

Company Registration Number: 10199461 (England & Wales)

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2020



THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

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Reference and Administrative Details

Members

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

Directors

C R Alderson, Chair¹
Dr J L Steel, Vice Chair¹
W Aitken, Executive Headteacher¹
K Alley
Rev D J Bage
J Croft (appointed 2 July 2020)
M Stand
Prof. T J U Thompson
R Tweddle¹

¹ Members of Finance and Audit Committee

Company registered number

10199461

Company name

The Dove Academy Trust

Principal and registered office

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

Company secretary

C Broadbent

Senior Leadership Team

W Aitken, Executive Headteacher
K Boyce, Head of School
M Joyeux, Head of School
C Broadbent, School Business Manager
C Toner, Deputy Head of School

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Reference and Administrative Details (continued)
For the year ended 31 August 2020

Independent auditors

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

Bankers

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

Solicitors

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

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Directors' Report
For the year ended 31 August 2020

The Dove Academy Trust was incorporated on 25 May 2016 and the academy trust commenced its operations on 1 October 2016. The Directors present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Directors' report, and a directors' report under company law.

The Dove Academy Trust includes High Coniscliffe CE Primary School and St Mary's CE Primary School, both based in Darlington. The schools admit pupils aged 4 to 11 have a combined capacity of 315 with 302 on roll in the school census in January 2020.

Structure, governance and management

Constitution

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

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

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

The charitable company is known as The Dove Academy Trust.

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

Members' liability

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

Directors' indemnities

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

Method of recruitment and appointment or election of Directors

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

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Directors' Report (continued)
For the year ended 31 August 2020

Structure, governance and management (continued)

Policies adopted for the induction and training of Directors

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

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

Organisational structure

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

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

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

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

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

Arrangements for setting pay and remuneration of key management personnel

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

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

Related parties and other connected charities and organisations

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

The academy trust is not related to any other charities.

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Directors' Report (continued)
For the year ended 31 August 2020

Structure, governance and management (continued)

Objectives and activities

Objects and aims

The Company's object ('the objects') is specifically restricted to the following:

- a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing academies which shall offer a broad and balance curriculum and which shall include:
- i. Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and
 - ii. other academies whether with or without a designated religious character; but in relation to each of the academies to recognise and support their individual ethos, whether or not designated Church of England; and
- b) to promote for the benefit of the inhabitants of the areas which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants subject at all times to any restrictions contained within any trusts applying to the land held by the Company.

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

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

High Coniscliffe CE Primary School

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

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

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

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

St Mary's Cockerton CE Primary School

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

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

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Directors' Report (continued)
For the year ended 31 August 2020

Objectives and activities (continued)

Objectives, strategies and activities

The main objectives of the academy trust during the year ended 31 August 2020 are summarised below:

- a) Each school in the academy trust is judged as at least good by Ofsted
- b) End of Key Stage results (attainment and progress) are consistently higher than national results in all areas
- c) Attendance is above the national average
- d) Children move onto to the next stage of their education as confident, compassionate, aspirational and eager individuals
- e) Engagement and partnership with families and communities fosters high expectations and ambitious goals
- f) Staff are supported and developed to meet career goals
- g) Efficient and targeted allocation of funding ensures staff, services and resources have the highest impact and create positive outcomes

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

It is impossible to measure progress towards meeting each of the above objectives (apart from a.) due to the COVID-19 pandemic. The following Strategic Report sets out what was achieved prior to school closure and what will be the prioritise given the impact for the subsequent academic year.

Public benefit

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

Strategic report

Achievements and performance

Current Ofsted ratings:

High Coniscliffe CE Primary School: **Outstanding**

St Mary's Cockerton CE Primary School: **Good**

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

Pre-COVID-19

From September 2019 to when the schools closed for all but the children of key workers in March 2020, progress towards meeting the objectives detailed in the school development plans was well under way.

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Directors' Report (continued)
For the year ended 31 August 2020

Strategic report (continued)

Achievements and performance (continued)

Trust-wide Priorities

Reading:

A new focus of Love of Reading, alongside a new approach to teaching reading was launched. New reading diaries and expectations for home reading were launched along with information sessions for parents and carers to explain the approach to teaching reading and a new section of the school website was launched to provide further advice and guidance. Children taking part in small group English sessions were making good progress in their reading with their recognition of phonic sounds strengthened as well as their reading fluency. Home reading books were reorganised to better reflect the order of the teaching of early phonics using the Read, Write Inc. approach.

The Curriculum:

Information sessions about the new curriculum took place in the Autumn Term with key stakeholders. The Assistant Director of the Diocese provided positive feedback on the work undertaken on the curriculum design. Parents and carers were involved in family learning sessions relating to the UN sustainable Goals linked to the new curriculum expeditions.

