

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022
FOR
THE CORPORATION OF DOVER COLLEGE

Spain Brothers & Co
Chartered Accountants and Statutory Auditors
Westgate House
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THE CORPORATION OF DOVER COLLEGE

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FOR THE YEAR ENDED 31ST AUGUST 2022

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THE CORPORATION OF DOVER COLLEGE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2022

The Trustees present their report and the charity's audited financial statements for the year ended 31st August 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the charity's annual report and financial statements.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

Members of Council, Governors and Trustees

M.R. Goodridge MBE	Chairman of Council and member of Compliance and Risk Committee
A. Baker	Member of Finance and General Purpose Committee
T. Cathcart (resigned May 2022)	Member of Finance and General Purpose Committee
D. Gispan	Member of Finance and General Purpose Committee
N. Harris	Chairman of Finance and General Purpose Committee Scholarship and Prize Fund Trustee
K. Rogers	Member of Finance and General Purpose Committee, Nominations Committee
D. Rolls	Member of Nominations Committee
J.G. Ryeland	Chairman of Compliance and Risk Committee Vice Chairman of Governors Scholarship and Prize Fund Trustee
Dr. C. Scholfield-Myers	Member of Compliance and Risk Committee
D.C. Spencer (resigned March 2022)	Member of Education Committee
P.R. Tapsell	Member of Education Committee
A. Walliker	Chairman of Education Committee
I. Wright (resigned March 2022)	Member of Compliance and Risk Committee

Other Governors and Trustees

J.P.W. Gatehouse	Chairman of the Dover College Trust Chairman of the Scholarship and Prize Fund
R.L. Kagan	
J.C.H.H. Sinclair	
Bishop T. Willmott	Præceptor and Chairman of Nominations Committee

Officers

The Headmaster	S.M. Fisher
Bursar and Clerk to the Governors	A.F. Hodkinson MBE (resigned February 2023)

THE CORPORATION OF DOVER COLLEGE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2022

Address

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Effingham Crescent
DOVER, CT17 9RH

Bankers

National Westminster Bank plc
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DOVER, CT16 1NQ

Auditors

Spain Brothers & Co
Westgate House
87 St Dunstan's Street
CANTERBURY
CT2 8AE

Solicitors

Veale-Wasbrough Vizard
24 King William Street
London
EC4R 9AT

Insurance Brokers

Hayes Parsons
Beacon Tower
Colston Street
BRISTOL
BS1 4XE

Investment Advisers

Rathbones
1 Curzon Street
LONDON
W1J 5FB

THE CORPORATION OF DOVER COLLEGE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2022

OBJECTIVES AND ACTIVITIES

OUR ETHOS

Dover College was founded in 1871 and is situated on the historic site of the 12th Century Priory of St Martin in the centre of Dover. It was granted a Royal Charter by His Majesty, King George V, in 1923 and a further Royal Charter in 1975 by Her Majesty, Queen Elizabeth II, which extended the original Charter to include girls. Her Majesty granted a new Royal Charter to commemorate the College's 150th Anniversary on 15th June 2020. The Corporation of Dover College is a registered charity, number 307856.

The objects of the College are set out in full in the Charter. In summary, the main objects are:

- The conduct of a college for Boys and Girls in which they may receive a sound religious, classical, mathematical, scientific and general education.
- To create and administer and to assist in the creation and administering of scholarships, exhibitions and prizes for the encouragement of study and learning.
- To support and subscribe to any charitable or public object and any institution, society or club which may be for the benefit of the College.

The Patron of the College is the Lord Warden of the Cinque Ports. The Headmaster is a member of the Society of Heads. The College is a member of the Boarding Schools Association (BSA) and the Independent Schools Council (ISC). It is also an associate member of Round Square. Dover College maintains the original characteristics of its inception - a school which caters not only for a broad range (both academically and socially) of local pupils, keeping its fees affordable to achieve this, but also caters for a significant minority of pupils from overseas. It is a College with an ethos based on regular worship in Chapel in the Church of England traditions. This reinforces the ethos of friendliness and openness that is now well established - it is very much part of the value of a Dover College education.

