

**THE DORCAN ACADEMY**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

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**THE DORCAN ACADEMY  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

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S Bareham, Head Teacher<sup>4,5</sup>  
J Brookes (Resigned 15 November 2020)<sup>3</sup>  
P Corkish, Staff Trustee<sup>1,3</sup>  
C Gee<sup>3,4,5</sup>  
F Hardcastle (resigned 25 November 2019)<sup>1,3</sup>  
S Harvey<sup>5</sup>  
A Martin<sup>5</sup>  
P Porter<sup>3,4</sup>  
C Bowyer (Resigned 2 November 2020)<sup>3</sup>  
N Derewicz, Staff Trustee (appointed 20 January 2020)<sup>1</sup>  
A Thomas, Chair<sup>4,5</sup>  
J Walker<sup>4</sup>  
J McCarthy (appointed 3 October 2019)<sup>4</sup>

1 Admissions  
2 Appeals  
3 Data  
4 Finance and Premises  
5 Staffing

**Company registered  
number**

07831414

**Company name**

The Dorcan Academy

**Principal and registered  
office**

St Paul's Drive  
Covingham  
Swindon  
Wiltshire  
SN3 5DA

**Chief executive officer**

S Bareham

**Senior management  
team**

S Bareham, Headteacher  
P Morley, Assistant Head  
L Morgans, Assistant Head  
M Shepherd, Deputy Head  
A Broderstad, Chief Finance and Operations Officer

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**Independent auditors**      Bishop Fleming Bath Limited  
Chartered Accountants  
Statutory Auditors  
Minerva House  
Lower Bristol Road  
Bath  
BA2 9ER

**Bankers**                      Lloyds Bank Plc  
5 High Street  
Swindon  
SN1 3EN

**Solicitors**                    Stone King LLP  
13 Queen Square  
Bath  
BA1 2HJ

**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT  
FOR THE YEAR ENDED 31 AUGUST 2020**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2020. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an Academy for pupils aged 11 to 16 in Swindon. It has a pupil capacity of 1234 (Edubase/ Get Information about schools on gov.uk) and a PAN of 190 and had a roll of 757 in the school census on 31 January 2020 (761 in October 2019).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy.

The Trustees of The Dorcan Academy are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

**Members' Liability**

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

**Trustees' Indemnities**

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

**TRUSTEES**

**Method of Recruitment and Appointment or Election of Trustees**

The Academy's Board of Trustees comprises the Headteacher, up to 7 parent Trustees, up to 3 Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy, does not exceed one third of the total number of Trustees) and up to 9 other Trustees.

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

- up to 20 Trustees who are appointed by members;
- up to 7 Parent Trustees who are elected by Parents of registered students at the Academy;
- up to 3 staff Trustees appointed by staff members;
- up to 9 Community Trustees who are appointed by the Trustee board, and;
- the Headteacher who is treated for all purposes as being an ex officio Trustee.

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

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

The Academy follows standard Trustee Recruitment procedures and Trustees receive an Induction pack and attend training courses as set out in the Scheme of Delegation.

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

**Organisational Structure**

The Board of Trustees normally meets once each month. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification although some policies are delegated to the Committee. It monitors the activities of the Committees through the minutes of their meetings and reports at meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale. Owing to the pandemic face to face meetings have not taken place since 10 March 2020. In line with Government guidance Full Governing Body meetings were held virtually whilst committees were suspended until September 2020.

There are 6 committees as follows:

- Audit Committee – this is made up mostly of members of the Finance Committee and is responsible for monitoring and evaluating control of funds, internal and external audit control and evaluating and monitoring internal control procedures, reviewing risk and receiving audit reports. The Audit Committee meet at least three times a year prior to the Finance and Premises Committee meetings.
- Finance and Premises Committee - which also acts as the Audit Committee, meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, premises & contract management compliance with reporting and regulatory requirements and reporting, receiving reports from the Internal Assurance Officer and drafting the annual budget including setting staffing levels.
- The Staffing Committee - this meets three times to monitor, evaluate and review academy policy, practice and performance in relation to staffing, appraisal & performance management and all staffing related issues.
- The Data Committee – this Committee was set up in September 2016 to gain an understanding of current trends in data and evaluate the impact of quality of teaching together with rates of student progress and standards of achievement. The Committee monitors and evaluates provision for different groups of children (e.g. looked after children, SEN, EAL, Able) and ensures all their needs have been identified. It also ensures that student target setting is robust and challenging and reviews progress towards targets as well as setting priorities for improvement and monitoring and evaluating the impact of improvement plans. The Committee meets five times a year.
- The Admissions Committee - this meets regularly according to the admissions cycle to deal with in year admissions requests and all matters relating to admissions.

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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- Discipline Panel - this meets approximately six times a year to monitor behaviour of Academy students as required.

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

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

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT). In 2019 the SLT comprised of the Headteacher, two Deputy Heads, a Director of Teaching and Learning and the Finance and Facilities Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

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

The SLT controls the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Headteacher, Finance and Facilities Manager and Finance and Premises Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, though appointment panels for senior posts always include a Trustee.

The Headteacher is the Accounting Officer.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Board of Trustees has agreed pay and performance management policies for all staff and these are reviewed annually.

The Board has also agreed to abide by the terms of the of the School Teachers Pay and Conditions Document when considering any pay decisions relating to teaching staff.

A Staffing Committee consisting of three Trustees, together with an external consultant, has delegated responsibility to consider pay and performance of the Headteacher. The pay of other personnel is set by the Staffing Committee taking account of the recommendations made by the Headteacher following performance management meetings.

**Connected Organisations, including Related Party Relationships**

The Academy has use of facilities at Dorcan Recreation Complex and there is a shared use agreement between the Academy and Greenwich Leisure Limited who operate the recreation complex. The use of the Recreation Complex was disrupted through the initial lockdown.

The Academy has strong collaborative links with the local Education Strategy Partnership (ESP) of which it is a member and also with five feeder primary schools which form part of The Dorcan Academy Learning Cluster.

There have been no related parties employed by the Academy during the year.

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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Any appointments will be made in open competition and the related Trustee would not be involved in the decision making process. The employee would be paid within the normal pay scales for their role and would receive no special treatment as a result of their relationship with a Trustee.

There are no related parties which either control or significantly influence the decisions and operations of The Dorcan Academy. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

**OBJECTIVES AND ACTIVITIES**

**Objectives and Aims**

The principal objective and activity of the charitable company is the operation of The Dorcan Academy to provide free education and care for students of different abilities between the ages of 11 and 16.

The key aims of the Academy during the year ended 31 August 2020 are summarised below:

1. To increase outcomes and progress in all subjects for all students from their starting points
2. Ensure all students are well prepared for work, the world and their well-being through strategic curriculum planning and delivery of consistently high - quality lessons
3. Continue to raise expectations, aspirations and promote the wellbeing of all students
4. Improve the profile and perception of the Academy within the local community and amongst stakeholders and increase student numbers
5. Recruit and retain quality staff through a commitment to reducing staff workload, promoting wellbeing and fostering collaborative CPD opportunities

The vision of The Dorcan Academy is to be "An outstanding school of first choice at the heart of our local community". Our school is based on five key values: Belonging, Purpose, Aspiration, Perseverance and Achievement. We seek to develop in our students the ability to be Honest, Kind, Respectful, Compassionate, Thankful, Courageous, Resilient, Enthusiastic, Hardworking and Committed, in order that they not only achieve academic excellence, but also thrive in their lives beyond school and become model citizens.