Pupil Premium Strategy

Staff were fully aware of the disadvantaged children in their classes along with their prior attainment and targets. A pupil premium provision and tracking document was developed and teachers met with the Heads of School to formalise each child's targets onto this document. It has not been possible to fully measure the impact of this approach.

Assessment

Full implementation of the assessment tracking tool, Classroom Monitor.

Behaviour

An overview and analysis of Behaviour for Autumn 1 was carried out. Meetings with link LAC members to review strategies took place. All staff received Team Teach training. Expectations of behaviour are high and consistent across schools but strategies were being reviewed through extensive research by the Executive Headteacher and ready for dissemination and discussion with stakeholders.

Relationship, Sex and Health Education (RSHE) Policy

Several meetings of a working party were held to develop the policy but it was not possible to go through the full consultation that was planned. However, in order for teachers to begin planning for September 2020 the policy was approved by the Local Academy Councils in May 2020.

Both schools became Stonewall School Champions which recognises the LGBT inclusive primary curriculum, LGBT inclusive policies and that homophobic, biphobic and transphobic bullying and language are recognised and addressed.

Staff Well-Being

Directors distributed a staff well-being survey and met with staff in January 2020 to feedback and discuss the findings. SLT continue to act upon findings from the staff well-being survey.

In addition, each school had started work on further priorities:

High Coniscliffe CE Primary School

Writing

Learning walks and monitoring of the school timetable showed the impact of the review of the teaching of spelling which required higher priority for teaching to improve outcomes. Children's work showed that the application of spelling is systematic across the school. High standards of spelling, handwriting and punctuation were evident in teaching observed as part of teacher's performance management observations. Marking and feedback addresses misconceptions in children's spelling.

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Directors' Report (continued)
For the year ended 31 August 2020

Strategic report (continued)

Achievements and performance (continued)

Maths

All children from Year 1 to Year 6 were motivated and have new resources to support the acquisition of times tables facts. An audit of Mathematics was started by all staff which included reviewing EEF recommendations on improving teaching and provision.

St Mary's Cockerton CE Primary School

Writing

The new IPEELL approach was launched across school to improve the planning of writing, writing is celebrated across school with new awards and a writing celebration board.

Maths

Develop the use of online resources to improve the recall and application of times table facts, especially in Year 4.

COVID-19 Control Measures

From 23 March 2020, the children of key workers and vulnerable children were provided with childcare at St Mary's Cockerton CE Primary School. Due to low numbers and several members of staff isolating, High Coniscliffe CE Primary School closed completely, with eligible children attending St Mary's Cockerton.

School meal vouchers were provided for all eligible families.

Safeguarding and Behaviour Policies were temporarily amended with addendums to address COVID-19 specific arrangements.

Available staff worked on a rota system in set teams. Each team worked in school one week in a three week cycle. This meant control measures in case of positive cases were managed well and staff were able to have breaks as the school stayed open over holidays, including bank holidays.

When schools were able to partially reopen, High Coniscliffe welcomed back children in Reception, Year 1 and Year 6 as well as vulnerable children and children of key workers.

St Mary's Cockerton did the same, although limited staff capacity meant Year 6 were only able to attend for 2 days in the final week of the academic year.

Throughout each scenario, extensive risk assessments, approved by the Board of Directors, were in place. Clear, regular communication with families and stakeholders ensured the communities felt safe and reassured that the academy trust was mitigating risk. Neither school had any positive cases of coronavirus among the staff or pupils.

Key performance indicators

Total revenue income per pupil	£5,983
Total recurring ESFA income per pupil	£5,284
Staff costs per pupil	£4,686
Total costs per pupil	£5,804
Staff cost as % total cost	81%
Staff cost as % total income	78%
Pupil to teacher ratio	21
Net current assets/income	4.63

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Directors' Report (continued)
For the year ended 31 August 2020

Strategic report (continued)

Achievements and performance (continued)

Key aspects to address in 2020 – 2021, carried over because of COVID-19:

An audit of the books identified the need to purchase further books to enhance the selection of home reading books currently provided to ensure greater capacity to consolidate and read with increasing accuracy and fluency before moving onto next stages.

Continue to develop the 'Love reading' initiative and measure its impact.

Further scrutiny of spelling within long pieces of writing and cross curricular writing is to be the focus of next half term.

Complete the maths audit and implement identified changes to ensure all children are supported and challenged with focused targets and regular review.

Continue the research around behaviour management strategies and develop a revised policy in consultation with all stakeholders.

The development of Problem Solving and Reasoning (PSR) in maths and across the curriculum.