Dover College is an academically non-selective, co-educational boarding and day school. It provides education to some 287 pupils, boarding and day, from 3-18. The College also runs an International Study Centre to support the integration of overseas students into the College. Entry into the school is generally at pre-reception, reception, 7+, 11+, 13+ or 16+. However, pupils are welcome to join the College at any age.

We believe wholeheartedly in developing confidence in young men and women, giving them opportunities they perhaps would have never experienced and encouraging them to exceed their expectations. We're proud of being a family school where pupils are known individually. Our community spirit is central to this; we have a number of families of staff members living on-site. Their warmth of welcome and inclusivity encourages a home from home for boarders and day pupils alike.

Our Prep School is a beacon of excellence and has a warm and welcoming atmosphere. The highly trained and motivated staff focus on the individual child's needs. The Senior School is staffed by superb teachers who consistently deliver excellent results in the classroom, emphasising academic rigour alongside developing a love of learning. On top of this, our wide and varied activities programme is designed to encourage teamwork, develop stamina, and provide a healthy body alongside an inquiring mind.

Dover College is proudly International, representing a slice of our inter-connected and diverse society. Day pupils live alongside boarders in our houses and benefit from the opportunities and facilities of a 24/7 boarding environment.

We are an equal opportunity organisation committed to a working environment free from discrimination based on colour, race, ethnicity, religion, sex, sexual orientation or disability. We make reasonable adjustments to meet the needs of staff or pupils who have become disabled.

The College takes its responsibility for safeguarding very seriously and is committed to providing a safe and secure environment for our pupils to flourish.

THE CORPORATION OF DOVER COLLEGE

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Our aims are:

- To provide a demanding but flexible academic curriculum challenging for pupils of a wide range of ability leading to good academic qualifications on departure.
- To ensure an academic environment where all children can realise their full potential.
- To enable pupils to achieve better exam grades than those achieved nationally by pupils of similar intellectual capacity.
- To concentrate on leadership and personal development through a well-structured extra-curricular programme of activities such as music, sports and drama, which promotes the development of the individual and engagement with the wider world.
- To maintain strong international links.
- To create a disciplined, safe, and friendly environment of wide cultural and social diversity.
- To ensure an ethos that encourages the individual's spiritual, social, and personal development.
- To provide the necessary personal skills and confidence to make pupils attractive to a future employer.
- To develop all members of academic and support staff, as well as pupils, in these aims.

OUR OBJECTIVES

Our mission is to be a school of exceptional academic achievement at the heart of the Dover community where confidence is nurtured, innovation is celebrated, curiosity is encouraged, individuality is embraced, and creativity is fostered.

THE CORPORATION OF DOVER COLLEGE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST AUGUST 2022**

ACHIEVEMENT AND PERFORMANCE

Pupil Numbers and Fees

The College educated an average of 293 pupils over the year, 71 in the Prep School and 222 in the Senior School. The pupil roll increased by 7% compared to the previous academic year. These figures include several short-stay pupils, with whom the school's popularity has been increasing in recent years.

Fees for the year 2021-2022 were increased by an average of 5% (day fees) and 5% (boarding fees) on those from 2020-2021. Despite this increase, Dover College continues to achieve its aim of charging fees that are among the lowest offered by independent schools in East Kent. This supports our objective of offering an affordable independent education for boys and girls from Dover and the surrounding areas, supported by a generous bursary and scholarship grants from the Dover College Trust.

Academic

At GCSE, the overall pass rate was 92% (97.4% in 2021) and the value-added was 0.76 (1.58 in 2021). In the Upper Sixth, the overall pass rate was 97.5%, with 75% A*-C, 42.5% A*-B and 31.3% A*-A. A record number of pupils at BTEC achieved a Distinction*. Whilst overall results were slightly down on 2020/21, this fitted the national picture after adjustments were made to grade boundaries following two years without public examinations.