The Academy's culture is aspirational, based on very high standards of work and behaviour, with everyone doing their best and enabling our focus to be on learning and progress for all our students. Learning is at the heart of the school. Our students benefit from a rich, diverse and challenging curriculum that provides them with significant choice to meet their needs. We prioritise the recruitment and retention of excellent practitioners to ensure that students make good progress in their lessons and also enjoy their learning.

The Academy received a 'Requires improvement' judgement in November 2018 but was deemed to have Good Leadership and Management and Good Personal Development, Behaviour and Safety of students. Outcomes were still considered to require improvement and therefore the Quality of teaching was also deemed to require improvement. Since then, the Academy has continued to improve and increase in all the government headlines measures. In 2019, the school progress 8 score was -0.17 which had increased from -0.29 the previous year and -0.4 three years previously. Overall results were in the broadly average range compared to other schools nationally. In English and Maths, results were above the National average at grades 9-4; and at grades 9-5 English results were in the top 20% of similar schools nationally, while Maths results achieved a national positive progress score. In this particular cohort there were 9 students who had very low attendance (and very significant mental health issues) which impacted adversely on our progress outcomes. With these students taken out, the Academy's progress would have been positive.

It should also be noted that The Dorcan Academy entered a higher number than the national average to the EBacc qualification, demonstrating that students are being offered a broad and rigorous curriculum. At The Dorcan Academy all students have been required to choose History or Geography and all more able students have been required to take a language. This we believe, enables them to compete more favourably against other similar students should they wish to attend university, and in particular, a Russell Group university. However, it does mean that progress scores suffer because of this and our research shows that similar schools which have achieved higher progress scores have done so by limiting students' entry to the EBacc.



**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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In 2020 the Academy again improved its results despite having a greater number of disadvantaged and SEND students. Due to Covid 19 we were required to calculate Centre Assessed grades and went through a rigorous process of internal moderation, checks and balances. Our students were always on course to have a record-breaking year for The Dorcan Academy, with or without the changes to the results process.

Over 42% of our students achieved English and Maths at grade 5 and above, an increase of 6% on the previous year. In addition, over 67% of students achieved English and Maths at grade 4 or above, an increase of 9%. In English, over 80% achieved grades 9-4 with over 10% achieving grades 9-7. 60% of students attained 9-5 in at least one of their English qualifications. In Maths, over 65% achieved grades 9-4, a continued increase with 49% achieving grades 9-5 and 12% attaining grades 7-9. In Science, 67% achieved at least one grade 9-4, and 53% achieved at least one grade 9-5.

In 2020, 38% of our full cohort achieved the EBacc qualification at a standard pass and above (Grades 9-4 in English and Maths), with 23% of the full cohort achieving a strong pass. 49% of our students were entered for the EBacc qualification. Our EBacc average point score was 4.12 across all students in the year group, increasing in the last 4 years.

Our verified Progress 8 score in 2018/19 was -0.17. This showed consistent and growing improvement over the last three years. There is no progress data calculation being published for 2019/20 due to Covid 19 and students not sitting actual exams – however, using previous progress calculations, we would have been above progress neutral for the first time.

Most subjects improved their attainment and/or progress from 2018/19; in 2020 our students achieved an average Attainment 8 score of 46.80. continuing to follow our improving trend.

During the academic year 2019-20 a great deal of work was done on creating a ‘world class’ curriculum, which effectively prepares students for work; through gaining appropriate academic qualifications and employability skills; the world, through being exposed to the best of all that has been written and said, and having the opportunity to achieve the Duke of Edinburgh award and gain wider cultural capital; and for their wellbeing through our Skills for Life, Digital skills and raising literacy programmes.

There was disruption to the curriculum throughout the lockdown period, however, the introduction of MS Teams training for staff and upgrades to ICT facilities enabled continued student engagement throughout lockdown. This was supported by the delivery of digital devices from the DfE for Year 10 students and vulnerable students. Further devices were provided by the Academy enabling access to remote learning for the majority of students. This work is ongoing to identify issues with access to learning and providing resources to assist students wherever possible. Student engagement was tracked throughout the lockdown period and the Academy remained open at all times for keyworker’s children. A programme of learning was developed for keyworker children during that time, providing a reduced but balanced curriculum. Most staff were able to work on a rota basis, at the same time ensuring that home learning was supported as much as possible. Facilities staff remained on site during the lockdown to enable essential adjustments and improvements to the premises in preparation for the return of all students. From June 2020 to the end of the summer term, firstly year 10 students and then years 7 to 9 were placed on a rota system of attendance in order to reach as many students as possible prior to the end of the school year.

Student numbers have continued to rise as a result of our improved standards, excellent transition work, improved Ofsted rating and improved perception in the community. In particular, the school has been recognised for its excellent work with SEND students, following a DfE SEND review, and many parents are seeking Dorcan as a first- choice school. The school was also successful in gaining the Wellbeing award (Optimus education) during the last academic year.

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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Staff turnover in 2019-20 (11, including 2 retirements) has been lower than the previous year (19, including 1 retirement). We have been successful in recruiting new staff over lockdown due to the increase in numbers with candidates stating that they were drawn to the school due to the excellent behaviour policy and the growing good reputation and improvement of the school.

We have joined an educational strategy partnership with three other local secondary schools, Commonweal, Highworth Warneford and Pewsey High school and a range of primary schools to strengthen collaboration. In addition, the Senior leadership team are collaborating on a School improvement course with Greenshaw Academies Trust.

**Objectives, Strategies and Activities**

The overarching planning for the Academy is found in the School Development Plan, containing key priorities for the year. This is available from the Academy Office.

**Strategic Plan Priorities 2020-21**

The strategic priorities are focused around improving achievement of all students and inspection judgements that become good and outstanding in all aspects. This model has four clear priorities (set out below) which have considerable links and overlaps. It is important that they are seen as complementing each other and supporting the Academy's vision, not as separate and unrelated areas of development. As the future prosperity and success of The Dorcan Academy depends upon successful and consistent Ofsted inspection judgements, our planning and evaluation will focus on the new Ofsted categories whilst aligning with our vision.

**Priority 1:** Quality of Education (links to vision statements: Exceptional achievement for every student and High- Quality teaching that inspires and engages minds through an exciting and creative curriculum).

- a) Develop a rigorous and sequential whole school literacy strategy with a specific focus on reading, to ensure all students can meet the demands of a challenging curriculum
- b) Ensure consistency and challenge of curriculum intent and implementation within and between faculties
- c) Raise the attainment and increase the progress of SEND students through teachers planning appropriately to meet their learning needs

**Priority 2:** Behaviour and attitudes (links to vision statement: Students stand out as model citizens, aspiring to make a difference to the lives of others through their exemplary behaviour and attitudes).

- a) Increase attendance to at least National Average for all students
- b) Improve punctuality to lessons
- c) Reduce fixed term exclusions and isolations by at least 10% from 2019-20
- d) Increase participation rates in HL and decrease detentions

**Priority 3:** Personal development (links to vision statements: An inclusive school, where everyone is valued, cared for and nurtured in an extraordinary way, Students stand out as model citizens, aspiring to make a difference to the lives of others).

- a) All tutors deliver to the same high standards as the best tutors
- b) Create extensive and exceptional opportunities for students to contribute to the life of the school and/or the wider community
- c) Increase the number of disadvantaged students taking part in all aspects of Academy life (JAB)

**Priority 4:** Leadership and management (links to vision statement: All stakeholders share an aspirational culture and vision to strive towards outstanding in all areas and High levels of wellbeing enable all members of the school community to flourish).

