offer.

Covid Catch-up Premium - A one-off universal catch-up premium for the 2020/21 academic year to support children and young people to catch up lost time after school closure

Other restricted funds - This represents other restricted funding for the normal running of the Trust, including education and support costs.

Pension reserve - This represents the Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy Trust.

**Fixed Asset Funds**

Fixed Assets Transferred on Conversion - This represent the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

Devolved Formula Capital on conversion - This represents the income due from the Local Authority on conversion to an Academy Trust to fund capital projects.

Fixed Assets Purchased from GAG - This represents funds transferred from the restricted funds to purchase fixed assets.

Capital Improvement Fund (CIF) - This represents funding from the ESFA for specific capital projects

Devolved Formula Capital (DFC) - This represents funding from the ESFA to cover the maintenance and purchase of the Trust's assets.

Other capital grants - This represents restricted income received from various sources to fund capital projects.

Donated fixed assets - This represents the net book value of assets donated to the Trust.

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

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**20. STATEMENT OF FUNDS (CONTINUED)**

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>UNRESTRICTED FUNDS</b>						
General Fund	-	172,442	(138,351)	(16,709)	-	17,382
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	(33,090)	2,053,582	(2,037,201)	16,709	-	-
Pupil Premium	-	126,138	(126,138)	-	-	-
Higher Needs	4,877	24,059	(28,936)	-	-	-
Donations	5,000	205	(5,205)	-	-	-
Teachers Pay and Pension Grant	-	131,808	(130,223)	-	-	1,585
Universal Infant Free School Meals	-	65,440	(65,440)	-	-	-
PE and Sports	-	52,330	(23,898)	-	-	28,432
Pension reserve	(1,295,000)	-	(192,000)	-	(182,000)	(1,669,000)
	<u>(1,318,213)</u>	<u>2,453,562</u>	<u>(2,609,041)</u>	<u>16,709</u>	<u>(182,000)</u>	<u>(1,638,983)</u>

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**20. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	4,556,513	-	(85,329)	-	-	4,471,184
DFC transferred on conversion	7,874	-	(175)	-	-	7,699
Assets purchased from GAG	88,731	-	(28,118)	-	-	60,613
Capital Improvement Fund (CIF)	230,284	116,850	(54,490)	-	-	292,644
Devolved formula capital (DFC)	42,245	18,078	(4,381)	-	-	55,942
Donated Fixed Assets	10,000	-	(1,200)	-	-	8,800
	<u>4,935,647</u>	<u>134,928</u>	<u>(173,693)</u>	<u>-</u>	<u>-</u>	<u>4,896,882</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>3,617,434</u>	<u>2,588,490</u>	<u>(2,782,734)</u>	<u>16,709</u>	<u>(182,000)</u>	<u>3,257,899</u>
<b>TOTAL FUNDS</b>	<u>3,617,434</u>	<u>2,760,932</u>	<u>(2,921,085)</u>	<u>-</u>	<u>(182,000)</u>	<u>3,275,281</u>

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**20. STATEMENT OF FUNDS (CONTINUED)**

**TOTAL FUNDS ANALYSIS BY ACADEMY**

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Boyton Primary School	46,651	13,737
Callington Primary School	50,111	7,178
Lewannick Primary School	106,924	26,484
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	203,686	47,399
Restricted fixed asset fund	4,975,026	4,896,882
Pension reserve	(2,440,000)	(1,669,000)
	<hr/>	<hr/>
<b>TOTAL</b>	<b>2,738,712</b>	<b>3,275,281</b>
	<hr/>	<hr/>

**TOTAL COST ANALYSIS BY ACADEMY**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £
Boyton Primary School	249,294	68,068	23,963	54,301	395,626
Callington Primary School	1,207,187	200,825	62,340	147,075	1,617,427
Lewannick Primary School	313,634	29,157	26,717	72,890	442,398
Central Services	57	86,742	391	38,145	125,335
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>TRUST</b>	<b>1,770,172</b>	<b>384,792</b>	<b>113,411</b>	<b>312,411</b>	<b>2,580,786</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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**20. STATEMENT OF FUNDS (CONTINUED)**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
Boyton Primary School	240,001	67,574	18,720	39,407	365,702
Callington Primary School	1,152,236	252,348	63,464	133,112	1,601,160
Lewannick Primary School	317,247	74,413	21,791	60,004	473,455
Central Services	-	84,410	(1,588)	32,253	115,075
<b>TRUST</b>	<b>1,709,484</b>	<b>478,745</b>	<b>102,387</b>	<b>264,776</b>	<b>2,555,392</b>

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**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	4,738,591	4,738,591
Current assets	73,835	311,313	236,435	621,583
Creditors due within one year	3,696	(155,158)	-	(151,462)
Provisions for liabilities and charges	-	(2,470,000)	-	(2,470,000)
<b>TOTAL</b>	<b>77,531</b>	<b>(2,313,845)</b>	<b>4,975,026</b>	<b>2,738,712</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	4,765,762	4,765,762
Current assets	128,832	96,225	131,120	356,177
Creditors due within one year	(111,450)	(66,208)	-	(177,658)
Provisions for liabilities and charges	-	(1,669,000)	-	(1,669,000)
<b>TOTAL</b>	<b>17,382</b>	<b>(1,638,983)</b>	<b>4,896,882</b>	<b>3,275,281</b>