Key aspects to address in direct response to the impact of COVID-19 from March 2020 to September 2020:

- Children reaching age related expectations
- Targeted use of catch-up funding
- Capacity to provide remote education
- Restrictions on some activity such as indoor PE and sport activities, singing, performances, events for the community
- Uncertainty regarding the duration of current control measures, amendments to statutory testing, the Ofsted inspection schedule
- Financial implications to cover isolating / ill staff, staff working at home (for example pregnant staff), loss of additional income through lettings
- Attracting new starters for September 2021 without the option of visits, tours and presentations.

Going concern

After making appropriate enquiries, the board of Directors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Financial review

Most of the academy's income is obtained from the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy also receives grants for fixed assets from the DfE/ESFA. In accordance with The Charities SORP (FRS102), such grants 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 expected useful life of the assets concerned.

THE DOVE ACADEMY TRUST
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Directors' Report (continued)
For the year ended 31 August 2020

Strategic report (continued)

Financial review (continued)

During the year ended 31 August 2020, total expenditure of £1,794,000 was exceeded by recurrent grant funding from the DfE/ESFA together with other incoming resources. The excess of income over expenditure for the year (before transfers and actuarial gains, and excluding restricted fixed asset funds) was £30,000. The in-year surplus on restricted general funds plus unrestricted funds but excluding the increase in the pension reserve liability was £75,000.

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

At 31 August 2020 the net book value of fixed assets was £557,000 and movements in tangible fixed assets are shown in note 13 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy trust.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of the LGPS pensions scheme, resulting in a deficit of £1,330,000 recognised on the Balance Sheet.

The academy trust held fund balances at 31 August 2020 of £(367,000) comprising £682,000 of restricted fixed asset funds, £(1,330,000) restricted pension reserve deficit, £116,000 of restricted general funds and £165,000 of unrestricted funds.

Reserves policy

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

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

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

The financial risks have been reviewed in terms of impact and likelihood as part of the strategic risk management process. The main financial risk to the academy trust is that of managing its short-term cash flow effectively. To mitigate this risk, it has been agreed that an appropriate minimum reserves balance would equate to 4 weeks' worth of expenditure, both in terms of salaries and invoices. In broad terms this would equate to approximately £115,000. The level of reserves is reviewed by the Directors regularly throughout the year. The minimum level of reserves for the ongoing needs of the academy is reviewed by the Directors on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The academy trust's current level of free reserves are in surplus by £165,000 and therefore are considered to be above the level of reserves required for the ongoing needs of the academy trust.

The ESFA are able set limits on the sum of GAG that can be carried forward from one year to the next. There are currently no limits in place as at August 2020.

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

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Directors' Report (continued)
For the year ended 31 August 2020

Strategic report (continued)

Financial review (continued)

Investment policy

The Dove Academy Trust operates an interest bearing current account with a bank approved by the Board of Directors (currently Lloyds) and maintain sufficient balances to ensure there are adequate liquid funds to cover all immediate and forthcoming financial commitments, including maintaining a sufficient contingency for unexpected payments.

Monies surplus to the working requirements shall be invested in low risk term deposits with the current banker or with another UK institution regulated by the Financial Conduct Authority or the Prudential Regulation Authority.

The academy trust will not take out any long term deposits until reliable cash flow pattern have been established.

Principal risks and uncertainties

The academy trust's policy is to adopt best practice in the identification, evaluation and effective control of risks to ensure they are managed to an acceptable level. It is acknowledged that some risks will always exist and will never be eliminated.

The Board of Directors are responsible for making a statement on risk management in the annual accounts of The Dove Academy Trust. In order to be able to make the required statement with reasonable confidence the Directors ensure that:

- The identification, assessment and mitigation of risk is linked to the achievement of the academy trust's vision and strategic goals as set out in the Development Plan;
- The process covers all areas of risk, e.g. governance and management, operational, financial, reputational and external factors and is focused primarily on major risks
- The process produces a risk exposure profile that reflects the Directors views as to levels of acceptable risk;
- The principal results of risk identification are reviewed, evaluated and managed; and ensure that the risk management is ongoing and embedded in management and operation procedure.

The academy trust's Senior Leadership Team (SLT) has responsibility for ensuring that the risk management policy is implemented and for coordinating risk management activity across the academy trust.

The process of risk identification involves both Directors and the SLT. The assessment of each risk takes into consideration the control measures currently in place to manage the risk. The controls identified are assessed to determine whether they are an appropriate mitigation of the risks identified. Any risks requiring treatment are recorded in a risk register. The risk register is reviewed termly by SLT and the Board of Directors to ensure that risks are identified and that appropriate controls and responses are in place.

Outlined below are those current risk factors with the highest grading on the Risk Register that may impact on the academy trust:

- Income reduction / balances become low
- Planned Admission Number (PAN) not met
- Long term disruption to learning and opportunities and financial implications for resources and cover for staff absence due to COVID-19

Where significant financial risk still remains they have ensured they have adequate insurance cover. The academy trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

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Directors' Report (continued)
For the year ended 31 August 2020

Strategic report (continued)

Financial review (continued)

Principal risks and uncertainties (Continued)

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

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

Plans for future periods

The Board of Directors is currently exploring a range of options to develop the academy trust. Increasing the number of schools currently within the academy trust is being actively explored and planned residential housing developments in the areas near both schools within the academy trust could have a significant impact and require consideration for expansion and/or relocation.