- a) Review and refine the Academy feedback policy to increase impact on progress and decrease teacher workload

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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- b) Develop a Wellbeing culture within the Academy to enable staff and students to be their best selves.
- c) Ensure all governors are fully aware of and trained in their strategic roles

Social, Moral, Spiritual and Cultural (SMSC) development is integral to the ethos of the Academy and permeates throughout the curriculum, extra-curricular programme, assemblies, tutor programme and 'Growth Mindset' days. Our Academy mantra is 'Aspire to Greatness'.

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

The Academy aims to advance, for the public benefit, education in Covingham, Eldene, Liden, Park North, Nythe and surrounding areas. In particular, but without prejudice to the generality of the forgoing by establishing, maintaining, managing and developing schools, offering a broad curriculum.

The Academy provides facilities for the community in the interests of social welfare and with the interest of improving the life of the said community.

## **STRATEGIC REPORT**

### **Achievements and Performance**

The Academy is in its eighth year of operation. The total number of students in the year was 761 at the time of the 2019 October census, reducing to 760 at 31 August 2020. Our current numbers stand at 760 (Oct 20).

The 2020 examinations were disrupted by Covid 19. All students were engaged remotely as much as possible with increased ICT provision and workpacks. Engagement was tracked across all year groups. The examination window saw the Academy record 67.5% of students achieving standard passes in both English and Mathematics with over 80% achieving 9-4 in English and 65% achieving 9-4 in Mathematics. In terms of 9-5 strong passes, 60% of students achieved 9-5 in English and 49% in Mathematics. Over 42% of students achieved English and Mathematics at grades 9-5. There remains a gap in attainment between PP and non-PP students (9-5 English and Mathematics, and 9-4 English and Mathematics; however, this is due to the significant increase in attainment of non-PP students rather than the decrease in attainment of PP students. The numbers of PP students achieving both 9-5 and 9-4 in English and Mathematics was in line with the previous year.

Particular strengths were evident in Triple Science, Business Studies, Design Technology, Food Preparation and Nutrition, Dance, Media Studies, PE Sports Studies and Photography where results were either in line with the top 5% of similar schools or/and above the national average.

To ensure that standards are continually assessed, the Academy operates a detailed quality assurance system. Formal assessments which have been moderated within departments are used to generate data in order to ensure accuracy in predictions of future results; these assessments are cumulative ensuring that previous knowledge and skills are re-tested throughout Key Stages 3 and 4. Detailed question level analysis following each data entry identifies gaps in learning and ensures that intervention is specific and timely in order to close the gaps. Assessment at both Key stages is rigorous in tracking students' knowledge and skills against challenging targets and identifying areas to improve.

The quality of teaching and planning is monitored and measured through the whole school coaching programme which provides bespoke CPD for every teacher to work on identified leverage points to secure greater progress in learning. Senior leaders, Heads of Faculty and Subject leaders scrutinise students' work, assessments, schemes of work and Home Learning as part of a regular monitoring cycle. The Academy has adopted 'Teach like a Champion' strategies (Doug Lemov) to enable a common language for discussing approaches used by the best teachers to secure rapid progress. In the last academic year there has been a particular focus on developing oracy as a means of articulating thinking as well as a pre-requisite for high quality writing. This has seen the Academy adopt approaches such as 'Hands down' and 'No opt out'.

**TRUSTEES REPORT (CONTINUED)  
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Teachers are mindful of the ratio of thinking and participation within their lessons, ensuring that assessment for learning is accurate and rigorous. Students' books are expected to be well presented and teachers are held to account for challenging correct spelling, grammar and punctuation.

The focus of Home Learning supports the commitment of key information and commitment to long term memory via Knowledge Organisers in every subject, from Year 7, to enable students to prepare for the GCSE exams. This strategy was adopted to support disadvantaged students and ensure they have full access to all the necessary resources to succeed. Throughout lockdown, the Academy has become adept at providing online learning and is now beginning to offer 'live' lessons remotely.

A new behaviour policy was launched in May 2017 which is now well established and largely consistent throughout the Academy. As a result of this there was a significant reduction in exclusions (39%) and isolations (13%) during the academic year 2018-19. This continued into 2019-20 however, due to lockdown it was not possible to accurately compare data. A visit from Ofsted in November 2018 deemed Personal development, behaviour and safety to be Good. Attendance, although below National average improved slightly from the previous year; it was recognized by Ofsted that the Academy was doing everything within its power to promote and support good attendance. At the start of the academic year 2019-20, the Academy acquired a new attendance tracking system which was beginning to have an impact in increasing attendance, however, shortly afterwards, lockdown occurred. In addition, training for tutors was provided to ensure consistency in all aspects of the tutor programme. The Academy has developed standards for Tutors to support quality assurance. Raising the quality of tutoring continues to be a focus for the next academic year. The rewards policy is now fully embedded and sits alongside an established leadership award and a literacy passport which challenges students to show greater independence and scholarship.

Ofsted reported the curriculum as being strong, including extra-curricular activities which are a strength of the Academy; in particular the Duke of Edinburgh (DoE) award scheme. Research undertaken showed that students who took part in the award had better attendance, attitudes to learning and made better progress than other students. Although there has been a focus on increasing the numbers of students taking part in extra-curricular activities, due to Covid 19 the Academy is only currently able to offer extra-curricular activities to Year 7 students from September 2020. For these students there is a wide extra-curricular offer and all Y7 students participate. In addition, a significant number of students take part in extra-curricular activities outside of the Academy. The Academy is focused on increasing the cultural capital of all our students, but in particular, the disadvantaged, and it therefore ensures that for every trip/event, Pupil Premium students are proportionally represented and the PP funding is used to ensure this. A focus for the Academic year 2020-2021 is ensuring that disadvantaged students take up the extra-curricular opportunities. This is already working well in Y7 where it has become part of an extended day twice a week.

The Academy had planned to introduce a holiday club for local students (including primary) during Easter 2020. This was cancelled due to the pandemic lockdown; however, it was decided that it should open during the end of May half term break with great success. Half of the places available were allocated on a 'no cost' basis to students from disadvantaged families, and nearly 30 students attended on a daily basis. The holiday club day was structured to provide learning and physical activity and meals were included. The popularity of this club was overwhelming and it was decided to run it through the summer recess as well. This club will now continue during every school holiday. The free school meal voucher scheme was also used for all of The Dorcan Academy's free school meal students. Prior to the scheme starting meals were provided either by the provision of packed lunches or by delivery of food parcels to vulnerable families. Both the holiday club and the free school meals have been delivered by the Academy staff.

The Academy is committed to the Continuing professional development of its staff and a number of staff have completed middle and senior leadership courses such as the NPQML, NPQSL and NPQH, taking advantage of the free funding available to all Swindon schools. In addition, our own CPD funding has enabled Head of Mathematics and Head of Global Learning to undertake the Ambition Leaders course for aspirant senior leaders which has now developed into the NPQSL. The impact of these courses has strengthened leadership to at least good across the Academy (endorsed by Ofsted 2018) and secured retention of key staff and succession planning. The CPD program has met the requirements related to Academy status and investment

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**TRUSTEES REPORT (CONTINUED)  
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was made to ensure Child Protection, First Aid, Fire Training and Restraint training were complete and records up to date.

In addition, all teachers at the Academy have a personal coach to develop their pedagogical practice; for the new academic year which commenced September 2020-21 teaching staff have been granted joint planning time within the Academy timetable enabling them to share best practice and reduce workload by joint planning with colleagues. A Better Practice briefing has been introduced once a week to share bitesize training on aspects of pedagogy to increase the rate of improvement in teaching and learning.

The teacher training provision provided within the Academy, which includes newly qualified teachers and Teach First trainees has been reviewed externally and deemed to provide a Good plus provision.

A full CPD report 2019-20 is available from the Academy which provides a comprehensive record of the objectives, actions and impact on the Academy outcomes. All CPD was delivered within budget.