All the pupils who applied to University via UCAS were placed and 94% gained places at their first choice university. This was in stark contrast to the national picture, with UCAS reporting that only 66% of pupils got their first choice. Destinations include Durham, the University of Kent, Reading, Royal Holloway, the University of Kingston and Oxford Brookes University.

Co-curricular activities

Following a year during which pupils were grouped in 'bubbles', 2021/22 saw a full range of after-school clubs and activities reintroduced. Explicit links were made to the Round Square IDEALS of Adventure, Democracy, Environmentalism, Internationalism, Leadership and Service. Examples included Young Enterprise, Film Making, Dance, Charity Committee, Basketball and Girls' Football.

Individual pupils and groups achieved some notable successes, including sisters winning a category in the national 10X Challenge run by Young Enterprise and the Basketball Team winning the District Cup.

Sports

Following a disrupted year for sport, competitive fixtures against other schools resumed during 2021/22. Alongside the major sports of Football, Hockey, Netball, Rugby, Cricket and Athletics, pupils have had the opportunity to participate in Tennis, Badminton, Horse Riding, Sailing, Golf, Eton Fives.

Duke of Edinburgh's Award

The College continues to be a registered independent centre for the Duke of Edinburgh's Award scheme. Following the appointment of a new DofE Coordination, many new participants have been recruited to embark on the Bronze, Silver and Gold awards.

The DofE components of Residential, Physical, Skills and Volunteering are all recorded remotely on a secure e-platform by each participant.

FINANCIAL ASSISTANCE

To support our charitable objectives and provide wider access to a Dover College education, we have policies and financial assistance programmes designed to help many parents. These are detailed in our Scholarship and Bursary Policy and are outlined below.

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FOR THE YEAR ENDED 31ST AUGUST 2022

Scholarship Policy

Scholarships are generally awarded for entry in Shell (year 7), 3rd Form (year 9) and 5th Form (year 11). However, individual awards may be made outside these entry points at the Headmaster's discretion.

Scholarships are awarded strictly in accordance with the results of tests and evaluations designed to recognise high academic potential or the ability to make a significant contribution to the College in one or more areas.

These occur in the Lent term and are advertised locally and on our website.

Scholarships are awarded based on a percentage of gross fees and are generally in the order of 10%. This amount can rise to 20% for students with extraordinary or multiple talents.

Bursary Policy

Bursaries are means-tested financial awards to provide a Dover College education to able children whose parents or guardians would not otherwise be able to afford it. Bursaries are a major part of our charitable objective and significant public benefit.

Bursaries are targeted at pupils who will make a positive contribution to the life of the College, be that through academic achievement or by excelling at other school activities. Therefore, other than in exceptional circumstances, bursaries are only available as top-up funding for pupils who have been awarded a Scholarship.

The College also offers financial assistance in cases of unforeseen hardship, particularly where pupils are at a critical stage in their education. Whilst the College does benefit from some trusts and bequeaths, the College funds the majority of bursaries out of fee income. In making awards, we are therefore conscious of the circumstances of bursary applicants concerning full fee-paying parents, many of whom make significant sacrifices to send their children to Dover College.

Military Parents

Where military parents receive the Continuity of Education Allowance (CEA), we limit the parental contribution to 10% and give fee remission for any amount between that and the amount received from the CEA.

Sibling Discounts

To assist parents who wish to send more than one child to Dover College, we offer a 5% discount for the second child and a 10% discount for the third and any further siblings who attend the College simultaneously.

Assistance for Staff

To attract and retain high calibre staff, both teaching and support, we offer fee remission for pupils of staff in both the Prep School and Senior School, to enable them to educate their children at Dover College.

Payment by Instalments

Many of our parents benefit from our termly or monthly (three instalments per term) Direct Debit facility, which is the College's preferred method of payment of fees.