Funds held as custodian on behalf of others

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

Disclosure of information to auditors

Insofar as the Directors are aware:

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

Auditors

Clive Owen LLP were re-appointed as auditors from 1st September 2019 for a three-year period which ends on 31st August 2022.

The Directors' Report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on 25 November 2020 and signed on its behalf by:



C R Alderson
Chair

THE DOVE ACADEMY TRUST
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Governance Statement

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met five times during the year. The Board of Directors met less than six times due to clearly established committees/portfolio groups of Directors who can deal with specific areas of responsibility, following robust terms of reference.

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

Director	Meetings attended	Out of a possible
C R Alderson, Chair	5	5
Dr J L Steel, Vice Chair	5	5
W Aitken, Executive Headteacher	5	5
K Alley	4	5
Rev D J Bage	3	5
J Croft	1	1
M Stand	3	5
Prof. T J U Thompson	3	5
R Tweddle	4	5

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

The Finance and Audit Committee

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

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

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Governance Statement (continued)

Governance (continued)

The Finance and Audit Committee (Continued)

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

Responsibilities of the committee are as follows:

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

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

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

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance (continued)

The Finance and Audit Committee (Continued)

The Finance and Audit Committee has formally met twice during the year with attendance as follows:

Director	Meetings attended	Out of a possible
Mrs Rosanne Tweddle, Chair	2	2
Mr Craig Alderson, Vice Chair	2	2
Dr Jenny Steel	2	2
Mrs Wendy Aitken, Executive Headteacher	2	2
Mrs Chrissie Broadbent, Trust Business Manager and Chief Financial Officer	2	2

The Local Academy Councils (LACs)

The purpose of this committee is to:

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

Each Local Academy Council have 12 members comprising the following:

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

The Christian Character Committee (CCC)

The purpose of this committee is to:

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

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

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance (continued)

Review of value for money

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

The Accounting Officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Directors where value for money can be improved, including the use of benchmarking data where appropriate. Although additional opportunities have been limited because of the COVID-19 pandemic, the Accounting Officer for the academy trust has delivered improved value for money during the year by:

- Identifying opportunities to obtain value for money in terms of services across both schools in the academy trust
- Review of the staffing structure to ensure appropriate provision across the academy trust
- Early identification of children with specific needs to ensure receipt of additional funding through the high needs block
- Continuous review of the provision for and progress of children in receipt of pupil premium funding
- Targeted allocation of the PE and Sports Funding Grant
- Successfully applying for Condition Improvement Funding for High Coniscliffe to improve safeguarding provision.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Dove Academy Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Directors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. For this academic and financial year, risks related to the COVID-19 pandemic have been assessed and mitigated through thorough planning, adherence to all guidance and consultation with stakeholders and health and safety partners. The Board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Governance Statement (continued)

The risk and control framework

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

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

The Board of Directors has considered the need for a specific internal audit function and has decided to appoint Clive Owen LLP as the external auditor, to perform additional checks.

The academy trust has sought tenders for the provision of internal audit services for the financial year 2020/21 to separate the role in line with revised FRC Ethical Standard (15 March 2020).

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

- Regularity
- Payroll
- Purchases
- Accounting system
- Expenses and petty cash
- Finance Policy
- Board of Directors' meeting minutes
- Academy conversion procedures
- Income
- VAT
- Corporation tax
- Governors declarations of interests
- Governors' meeting minutes
- Information Technology
- Fixed Assets
- Board of Directors' appointments and resignations

On a termly basis, the auditor reports to the Board of Directors on the operation of the systems of control, and on the discharge of the Board of Directors' financial responsibilities.

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

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Governance Statement (continued)

Review of effectiveness

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

- the work of the internal assurance provider;
- the work of the external auditors;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Directors on 25 November 2020 and signed on their behalf by:



C R Alderson
Chair
Board of Directors



W Aitken
Accounting Officer

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Statement on Regularity, Propriety and Compliance

As Accounting Officer of The Dove Academy Trust I have considered my responsibility to notify the academy trust Board of Directors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust Board of Directors are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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



W Aitken
Accounting Officer
Date: 25 November 2020

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Statement of Directors' responsibilities
For the year ended 31 August 2020

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

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

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

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

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

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

Approved by order of the members of the Board of Directors on 25 November 2020 and signed on its behalf by:



C R Alderson
Chair
Board of Directors

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

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

Opinion

We have audited the financial statements of The Dove Academy Trust (the 'academy trust') for the period ended 31 August 2020 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 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