The Governing Body is strong and has relevant skills to confidently hold the Academy to account and ensure impact. Safeguarding training has been delivered to all governors. Links with parents continue to be strengthened through parental forums, opportunities to find out more about the curriculum and their child's learning and early meetings involving all Year 7 parents prior to starting at Dorcan. These events were delivered 'virtually' in this Academic Year. Meetings with Year 6 students and the normal transition events were affected by the pandemic and the lockdown; however, virtual information was prepared and parents and students were invited to view this on the Academy website. The Open Evening was planned as a virtual event for October 2020 in order to meet government guidelines and keep the community safe.

The perception of the Academy continues to improve significantly as a result of our excellent transition programme, our trend of improved outcomes, our rigorous behaviour policy and the strength of our pastoral and SEND team and our improved Ofsted rating. As a result, numbers in Year 7 have maintained this year to form another 6 forms of entry. The Academy is projecting increased numbers year on year for the foreseeable future. In a survey taken during 2019-20, 100% of staff reported that they were proud to be a member of staff at The Dorcan Academy and 96% said they enjoyed working at the school. 96% understood the vision and said they knew what the school was trying to achieve.

The rigorous and detailed risk assessment in place for continued operation during the pandemic has considerably reduced risk to students and staff with the clearly marked 'bubble' year group areas within the Academy, the additional facilities created, increased cleaning regimes and provision of PPE.

**Fundraising Charity**

The student council takes responsibility for all charity fund raising which includes non-uniform days. This year the charities identified by the students are listed below, including the amount of money that was raised by the students. This year the school has raised £1,834.24 for the charities identified below:

<b>Date</b>	<b>Charity</b>	<b>Amount raised</b>
February 2020	Little Princess Trust	£ 458.56
February 2020	Shelterbox	£ 458.56
February 2020	Threshold Housing	£ 458.56
February 2020	Alternative Angles	£ 458.56
<b>TOTAL</b>		<b>£1,834.24</b>

Additional funds are raised through lettings. During the lockdown period this was badly affected and revenue reduced as a result, however, this did not have a material effect upon the Academy finances overall.

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**Key Performance Indicators**

As funding is based on student numbers this is a key performance indicator. Student numbers for the year ended 31 August 2020 were 759, a decrease of only 2 over the year from the October 2019 census. Numbers have stabilised but are not showing significant increase yet due to free transport being available to other schools with more modern premises or higher academic achievement that continue to attract some students away from the catchment. However, in the future it is expected that numbers will increase as the Academy continues improving and additionally with the expansion in housing to the east of Swindon. The Open Evening held in October 2019 was very well-attended but the Covid 19 pandemic has led to a change in marketing approach for 2020 and information has mostly been sent out to prospective students and parents in a 'virtual' form. The Academy has created virtual tours and information videos online. Free blazers have again been offered to Year 7 students and this has met with positive feedback.

The Ofsted inspection in November 2018 showed an improvement to Good in two categories: Leadership and Management and Student Behaviour and Welfare, with an overall positive change to a grade of 'Requires Improvement', moving the Academy up from being previously rated 'Inadequate'. A 'Good' Ofsted grade would further assist growth of student numbers. Swindon Borough Council student number predictions suggest that the Academy growth is sustainable for the future, particularly with the New Eastern Villages expansion (NEV), however, trustees are aware for the need to continue to closely monitor this and to continue with improvements and efficient marketing.

Investments in the premises also assist with parent choice and there have been many improvements made to the Academy facilities. Substantial funds were directed towards segregating student year group areas, upgrading toilets and the addition of two large marquees to accommodate additional dining facilities due to the pandemic control guidelines. Substantial investment has also taken place in ICT with new servers, upgrades to wifi and internet connectivity and substantial additions to ICT equipment stock and new software to enable and support remote learning.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2019-20 this was 89% compared to 84% in 2018-19 and 91% in 2017-18. Staffing costs as a % of total income in 2019-20 were 76% (2018-19: 73%).

As funding is based on student numbers this is a key performance indicator. Student numbers for the year ended 31 August 2020 were 759, an increase of 11 over August 2019 (748). This number is stabilizing and should increase over time, particularly when the smaller existing year groups leave (year 10 2020-21).

**Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. No advances were received during the financial year 2019-20. The Board continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Going concern policy.

**FINANCIAL REVIEW**

**Financial Review**

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 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 which are shown in the Statement of financial activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

**THE DORCAN ACADEMY  
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**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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During the year ended 31 August 2020, total expenditure (excluding depreciation), of £4,884,313 was covered by recurrent grant funding from the DfE, together with other incoming resources of £675,179. The deficit for the year (excluding restricted fixed asset funds) was £192,569 before a transfer to the restricted fixed asset fund for the cost of additions.

At 31 August 2020 the net book value of fixed assets was £8,639,856 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.

In 2012 the Academy took on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activities with details in Note 24 to the financial statements.

Key financial policies adopted or reviewed during the year include The Dorcan Academy Financial regulations Policy 2019 which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending. The Academy has a rolling program of policy review to ensure all policies are up to date.

The impact of COVID 19 has been considerable and whilst some of the cost implications for 2019-20 have been supported by additional government funding, this only applied to costs incurred before July 2020. The costs incurred to rezone and reopen the Academy fully for September 2020 have been substantial and there is currently no certainty that the government will support schools with these additional one off and ongoing costs. This presents a considerable risk for the 2020-21 financial year.

**Reserves Policy**

The Trustees' policy is to review the reserve levels of the Academy annually with the objective of carrying forward a prudent level of resources designed to meet the long term cyclical needs of renewal and any unforeseen contingencies plus a contribution towards future capital projects.

The Trustees have determined that the appropriate level of free reserves should be approximately £250,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. Total reserves of the Academy amount to £7,870,171, although £8,639,856 of this is invested in fixed asset. The remaining £420,315 (representing unrestricted funds available to spend) is the balance that the Trustees monitor in accordance with the Board's reserves policy. The level of reserves is monitored and reviewed by the Trustees at all committee and Board meetings in line with the Academy 3 year plan.

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

**Investment Policy**

All funds surplus to immediate requirements are invested to optimal effect where possible, which is currently Lloyds Bank Plc main school account.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Investment opportunities are reviewed by the Finance and Premises Committee on a regular basis in line with the Investment Policy.

**Principal Risks And Uncertainties**

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

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In this year 97% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

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

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

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

Fraud and mismanagement of funds - The Academy has appointed an external company to provide internal assurance and carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff must keep up to date with financial practice requirements and develop their skills in this area.

COVID 19 - The impact of COVID 19 has been considerable and whilst some of the cost implications for 2019-20 have been supported by additional government funding, this only applied to costs incurred before July 2020. The costs incurred to rezone and reopen the Academy fully for September 2020 have been substantial and there is currently no certainty that the government will support schools with these additional one off and ongoing costs. This presents a considerable risk for the 2020-21 financial year.

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

The Academy continues to review a Risk Management Strategy through a Risk Register. This has been discussed by Trustees and include the financial risks to the Academy. The Audit Committee regularly reviews the 'top ten risks' and the risks due to the effect of the pandemic have been noted. The full risk register is regularly reviewed in light of any new information and formally reviewed annually.

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

Whilst the Academy is not over-subscribed, the Trustees are aware of risks to revenue funding from a falling roll. Additionally, the reduction in funding levels, changes to the Government's overall education budget, changes in funding arrangements for Special and Additional Educational Needs and increasing employment and premises costs mean that budgets will continue to be challenging in coming years.

Management reports are reviewed monthly and the Trustees examine the financial health formally every term through the Finance and Premises Committee. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments. Recovery of any deficit must be planned into the three year budget profile.