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**22. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
Net income/(expenditure) for the year (as per Statement of financial activities)	68,431	(160,153)
<b>ADJUSTMENTS FOR:</b>		
Depreciation	178,755	173,693
Capital grants from DfE and other capital income	(228,712)	(134,928)
Interest receivable	(37)	(191)
Defined benefit pension scheme cost less contributions payable	166,000	166,000
Defined benefit pension scheme finance cost	30,000	26,000
Decrease/(increase) in stocks	372	(1,914)
Decrease/(increase) in debtors	84,519	(29,567)
Decrease in creditors	(26,196)	(60,788)
<b>NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES</b>	<b>273,132</b>	<b>(21,848)</b>

**23. CASH FLOWS FROM INVESTING ACTIVITIES**

	2021 £	2020 £
Dividends, interest and rents from investments	37	191
Purchase of tangible fixed assets	(151,584)	(3,808)
Capital grants from DfE Group	102,372	64,818
<b>NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES</b>	<b>(49,175)</b>	<b>61,201</b>

**24. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2021 £	2020 £
Cash at bank and in hand	424,257	200,300



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**25. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	200,300	223,957	424,257
	<u>200,300</u>	<u>223,957</u>	<u>424,257</u>

**26. CAPITAL COMMITMENTS**

	2021 £	2020 £
Contracted for but not provided in these financial statements	<u>198,423</u>	<u>113,040</u>

**27. PENSION COMMITMENTS**

The 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 Cornwall Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £38,516 were payable to the schemes at 31 August 2021 (2020 - £39,606) 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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**27. PENSION COMMITMENTS (CONTINUED)**

**VALUATION OF THE TEACHERS' PENSION SCHEME**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £224,289 (2020 - £222,704).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

**LOCAL GOVERNMENT PENSION SCHEME**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £166,000 (2020 - £165,891), of which employer's contributions totalled £130,000 (2020 - £129,793) and employees' contributions totalled £ 36,000 (2020 - £36,098). The agreed contribution rates for future years are 12.5 per cent for employers and 5-12.5 per cent for employees.

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

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

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**27. PENSION COMMITMENTS (CONTINUED)**

**PRINCIPAL ACTUARIAL ASSUMPTIONS**

	<b>2021</b>	<b>2020</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	<b>2.90</b>	<b>2.20</b>
Rate of increase for pensions in payment/inflation	<b>2.90</b>	<b>2.20</b>
Discount rate for scheme liabilities	<b>1.65</b>	<b>1.70</b>

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

	<b>2021</b>	<b>2020</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
Males	<b>21.5</b>	<b>21.4</b>
Females	<b>24.1</b>	<b>23.6</b>
Retiring in 20 years		
Males	<b>22.8</b>	<b>22.3</b>
Females	<b>25.8</b>	<b>25.1</b>

**SENSITIVITY ANALYSIS**

**SHARE OF SCHEME ASSETS**

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Equities	<b>1,216,000</b>	<b>947,000</b>
Debt Instruments	<b>734,000</b>	<b>609,000</b>
Property	<b>126,000</b>	<b>102,000</b>
Cash	<b>21,000</b>	<b>34,000</b>
<b>TOTAL MARKET VALUE OF ASSETS</b>	<b>2,097,000</b>	<b>1,692,000</b>

The actual return on scheme assets was £247,000 (2020 - £(128,000)).

**THE DUCHY ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

**27. PENSION COMMITMENTS (CONTINUED)**

The amounts recognised in the Statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	(296,000)	(295,000)
Interest income	30,000	33,000
Interest cost	(60,000)	(59,000)
<b>TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES</b>	<b>(326,000)</b>	<b>(321,000)</b>

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

	2021 £	2020 £
<b>AT 1 SEPTEMBER</b>	<b>3,361,000</b>	<b>2,956,000</b>
Current service cost	296,000	295,000
Interest cost	60,000	59,000
Employee contributions	36,000	36,000
Actuarial losses	822,000	21,000
Benefits paid	(8,000)	(6,000)
<b>AT 31 AUGUST</b>	<b>4,567,000</b>	<b>3,361,000</b>

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

	2021 £	2020 £
<b>AT 1 SEPTEMBER</b>	<b>1,692,000</b>	<b>1,661,000</b>
Expected return on assets	30,000	33,000
Actuarial gains/(losses)	217,000	(161,000)
Employer contributions	130,000	129,000
Employee contributions	36,000	36,000
Benefits paid	(8,000)	(6,000)
<b>AT 31 AUGUST</b>	<b>2,097,000</b>	<b>1,692,000</b>

**THE DUCHY ACADEMY TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**28. OPERATING LEASE COMMITMENTS**

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

	2021 £	2020 £
Not later than 1 year	4,448	2,233
Later than 1 year and not later than 5 years	10,564	-
	<u>15,012</u>	<u>2,233</u>

**29. MEMBERS' LIABILITY**

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

**30. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the 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 Trustees' remuneration and expenses already disclosed in note 14.