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

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, the Directors (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

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

Use of our report

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



Kevin Shotton BA BFP FCA (Senior Statutory Auditor)

for and on behalf of

Clive Owen LLP

Chartered Accountants

Statutory Auditors

140 Coniscliffe Road

Darlington

Co Durham

DL3 7RT

25 November 2020

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

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

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

This report is made solely to The Dove Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Dove Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Dove Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of The Dove Academy Trust's funding agreement with the Secretary of State for Education dated 22 September 2016 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Clive Owen LLP
Chartered Accountants
Reporting Accountant
140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

Date: 25 November 2020

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 August 2020

	Note	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Income from:						
Donations and capital grants	3	1	-	106	107	31
Charitable activities	4	38	1,735	-	1,773	1,642
Other trading activities	5	31	-	-	31	28
Total income		70	1,735	106	1,911	1,701
Expenditure on:						
Charitable activities	6	47	1,729	18	1,794	1,802
Total expenditure		47	1,729	18	1,794	1,802
Net income		23	6	88	117	(101)
Transfers between funds	17	-	(1)	1	-	-
Net movement in funds before other recognised gains/(losses)		23	5	89	117	(101)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(275)	-	(275)	(256)
Net movement in funds		23	(270)	89	(158)	(357)
Reconciliation of funds:						
Total funds brought forward		142	(945)	594	(209)	148
Net movement in funds		23	(270)	89	(158)	(357)
Total funds carried forward		165	(1,215)	683	(367)	(209)

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

The notes on pages 30 to 54 form part of these financial statements.

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

Balance Sheet
As at 31 August 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	13	557	550
		<u>557</u>	<u>550</u>
Current assets			
Stocks	14	-	4
Debtors	15	137	48
Cash at bank and in hand		381	308
		<u>518</u>	<u>360</u>
Creditors: amounts falling due within one year	16	(112)	(110)
Net current assets		<u>406</u>	<u>250</u>
Total assets less current liabilities		<u>963</u>	<u>800</u>
Net assets excluding pension liability		<u>963</u>	<u>800</u>
Defined benefit pension scheme liability	24	(1,330)	(1,009)
Total net assets		<u><u>(367)</u></u>	<u><u>(209)</u></u>

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

Balance Sheet (continued)
As at 31 August 2020

	Note	2020 £000	2019 £000
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	17	682	594
Restricted income funds	17	116	64
		<hr/>	<hr/>
Restricted funds excluding pension asset	17	798	658
Pension reserve	17	(1,330)	(1,009)
		<hr/>	<hr/>
Total restricted funds	17	(532)	(351)
Unrestricted income funds	17	165	142
		<hr/>	<hr/>
Total funds		<u>(367)</u>	<u>(209)</u>

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

The financial statements on pages 26 to 54 were approved by the Directors, and authorised for issue on 25 November 2020 and are signed on their behalf, by:



C R Alderson
Chair
Board of Directors

The notes on pages 30 to 54 form part of these financial statements.

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Statement of Cash Flows
For the year ended 31 August 2020

	Note	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by operating activities	19	88	50
Cash flows from investing activities	20	(15)	18
Change in cash and cash equivalents in the period		73	68
Cash and cash equivalents at the beginning of the period		308	240
Cash and cash equivalents at the end of the period	21, 22	<u>381</u>	<u>308</u>

The notes on pages 30 to 54 form part of these financial statements

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

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

1.3 Income

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

– Grants

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

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

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

– Donations

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

THE DOVE ACADEMY TRUST
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2020

1. Accounting policies (continued)

1.3 Income (continued)

– Other income

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

1.4 Expenditure

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

– Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

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

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

1.7 Tangible fixed assets

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

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

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1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

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

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

1.8 Stocks

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

1.9 Debtors

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

1.10 Cash at bank and in hand

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

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are recognised when the academy has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

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1. Accounting policies (continued)

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment. 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 16. 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. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment.

1.13 Operating leases

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

1.14 Pensions

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

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

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

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

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Notes to the Financial Statements
For the year ended 31 August 2020

1. Accounting policies (continued)

1.15 Fund accounting

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

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

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

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a 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 24, 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 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. In the current year the actuary has made assumptions to estimate the liability associated with McCloud Sargeant (McCloud) and GMP Indexation and Equalisation (GMP).

Depreciation – Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £18,000.