**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 24 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**PLANS FOR FUTURE PERIODS**

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

The Academy has remained as a Single Academy Trust (SAT) for the financial year 2019-20 but has become a member of a local collaborative group of schools known as the Education Strategy Partnership (ESP). There may be increased pressure to join a multi-academy trust in the future. In spite of currently remaining as a SAT the Academy continues to maintain a strong financial position and improve the educational opportunities for students in the wider community.

Full details of our plans for the future are given in our School Development Plan, which is available from the Clerk to the Trustees.

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

The Academy and its Trustees do not act as the Custodian Trustees of any other charity.

**AUDITORS**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.
- The auditors, Bishop Fleming Bath Limited, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Approved by order of the members of the Board of Trustees on  
by:

and signed on their behalf,

**A Thomas**  
Chair of Trustees

**S Bareham**  
Accounting Officer

**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

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

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

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

**GOVERNANCE STATEMENT (CONTINUED)**

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**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Bareham, Head Teacher	5	5
J Brookes	3	5
P Corkish	4	5
C Gee	5	5
F Hardcastle	1	1
S Harvey	4	5
P Porter	5	5
C Bowyer	4	5
N Derewicz, Staff Trustee	3	3
A Thomas, Chair	5	5
J Walker	5	5
J McCarthy	5	5
A Martin	5	5

The Audit Committee was formed in November 2019 and first met on 14 January 2020. The membership is the same as the Finance and Premises Committee. The main purpose of the Audit Committee is to monitor and evaluate audit processes and review risks. Audit Committee meetings precede Finance and Premises Committee meetings. The Finance and Premises Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor, evaluate and review policy and performance in relation to financial management and premises and contract management, ensure compliance with reporting and regulatory requirements, receive the reports on internal assurance and draft the annual budget including setting staffing levels.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Bareham	4	4
C Gee	1	1
P Porter	4	4
A Thomas	3	4
J Walker (Chair)	4	4

**REVIEW OF VALUE FOR MONEY**

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy 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's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate.

During 2019-20 The Academy has made use of its resources by investing in staff, learning resources, enhancing and improving the premises, and substantial investment in the upgrading and renewal of ICT systems including new servers, ICT equipment and other improvements to enhance remote learning capability.

**GOVERNANCE STATEMENT (CONTINUED)**

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**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 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 Dorcan Academy 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 Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy'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 Trustees, together with a list of the 'top ten risks'.

**THE RISK AND CONTROL FRAMEWORK**

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

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

The Board of Trustees has considered the need for a specific internal audit function and has appointed an independent audit process through FS4S who are contracted to provide financial support services to the Academy throughout the year. The trustees are confident that the continued appointment of Bishop Fleming Bath Limited, the external auditors, and regular visits from FS4S will provide the required assurances.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular, the checks in the current period included: testing of payroll systems, testing of procurement systems and testing of financial policies and regulations.

On a quarterly basis, the reviewer reports to the board of Trustees through the finance and premises committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

An annual summary report is prepared to outline areas reviewed, key findings, recommendations and conclusions to help consider actions and assess year on year progress. In the financial year 1 September 2019 to 31 August 2020 no material control issues were identified through this process.

**GOVERNANCE STATEMENT (CONTINUED)**

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**REVIEW OF EFFECTIVENESS**

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

- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the financial monitoring team from FS4S;
- the work of the external auditors;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and premises committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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

and signed on

**A Thomas**  
Chair of Trustees

**S Bareham**  
Accounting Officer

**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

**S Bareham**  
Accounting Officer  
Date:

**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

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

**A Thomas**

**S Bareham**

Date:

**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**OPINION**

We have audited the financial statements of The Dorcan Academy (the 'academy') for the year 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's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 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 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy'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 DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**OTHER INFORMATION**

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

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

**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**RESPONSIBILITIES OF TRUSTEES**

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**USE OF OUR REPORT**

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

**Simon Morrison FCA (Senior Statutory Auditor)**

for and on behalf of

**Bishop Fleming Bath Limited**

Chartered Accountants

Statutory Auditors

Minerva House

Lower Bristol Road

Bath

BA2 9ER

Date:

**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

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

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In accordance with the terms of our engagement letter dated 01 November 2018 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 Dorcan Academy during the year 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 Dorcan Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Dorcan Academy 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 Dorcan Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of The Dorcan Academy's funding agreement with the Secretary of State for Education dated 27 October 2011 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 year 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.

**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's income and expenditure.

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

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

**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**CONCLUSION**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.

Simon Morrison FCA (Reporting Accountant)  
**Bishop Fleming Bath Limited**  
Chartered Accountants  
Statutory Auditors  
Minerva House  
Lower Bristol Road  
Bath  
BA2 9ER

Date:

**THE DORCAN ACADEMY  
(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 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>						
Donations and capital grants	3	1,135	43,366	-	44,501	74,504
Charitable activities		140,211	4,497,735	-	4,637,946	4,649,611
Other trading activities		9,022	-	-	9,022	16,580
Investments	6	275	-	-	275	365
<b>Total income</b>		<b>150,643</b>	<b>4,541,101</b>	<b>-</b>	<b>4,691,744</b>	<b>4,741,060</b>
<b>Expenditure on:</b>						
Charitable activities		129,167	4,755,146	211,357	5,095,670	4,887,980
<b>Total expenditure</b>		<b>129,167</b>	<b>4,755,146</b>	<b>211,357</b>	<b>5,095,670</b>	<b>4,887,980</b>
<b>Net income/ (expenditure)</b>		<b>21,476</b>	<b>(214,045)</b>	<b>(211,357)</b>	<b>(403,926)</b>	<b>(146,920)</b>
Transfers between funds	17	-	(87,653)	87,653	-	-
<b>Net movement in funds before other recognised gains/ (losses)</b>		<b>21,476</b>	<b>(301,698)</b>	<b>(123,704)</b>	<b>(403,926)</b>	<b>(146,920)</b>
<b>Other recognised gains/ (losses):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	290,000	-	290,000	(666,000)
<b>Net movement in funds</b>		<b>21,476</b>	<b>(11,698)</b>	<b>(123,704)</b>	<b>(113,926)</b>	<b>(812,920)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		173,571	(953,034)	8,763,560	7,984,097	8,797,017
Net movement in funds		21,476	(11,698)	(123,704)	(113,926)	(812,920)
<b>Total funds carried forward</b>		<b>195,047</b>	<b>(964,732)</b>	<b>8,639,856</b>	<b>7,870,171</b>	<b>7,984,097</b>

The notes on pages 30 to 53 form part of these financial statements.

**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:07831414**

**BALANCE SHEET  
AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	13	<b>8,639,856</b>	8,763,560
		<u>8,639,856</u>	<u>8,763,560</u>
<b>CURRENT ASSETS</b>			
Debtors	14	<b>93,754</b>	171,380
Cash at bank and in hand		<b>658,713</b>	685,412
		<u>752,467</u>	<u>856,792</u>
Creditors: amounts falling due within one year	15	<b>(260,556)</b>	(290,867)
<b>NET CURRENT ASSETS</b>		<b>491,911</b>	565,925
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>9,131,767</b></u>	<u>9,329,485</u>
Creditors: amounts falling due after more than one year	16	<b>(71,596)</b>	(79,388)
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>		<u><b>9,060,171</b></u>	<u>9,250,097</u>
Defined benefit pension scheme liability	24	<b>(1,190,000)</b>	(1,266,000)
<b>TOTAL NET ASSETS</b>		<u><u><b>7,870,171</b></u></u>	<u><u>7,984,097</u></u>
<b>FUNDS OF THE ACADEMY</b>			
<b>Restricted funds:</b>			
Fixed asset funds	17	<b>8,639,856</b>	8,763,560
Restricted income funds	17	<b>225,268</b>	312,966
		<u>8,865,124</u>	<u>9,076,526</u>
Restricted funds excluding pension asset	17	<b>8,865,124</b>	9,076,526
Pension reserve	17	<b>(1,190,000)</b>	(1,266,000)
		<u>7,675,124</u>	<u>7,810,526</u>
<b>Total restricted funds</b>	17	<b>7,675,124</b>	7,810,526
<b>Unrestricted income funds</b>	17	<b>195,047</b>	173,571
		<u>7,870,171</u>	<u>7,984,097</u>
<b>TOTAL FUNDS</b>		<u><u><b>7,870,171</b></u></u>	<u><u>7,984,097</u></u>

The financial statements on pages 27 to 53 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

**A Thomas**  
Chair of Trustees  
Date:

**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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	<b>Note</b>	<b>2020 £</b>	2019 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash provided by operating activities	19	<b>34,428</b>	73,086
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	21	<b>(70,823)</b>	13,813
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	20	<b>9,696</b>	(16,211)
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		<b>(26,699)</b>	70,688
Cash and cash equivalents at the beginning of the year		<b>685,412</b>	614,724
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	22, 23	<b>658,713</b>	685,412

The notes on pages 30 to 53 form part of these financial statements

## **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, 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.

The Dorcan Academy meets the definition of a public benefit entity under FRS 102.

### **1.2 GOING CONCERN**

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

### **1.3 INCOME**

All incoming resources are recognised when the academy 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.

- **Other income**

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



**1. ACCOUNTING POLICIES (continued)**

**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's educational operations, including support costs and costs relating to the governance of the academy 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; 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 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 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.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. ACCOUNTING POLICIES (continued)**

**1.7 TANGIBLE FIXED ASSETS (CONTINUED)**

Depreciation is provided on the following bases:

Freehold property	- Straight line over 50 years
Furniture and fixtures	- Straight line over 5 years
Plant and machinery	- Straight line over 30 years
Computer equipment	- Straight line over 3 years
Motor vehicles	- Straight line over 5 years
Office equipment	- Straight line over 7 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**1.9 CASH AT BANK AND IN HAND**

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

**1.10 LIABILITIES**

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

**1.11 FINANCIAL INSTRUMENTS**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

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

**1. ACCOUNTING POLICIES (continued)**

**1.12 OPERATING LEASES**

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

**1.13 PENSIONS**

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

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

**1.14 FUND ACCOUNTING**

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**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 2016 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.

Critical areas of judgement:

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

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

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>	Total funds 2019 £
Donations	1,135	-	<b>1,135</b>	920
Capital Grants	-	43,366	<b>43,366</b>	73,584
	<u>1,135</u>	<u>43,366</u>	<u><b>44,501</b></u>	<u>74,504</u>
TOTAL 2019	<u>920</u>	<u>73,584</u>	<u>74,504</u>	

**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**4. FUNDING FOR THE ACADEMY'S EDUCATION**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>DFE/ESFA GRANTS</b>				
Capital Grants	-	16,555	<b>16,555</b>	-
General Annual Grant	-	4,016,565	<b>4,016,565</b>	4,110,652
Other DfE Group Grants	-	457,845	<b>457,845</b>	325,924
High Needs	-	-	-	42,198
Other government grants non capital	-	6,770	<b>6,770</b>	-
Sales to students	-	-	-	11,674
Educational visits, literature festival and other income	140,211	-	<b>140,211</b>	159,163
	<u>140,211</u>	<u>4,497,735</u>	<u><b>4,637,946</b></u>	<u>4,649,611</u>
TOTAL 2019	<u>166,541</u>	<u>4,483,070</u>	<u>4,649,611</u>	

**5. INCOME FROM OTHER TRADING ACTIVITIES**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	9,022	<b>9,022</b>	16,580
	<u>9,022</u>	<u><b>9,022</b></u>	<u>16,580</u>
TOTAL 2019	<u>16,580</u>	<u>16,580</u>	

**6. INVESTMENT INCOME**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank Interest	275	<b>275</b>	365
	<u>275</u>	<u><b>275</b></u>	<u>365</u>
TOTAL 2019	<u>365</u>	<u>365</u>	

**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**7. EXPENDITURE**

	<b>Staff Costs 2020 £</b>	<b>Premises 2020 £</b>	<b>Other 2020 £</b>	<b>Total 2020 £</b>	Total 2019 £
EDUCATION:					
Direct costs	2,983,684	177,463	667,093	<b>3,828,240</b>	3,855,876
Support costs	572,884	490,100	204,446	<b>1,267,430</b>	1,229,327
<b>TOTAL 2020</b>	<u><u>3,556,568</u></u>	<u><u>667,563</u></u>	<u><u>871,539</u></u>	<u><u><b>5,095,670</b></u></u>	<u><u>5,085,203</u></u>
TOTAL 2019	<u><u>3,454,172</u></u>	<u><u>689,933</u></u>	<u><u>941,098</u></u>	<u><u>5,085,203</u></u>	

**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>	Total funds 2019 £
Education	<u><u>3,828,240</u></u>	<u><u>1,267,430</u></u>	<u><u><b>5,095,670</b></u></u>	<u><u>4,887,980</u></u>
TOTAL 2019	<u><u>3,551,114</u></u>	<u><u>1,336,866</u></u>	<u><u>4,887,980</u></u>	

**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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

**Analysis of direct costs**

	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Pension finance costs	<b>13,000</b>	8,000
Staff costs	<b>2,983,684</b>	2,893,891
Depreciation	<b>211,357</b>	201,271
Educational supplies	<b>205,246</b>	148,503
Examination fees	<b>95,458</b>	75,925
Staff development	<b>25,661</b>	14,903
Other costs	<b>221,020</b>	178,488
Supply teachers	<b>71,787</b>	30,133
Technology costs	<b>1,027</b>	-
	<b><u>3,828,240</u></b>	<b><u>3,551,114</u></b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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

**Analysis of support costs**

	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Pension finance costs	<b>12,000</b>	6,000
Staff costs	<b>572,884</b>	560,281
Supply staff	<b>6,637</b>	5,756
Recruitment and support	<b>29,289</b>	13,488
Maintenance of premises and equipment	<b>153,485</b>	186,594
Cleaning	<b>104,680</b>	131,880
Rent and rates	<b>29,870</b>	81,447
Energy costs	<b>99,043</b>	87,545
Insurance	<b>16,424</b>	17,068
Security and transport	<b>2,905</b>	4,979
Catering	<b>75,678</b>	62,293
Technology costs	<b>25,644</b>	34,639
Office overheads	<b>66,088</b>	46,236
Legal and professional	<b>64,337</b>	95,799
Loan interest on equal pay loan	<b>8,466</b>	2,861
	<b><u>1,267,430</u></b>	<b><u>1,336,866</u></b>

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

Net income/(expenditure) for the year includes:

	<b>2020 £</b>	<b>2019 £</b>
Depreciation of tangible fixed assets	<b>211,357</b>	201,271
Fees paid to auditors for:		
- audit	<b>8,000</b>	7,750
	<b><u>219,357</u></b>	<b><u>209,021</u></b>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**10. STAFF**

**a. STAFF COSTS**

Staff costs during the year were as follows:

	<b>2020</b>	2019
	£	£
Wages and salaries	<b>2,562,045</b>	2,605,946
Social security costs	<b>228,282</b>	248,670
Pension costs	<b>766,241</b>	599,556
	<b><u>3,556,568</u></b>	<u>3,454,172</u>

**b. STAFF NUMBERS**

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

	<b>2020</b>	2019
	No.	No.
Teachers	<b>43</b>	45
Administration and Support	<b>15</b>	15
Educational Support	<b>29</b>	31
Management	<b>5</b>	5
	<b><u>92</u></b>	<u>96</u>

The average headcount expressed as full-time equivalents was:

	<b>2020</b>	2019
	No.	No.
Teachers	<b>40</b>	44
Administration and Support	<b>13</b>	23
Educational Support	<b>21</b>	15
Management	<b>5</b>	5
	<b><u>79</u></b>	<u>87</u>

**THE DORCAN ACADEMY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**10. STAFF (CONTINUED)**

**c. HIGHER PAID STAF**

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

	<b>2020</b>	2019
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>4</b>	2
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	<b>1</b>	-
	<b>=====</b>	<b>=====</b>

**d. KEY MANAGEMENT PERSONNEL**

The key management personnel of the academy comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1.