Critical areas of judgement:

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

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

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Notes to the Financial Statements
For the year ended 31 August 2020

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

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

3. Income from donations and capital grants

	Unrestricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Donations	1	-	1	3
Capital Grants	-	106	106	28
	<u>1</u>	<u>106</u>	<u>107</u>	<u>31</u>
Total 2019	<u>3</u>	<u>28</u>	<u>31</u>	

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For the year ended 31 August 2020

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

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Funding for the Academy Trust's educational operations				
General Annual Grant (GAG)	-	1,389	1,389	1,323
Pupil Premium	-	121	121	114
PE and Sport Premium	-	35	35	35
UFSM	-	44	44	43
Rates	-	8	8	7
Teachers' pay grant	-	14	14	9
Other DfE Group grants	-	87	87	6
	-	1,698	1,698	1,537
Other government grants				
SEN	-	33	33	50
Local Authority grants	-	2	2	2
	-	35	35	52
Exceptional government funding				
Coronavirus exceptional support	-	2	2	-
	-	2	2	-
Other funding				
Non Government grants	-	-	-	7
Student Trips	16	-	16	14
Student Catering	22	-	22	32
	38	-	38	53
	38	1,735	1,773	1,642
Total 2019	46	1,596	1,642	

The academy trust has been eligible to claim additional funding in the year from government support schemes in response to the Coronavirus outbreak. The funding received is shown above under "Exceptional government funding".

The funding received for Coronavirus exceptional support covers £2,000 of additional health and hygiene, cleaning products, PPE, curriculum materials, caretaker equipment and zoom subscription costs. These costs are included in notes 6 and 7 below.

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Notes to the Financial Statements
For the year ended 31 August 2020

5. Income from other trading activities

	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Income from facilities and services	18	18	7
Rentals and lettings income	4	4	7
RPA Claims	6	6	7
Other	3	3	7
	<u>31</u>	<u>31</u>	<u>28</u>
Total 2019	<u>28</u>	<u>28</u>	

6. Expenditure

	Staff Costs 2020 £000	Premises 2020 £000	Other 2020 £000	Total 2020 £000	Total 2019 £000
Academy's educational operations:					
Direct costs	1,227	-	60	1,287	1,289
Allocated support costs	235	82	190	507	513
	<u>1,462</u>	<u>82</u>	<u>250</u>	<u>1,794</u>	<u>1,802</u>
Total 2019	<u>1,455</u>	<u>94</u>	<u>253</u>	<u>1,802</u>	

In 2020, of the total expenditure £47,000 (2019: £77,000) was to unrestricted funds, £1,729,000 (2019: £1,702,000) was to restricted funds and £18,000 (2019: £23,000) was to restricted fixed asset funds.

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

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

There were no ex-gratia payments in the period.

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Notes to the Financial Statements
For the year ended 31 August 2020

7. Analysis of expenditure by activities

	Activities undertaken directly 2020 £000	Support costs 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Academy's educational operations	1,287	507	1,794	1,802
Total 2019	1,289	513	1,802	

Analysis of direct costs

	Total funds 2020 £000	Total funds 2019 £000
Staff costs	1,227	1,218
Educational supplies	52	58
Staff development	3	10
Educational consultancy	5	3
	1,287	1,289

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Notes to the Financial Statements
For the year ended 31 August 2020

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £000	Total funds 2019 £000
Net interest on pension cost	17	17
Staff costs	235	237
Depreciation	18	23
Technology costs	46	31
Maintenance of premises and equipment	20	30
Cleaning	3	4
Other premises costs	16	14
Energy	20	23
Rent and rates	8	7
Insurance	7	7
Operating lease rentals	2	2
Catering	28	28
Legal costs - other	8	-
Security	1	-
Other costs	67	75
Governance costs	11	15
	<u>507</u>	<u>513</u>

8. Net income

Net income for the period includes:

	2020 £000	2019 £000
Operating lease rentals	2	2
Depreciation of tangible fixed assets	18	23
Loss on disposal of fixed assets	1	-
Fees paid to auditors for:		
- audit	8	7
- other services	2	2
	<u>21</u>	<u>34</u>

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9. Staff

a. Staff costs

Staff costs during the period were as follows:

	2020 £000	2019 £000
Wages and salaries	1,080	1,070
Social security costs	92	91
Pension costs	281	289
	<u>1,453</u>	<u>1,450</u>
Agency staff costs	9	5
	<u>1,462</u>	<u>1,455</u>

Included in pension costs is a charge of £29,000 (2019 : £86,000) in respect of the LGPS actuarial valuation.

b. Staff numbers

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

	2020 No.	2019 No.
Teachers	13	13
Administration & Support	35	37
Management	5	5
	<u>53</u>	<u>55</u>

c. Higher paid staff

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

	2020 No.	2019 No.
In the band £80,001 - £90,000	<u>1</u>	<u>1</u>

d. Key management personnel

The key management personnel of the academy trust comprise the Directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £381,000 (2019: £383,000).

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10. Directors' remuneration and expenses

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

		2020 £000	2019 £000
W Aitken, Executive Headteacher	Remuneration	85 - 90	80 - 85
	Pension contributions paid	20 - 25	10 - 15

During the period ended 31 August 2020, no Director expenses have been incurred (2019 - £NIL).

11. Directors' and Officers' insurance

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

12. Central services

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

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

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

The central services costs incurred during the year were £47,000 (2019 : £49,000) and were split between the two different academies based on pupil numbers.

The actual amounts charged during the period were as follows:

	2020 £000	2019 £000
High Coniscliffe CE Primary School	18	18
St Mary's Cockerton CE Primary School	29	31
Total	47	49

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Notes to the Financial Statements
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13. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 September 2019	563	14	38	615
Additions	4	7	15	26
Disposals	-	(1)	-	(1)
At 31 August 2020	<u>567</u>	<u>20</u>	<u>53</u>	<u>640</u>
Depreciation				
At 1 September 2019	29	4	32	65
Charge for the period	10	2	6	18
At 31 August 2020	<u>39</u>	<u>6</u>	<u>38</u>	<u>83</u>
Net book value				
At 31 August 2020	<u>528</u>	<u>14</u>	<u>15</u>	<u>557</u>
At 31 August 2019	<u>534</u>	<u>10</u>	<u>6</u>	<u>550</u>

14. Stocks

	2020 £000	2019 £000
Catering stock and stationery	<u>-</u>	<u>4</u>

15. Debtors

	2020 £000	2019 £000
Prepayments and accrued income	130	41
Vat recoverable	7	7
	<u>137</u>	<u>48</u>

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16. Creditors: Amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	10	23
Other taxation and social security	23	23
Other creditors	31	25
Accruals and deferred income	48	39
	<u>112</u>	<u>110</u>
	2020 £000	2019 £000
Deferred income at 1 September 2019	30	32
Resources deferred during the period	28	30
Amounts released from previous periods	(30)	(32)
Deferred income at 31 August 2020	<u>28</u>	<u>30</u>

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

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Notes to the Financial Statements
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17. Statement of funds

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General Funds	142	70	(47)	-	-	165
Restricted general funds						
General Annual Grant (GAG)	16	1,389	(1,327)	(1)	-	77
Pupil Premium	-	121	(121)	-	-	-
Other DfE/ESFA Grants	48	188	(197)	-	-	39
SEN	-	33	(33)	-	-	-
Other Government grants	-	2	(2)	-	-	-
Other grants	-	2	(2)	-	-	-
Pension reserve	(1,009)	-	(46)	-	(275)	(1,330)
	(945)	1,735	(1,728)	(1)	(275)	(1,214)
Restricted fixed asset funds						
Inherited on conversion	539	-	(12)	-	-	527
Devolved Formula Capital	53	11	(7)	-	-	57
GAG	-	-	-	1	-	1
CIF	-	95	-	-	-	95
Insurance claims	2	-	-	-	-	2
	594	106	(19)	1	-	682
Total Restricted funds	(351)	1,841	(1,747)	-	(275)	(532)
Total funds	(209)	1,911	(1,794)	-	(275)	(367)

THE DOVE ACADEMY TRUST
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Notes to the Financial Statements
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17. Statement of funds (continued)

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

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

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

Other DfE/ESFA grants includes UIFSM income to be used to provide free school meals to infants, rates relief, and other ESFA grants to be used for educational purposes.

Other Government grants include SEN and LAC funding from the Local Authority. SEN is additional funding for pupils with special education needs.

Other grants include exceptional funding received from government support schemes in response to the Coronavirus outbreak.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 24.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

A transfer of £1,000 has been made to restricted fixed asset funds to relect those items included within fixed assets which have been purchased using restricted monies.

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

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £000	2019 £000
High Coniscliffe CE Primary School	125	94
St Mary's CE Primary School	156	112
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	281	206
Restricted fixed asset fund	682	594
Pension reserve	(1,330)	(1,009)
	<hr/>	<hr/>
Total	(367)	(209)
	<hr/> <hr/>	<hr/> <hr/>

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

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2020 £000	Total 2019 £000
High Coniscliffe CE Primary School	476	84	23	99	682	670
St Mary's CE Primary School	751	151	29	163	1,094	1,109
Academy trust	<u>1,227</u>	<u>235</u>	<u>52</u>	<u>262</u>	<u>1,776</u>	<u>1,779</u>

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

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

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
General Funds	144	77	(77)	(2)	-	142
Restricted general funds						
General Annual Grant (GAG)	49	1,323	(1,356)	-	-	16
Pupil Premium	-	114	(114)	-	-	-
Other DfE/ESFA Grants	16	100	(68)	-	-	48
SEN	-	50	(50)	-	-	-
Other Government grants	-	2	(2)	-	-	-
Other grants	2	7	(9)	-	-	-
Pension reserve	(650)	-	(103)	-	(256)	(1,009)
	<u>(583)</u>	<u>1,596</u>	<u>(1,702)</u>	<u>-</u>	<u>(256)</u>	<u>(945)</u>
Restricted fixed asset funds						
Inherited on conversion	560	-	(21)	-	-	539
Devolved Formula Capital	27	28	(2)	-	-	53
Insurance claims	-	-	-	2	-	2
	<u>587</u>	<u>28</u>	<u>(23)</u>	<u>2</u>	<u>-</u>	<u>594</u>
Total Restricted funds	<u>4</u>	<u>1,624</u>	<u>(1,725)</u>	<u>2</u>	<u>(256)</u>	<u>(351)</u>