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the Key Management Personnel other than in their role as Trustee, their remuneration as set out in note 11 has not been included in the total benefits received by Key Management Personnel above.

## **11. TRUSTEES' REMUNERATION AND EXPENSES**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees 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 Trustees' remuneration and other benefits was as follows:

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments (other than expenses) from the Academy in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: S Bareham: Remuneration £90,000 - £95,000 (2019: £85,000 - £90,000), Employer's pension contributions £20,000 - £25,000 (2019: £10,000 - £15,000), P Corkish: Remuneration £45,000 - £50,000 (2019:£Nil), Employer's pension contributions £10,000 - £15,000 (2019:£Nil), N Derewicz: Remuneration £50,000 - £55,000 (2019:£Nil), Employer's pension contributions £5,000 - £10,000 (2019:£Nil)

During the year, no Trustees received any benefits in kind (2019: £NIL).

During the year ended 31 August 2020, expenses totalling £NIL (2019: 318.87) were reimbursed or paid directly to 0 trustees (2019: 3 Trustees).

## **12. TRUSTEES' AND OFFICERS' INSURANCE**

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

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**13. TANGIBLE FIXED ASSETS**

	Freehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Total £
<b>COST OR VALUATION</b>					
At 1 September 2019	9,099,747	259,185	731,913	252,016	10,342,861
Additions	-	51,729	-	35,924	87,653
At 31 August 2020	<u>9,099,747</u>	<u>310,914</u>	<u>731,913</u>	<u>287,940</u>	<u>10,430,514</u>
<b>DEPRECIATION</b>					
At 1 September 2019	1,140,117	177,988	24,397	236,799	1,579,301
Charge for the year	147,112	21,714	24,397	18,134	211,357
At 31 August 2020	<u>1,287,229</u>	<u>199,702</u>	<u>48,794</u>	<u>254,933</u>	<u>1,790,658</u>
<b>NET BOOK VALUE</b>					
At 31 August 2020	<u><u>7,812,518</u></u>	<u><u>111,212</u></u>	<u><u>683,119</u></u>	<u><u>33,007</u></u>	<u><u>8,639,856</u></u>
At 31 August 2019	<u><u>7,959,630</u></u>	<u><u>81,197</u></u>	<u><u>707,516</u></u>	<u><u>15,217</u></u>	<u><u>8,763,560</u></u>

Included in land and buildings is freehold land at a valuation of £1,744,189 which is not depreciated.

**14. DEBTORS**

	2020 £	2019 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	2,084	35,044
VAT Recoverable	5,720	11,353
Prepayments and accrued income	85,950	124,983
	<u>93,754</u>	<u>171,380</u>

**THE DORCAN ACADEMY  
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**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Other loans	7,792	9,696
Trade creditors	5,663	2,844
Other taxation and social security	22,926	64,536
Other creditors	143,998	59,209
Accruals and deferred income	80,177	154,582
	<u>260,556</u>	<u>290,867</u>
	2020 £	2019 £
Deferred income at 1 September 2019	20,418	37,272
Resources deferred during the year	27,777	20,418
Amounts released from previous periods	(20,418)	(37,272)
<b>Deferred income at 31 August 2019</b>	<u>27,777</u>	<u>20,418</u>

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2020 £	2019 £
Other loans	71,596	79,388
	<u>71,596</u>	<u>79,388</u>
Included within the above are amounts falling due as follows:		
	2020 £	2019 £
<b>BETWEEN ONE AND TWO YEARS</b>		
Other loans	8,332	8,332
	<u>8,332</u>	<u>8,332</u>
<b>BETWEEN TWO AND FIVE YEARS</b>		
Other loans	29,086	30,450
	<u>29,086</u>	<u>30,450</u>
<b>OVER FIVE YEARS</b>		
Other loans	34,178	40,606
	<u>34,178</u>	<u>40,606</u>

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**17. STATEMENT OF FUNDS**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>UNRESTRICTED FUNDS</b>						
General Funds	173,571	150,643	(129,167)	-	-	195,047
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	312,966	4,016,565	(4,033,165)	(71,098)	-	225,268
Rates Relief	-	8,789	(8,789)	-	-	-
High Needs	-	43,366	(43,366)	-	-	-
Other LA income	-	6,770	(6,770)	-	-	-
Pupil Premium	-	233,013	(233,013)	-	-	-
Other Restricted Income	-	232,598	(216,043)	(16,555)	-	-
Pension reserve	(1,266,000)	-	(214,000)	-	290,000	(1,190,000)
	<b>(953,034)</b>	<b>4,541,101</b>	<b>(4,755,146)</b>	<b>(87,653)</b>	<b>290,000</b>	<b>(964,732)</b>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	7,928,090	-	(147,112)	-	-	7,780,978
Fixed assets purchased from GAG	75,877	-	(39,848)	71,098	-	107,127
DfE/ESFA Capital grants	759,593	-	(24,397)	16,555	-	751,751
	<b>8,763,560</b>	<b>-</b>	<b>(211,357)</b>	<b>87,653</b>	<b>-</b>	<b>8,639,856</b>
<b>TOTAL RESTRICTED FUNDS</b>	<b>7,810,526</b>	<b>4,541,101</b>	<b>(4,966,503)</b>	<b>-</b>	<b>290,000</b>	<b>7,675,124</b>
<b>TOTAL FUNDS</b>	<b>7,984,097</b>	<b>4,691,744</b>	<b>(5,095,670)</b>	<b>-</b>	<b>290,000</b>	<b>7,870,171</b>

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

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

**RESTRICTED FUNDS**

General Annual Grant (GAG) is funding from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs. During the year £71,098 (2019: £31,407) was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

Rates Relief is funding received from the ESFA to cover the cost of business rates incurred by the Academy.

High Needs funding is received by the Local Authority to fund further support for students with additional needs.

Pupil Premium funding represents amounts received from the ESFA and LA to cater for disadvantaged pupils.

Staff funding represents funding received to cover staff costs, such as maternity and supply cover.

Educational visits is funding received from parents to pay for educational trips for children.

Other restricted income represents contributions to the Academy for specified purposes.

Pension reserve represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

**FIXED ASSET FUNDS**

Fixed assets transferred on conversion represent the building and equipment donated to the school from Swindon Council on conversion to an academy.

Fixed assets purchased from GAG represents amounts spent on fixed assets from the GAG funding received from the EFA.

DfE/ESFA Capital grants includes Devolved Formula Capital funding and amounts awarded by the Condition Improvement Fund.

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

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

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>UNRESTRICTED FUNDS</b>						
General Funds	75,817	184,406	(86,652)	-	-	173,571
Unrestricted fixed assets	896	-	(896)	-	-	-
	<u>76,713</u>	<u>184,406</u>	<u>(87,548)</u>	<u>-</u>	<u>-</u>	<u>173,571</u>
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	248,416	4,088,836	(3,993,239)	(31,047)	-	312,966
Rates Relief	-	43,874	(43,874)	-	-	-
High Needs	-	132,630	(132,630)	-	-	-
Other LA income	-	4,968	(4,968)	-	-	-
Pupil Premium	-	269,542	(269,542)	-	-	-
Year 7 Catch Up	-	12,508	(12,508)	-	-	-
Other Restricted Income	-	4,296	(4,296)	-	-	-
Pension reserve	(461,000)	-	(139,000)	-	(666,000)	(1,266,000)
	<u>(212,584)</u>	<u>4,556,654</u>	<u>(4,600,057)</u>	<u>(31,047)</u>	<u>(666,000)</u>	<u>(953,034)</u>
Fixed assets transferred on conversion	8,074,493	-	(146,403)	-	-	7,928,090
Fixed assets purchased from GAG	68,278	-	(23,448)	31,047	-	75,877
DfE/ESFA Capital grants	790,117	-	(30,524)	-	-	759,593
	<u>8,932,888</u>	<u>-</u>	<u>(200,375)</u>	<u>31,047</u>	<u>-</u>	<u>8,763,560</u>



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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>TOTAL RESTRICTED FUNDS</b>	8,720,304	4,556,654	(4,800,432)	-	(666,000)	7,810,526
<b>TOTAL FUNDS</b>	8,797,017	4,741,060	(4,887,980)	-	(666,000)	7,984,097

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

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

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	8,639,856	<b>8,639,856</b>
Current assets	206,116	546,351	-	<b>752,467</b>
Creditors due within one year	(20,765)	(239,791)	-	<b>(260,556)</b>
Creditors due in more than one year	9,696	(81,292)	-	<b>(71,596)</b>
Provisions for liabilities and charges	-	(1,190,000)	-	<b>(1,190,000)</b>
<b>TOTAL</b>	195,047	(964,732)	8,639,856	<b>7,870,171</b>

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

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	8,763,560	8,763,560
Current assets	173,571	683,221	-	856,792
Creditors due within one year	-	(290,867)	-	(290,867)
Creditors due in more than one year	-	(79,388)	-	(79,388)
Provisions for liabilities and charges	-	(1,266,000)	-	(1,266,000)
<b>TOTAL</b>	173,571	(953,034)	8,763,560	7,984,097

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020

19. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	<b>(403,926)</b>	(146,920)
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	<b>211,357</b>	201,271
Interest received	<b>(275)</b>	(365)
Decrease in debtors	<b>67,885</b>	335,879
Decrease in creditors	<b>(38,058)</b>	(382,195)
Capital grants from DfE and other capital income	<b>(16,555)</b>	(73,584)
Defined benefit pension scheme cost less contributions payable	<b>189,000</b>	125,000
Defined benefit pension scheme finance cost	<b>25,000</b>	14,000
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>34,428</b>	73,086

20. CASH FLOWS FROM FINANCING ACTIVITIES

	2020 £	2019 £
Cash inflows from new borrowing	-	(24,677)
Repayments of borrowing	<b>9,696</b>	8,466
<b>NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES</b>	<b>9,696</b>	(16,211)

21. CASH FLOWS FROM INVESTING ACTIVITIES

	2020 £	2019 £
Dividends, interest and rents from investments	<b>275</b>	365
Purchase of tangible fixed assets	<b>(87,653)</b>	(60,136)
Capital grants from DfE Group	<b>16,555</b>	73,584
<b>NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES</b>	<b>(70,823)</b>	13,813

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2020</b>	2019
	£	£
Cash in hand	<b>658,713</b>	685,412
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>658,713</b>	685,412

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

	<b>At 1 September 2019</b>	<b>Cash flows</b>	<b>At 31 August 2020</b>
	£	£	£
Cash at bank and in hand	<b>685,412</b>	<b>(26,699)</b>	<b>658,713</b>
Debt due within 1 year	<b>(9,696)</b>	<b>1,904</b>	<b>(7,792)</b>
Debt due after 1 year	<b>(79,388)</b>	<b>7,792</b>	<b>(71,596)</b>
	<b>596,328</b>	<b>(17,003)</b>	<b>579,325</b>

**24. PENSION COMMITMENTS**

The academy'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 Wiltshire 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 2016.

Contributions amounting to £64,004 were payable to the schemes at 31 August 2020 (2019 - £58,465) 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.

**24. PENSION COMMITMENTS (CONTINUED)**

**VALUATION OF THE TEACHERS' PENSION SCHEME**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £392,835 (2019 - £337,752).

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

**LOCAL GOVERNMENT PENSION SCHEME**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £236,000 (2019 - £251,000), of which employer's contributions totalled £187,000 (2019 - £199,000) and employees' contributions totalled £ 49,000 (2019 - £52,000). The agreed contribution rates for future years are 25.1 per cent for employers and 5.5% - 12.5% per cent for employees.

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

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

NOTES TO THE FINANCIAL STATEMENTS  
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24. PENSION COMMITMENTS (CONTINUED)

Principal actuarial assumptions

	2020 %	2019 %
Rate of Increase in Salaries	2.6	2.6
Rate of increase for pensions in payment/ inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.8

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
<i>Retiring today</i>		
Males	21.7	21.4
Females	24.0	23.7
<i>Retiring in 20 years</i>		
Males	22.5	22.3
Females	25.5	25.1

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

	2020 £	2019 £
Equities	2,628,000	3,227,000
Bonds	1,501,000	636,000
Property	563,000	591,000
Cash	-	91,000
<b>TOTAL MARKET VALUE OF ASSETS</b>	<b>4,692,000</b>	<b>4,545,000</b>

The actual return on scheme assets was £99,000 (2019 - £291,000).

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

	2020 £	2019 £
Current Service Cost	(376,000)	(304,000)
Past Service Cost	-	(11,000)
Interest Income	82,000	117,000
Interest Cost	(107,000)	(131,000)
<b>TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES</b>	<b>(401,000)</b>	<b>(329,000)</b>

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**24. PENSION COMMITMENTS (CONTINUED)**

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

	2020 £	2019 £
<b>Opening defined benefit obligation</b>	<b>5,811,000</b>	4,559,000
Interest Cost	<b>107,000</b>	131,000
Employee Contributions	<b>49,000</b>	52,000
Actuarial losses/(gains)	<b>(276,000)</b>	826,000
Benefits paid	<b>(185,000)</b>	(81,000)
Current Service Cost	<b>376,000</b>	304,000
Past Service Costs	-	20,000
<b>AT 31 AUGUST</b>	<b>5,882,000</b>	5,811,000

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

	2020 £	2019 £
<b>Opening fair value of scheme assets</b>	<b>4,545,000</b>	4,098,000
Interest income	<b>82,000</b>	117,000
Actuarial losses	<b>14,000</b>	160,000
Employer contributions	<b>187,000</b>	199,000
Employee contributions	<b>49,000</b>	52,000
Benefits Paid	<b>(185,000)</b>	(81,000)
<b>AT 31 AUGUST</b>	<b>4,692,000</b>	4,545,000

**25. OPERATING LEASE COMMITMENTS**

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

	2020 £	2019 £
Within 1 year	<b>53,752</b>	43,476
Later than 1 year and not later than 5 years	<b>74,291</b>	73,424
	<b>128,043</b>	116,900

**26. RELATED PARTY TRANSACTIONS**

Owing to the nature of the academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees 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's financial regulations and normal procurement procedures relating to connected and related party transactions.