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Notes to the Financial Statements
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18. Analysis of net assets between funds

Analysis of net assets between funds - current period

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

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	550	550
Current assets	142	174	44	360
Creditors due within one year	-	(110)	-	(110)
Provisions for liabilities and charges	-	(1,009)	-	(1,009)
Total	142	(945)	594	(209)

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

	2020 £000	2019 £000
Net income/(expenditure) for the period (as per Statement of Financial Activities)	117	(101)
Adjustments for:		
Loss on disposal	1	1
Depreciation	18	23
Capital grants from DfE and other capital income	(106)	(28)
Defined benefit pension scheme cost less contributions payable	29	86
Defined benefit pension scheme finance cost	17	17
Decrease in stocks	4	-
Decrease/(increase) in debtors	6	(4)
Increase in creditors	2	56
Net cash provided by operating activities	88	50

20. Cash flows from investing activities

	2020 £000	2019 £000
Purchase of tangible fixed assets	(26)	(10)
Capital grants from DfE Group	11	28
Net cash (used in)/provided by investing activities	(15)	18

21. Analysis of cash and cash equivalents

	2020 £000	2019 £000
Cash in hand	381	308
Total cash and cash equivalents	381	308

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22. Analysis of changes in net debt

	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash at bank and in hand	308	73	381
	<u>308</u>	<u>73</u>	<u>381</u>

23. Capital commitments

	2020 £000	2019 £000
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	108	-
	<u>108</u>	<u>-</u>

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Notes to the Financial Statements
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24. Pension commitments

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

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

Contributions amounting to £29,000 were payable to the schemes at 31 August 2020 (2019 - £25,000) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £151,000 (2019 - £109,000).

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

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

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24. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2020 was £126,000 (2019 - £118,000), of which employer's contributions totalled £101,000 (2019 - £94,000) and employees' contributions totalled £ 25,000 (2019 - £24,000). The agreed contribution rates for future years are 24.7% for employers and 5.5 - 12.5% for employees.

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

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	3.30	3.60
Rate of increase for pensions in payment/inflation	2.30	2.10
Discount rate for scheme liabilities	1.70	1.90
Inflation assumption (CPI)	2.30	2.10
Commutation of pensions to lump sums	85.00	80.00

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

	2020 Years	2019 Years
Retiring today		
Males	22.2	22.3
Females	24.2	23.8
Retiring in 20 years		
Males	23.2	24.0
Females	25.7	25.7

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.1%	(56)	(42)
Discount rate -0.1%	56	43
Mortality assumption - 1 year increase	(88)	(66)
Mortality assumption - 1 year decrease	90	67
CPI rate +0.1%	46	23
CPI rate -0.1%	(46)	(23)

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24. Pension commitments (continued)

Share of scheme assets

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

	2020 £000	2019 £000
Equities	547	501
Corporate bonds	162	116
Property	78	72
Cash and other liquid assets	54	50
Government bonds	264	255
Total market value of assets	<u>1,105</u>	<u>994</u>

The actual return on scheme assets was £3,000 (2019 - £90,000).

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

	2020 £000	2019 £000
Current service cost	(170)	(128)
Past service cost	40	(52)
Interest income	20	24
Interest cost	(37)	(41)
Total amount recognised in the Statement of Financial Activities	<u>(147)</u>	<u>(197)</u>

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

	2020 £000	2019 £000
Opening defined benefit obligation	2,003	1,438
Current service cost	170	128
Interest cost	37	41
Employee contributions	25	24
Actuarial losses	252	322
Benefits paid	(12)	(2)
Past service costs	(40)	52
Closing defined benefit obligation	<u>2,435</u>	<u>2,003</u>

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24. Pension commitments (continued)

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

	2020 £000	2019 £000
Opening fair value of scheme assets	994	788
Interest income	20	24
Actuarial (losses)/gains	(23)	66
Employer contributions	101	94
Employee contributions	25	24
Benefits paid	(12)	(2)
Closing fair value of assets	<u>1,105</u>	<u>994</u>

25. Operating lease commitments

At 31 August 2020 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £000	2019 £000
Amounts Payable		
Within 1 year	2	2
Later than 1 year and not later than 5 years	5	7
	<u>7</u>	<u>9</u>

26. Related party transactions

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

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