Bursary and Scholarship Awards 2020-21

During the current year, 81 (2021: 71) pupils received a means-tested bursary with £458,241 (2021: £395,691). The average award was £6,005 (2021: £5,420), and 3 (2021: 3) pupils had total fee remission worth 75% or more. The College continued to support military and FCO parents in receipt of the Continuity of Education Allowance (CEA) over the last year, with additional bursary support and the CEA to ensure parental contribution did not exceed 10%.

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Scholarships were awarded to 83 pupils (2021: 94), amounting to £234,648 (2021: £227,088). In addition, the two pupils nominated in the previous year for the Bostock-Wheeler scholarship benefitted from £31,238 (2021: £26,710) of their fees being met by the Bostock-Wheeler Trust.

The College granted total fee remissions to 125 (2021: 232) pupils amounting to £919,995 (2021: £853,699). This represents 16.0% of Gross School Fees (2021: 16.5%).

Old Dovorians

Past pupils of Dover College are known as Old Dovorians, many of whom continue to play an active part in the success of the College. Whilst working in partnership with the Old Dovorian Club, the college has also transitioned its alumni body to become Dover College Connect. The aim is to keep all past pupils, parents and staff informed of developments at the College, current affairs and future events. The development of the new Connect website has enabled all Dovorians, past and present to connect and share news in a safe way online. Connect has the capabilities to list employment opportunities, mentor pupils leaving the college and share stories of their fond memories at The College. It is a great platform and one that will grow into an excellent marketing tool for The College.

THE CORPORATION OF DOVER COLLEGE

REPORT OF THE TRUSTEES
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FINANCIAL REVIEW

Income & Expenditure

The financial statements show that total income for the year was £5,318,519 (2021: £5,213,358). The principal source of income is fees, which accounted for 91.0% (2021: 83.6%) of the total income. These funds are used exclusively to advance our educational objectives as an educational charity.

As a charity, we also benefit from certain tax exemptions and a reduction in business rates, the benefits from which are also used directly to support our educational purposes. Without these, fees would become unaffordable for many parents.

The increase in income in 2022, compared to 2021, is accounted for by an increase in fees receivable of 11.0% (2021: decrease of 6.9%). There was also a decrease in Donations and Legacies of 93.8% (2021: increase 5.9%), an increase in Ancillary Trading income of 53.9% (2021: increase 41.9%), and a decrease in other income of 43.1% (2021: increase 10.3%).

The accounts show an overall surplus of £224,417 (2021: £428,236), in line with the Council's aim of a financial break-even.

Current Assets ended the year at £3,097,369 (2021: £2,480,052).

During the period, the College continued to pay off the Coronavirus Business Interruption Loan of £700,000. There are currently no other borrowings.

The College, therefore, has no pension liabilities other than the regular payment of employer contributions into these schemes.

Reserves & Financial Health

The finances of Dover College are managed by the Bursar and monitored by the Finance and General Purpose Committee. The Finance and General Purpose Committee receives monthly management accounts, cash flow forecasts, and broader financial updates.

In line with its Charitable Objectives, the College's policy maximises income to deliver education to current pupils whilst providing capital projects to enhance the facilities. Governors do not believe it necessary to build up free reserves as a popular school with good cost controls, access to banking facilities if required, and a clear development plan for the future.

Note 19 to the accounts; the general reserve amounted to £3,008,704 (2021: £2,767,006). Restricted funds carried forward totalled £95,989 (2021: £113,270). The closing balance of net assets was £3,104,693 (2021: £2,880,276). The net current assets of the charity at the year-end was £965,876 (2021: £712,008). The Bursar and the F&GP committee regularly review this to minimise the charity's financial risk and exposure.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the charity comprise the board of Governors and the Head supported by a Senior Management Team, which includes the Bursar and Deputy Heads of the Senior and Prep Schools and other members who are invited to join as appropriate from time to time.

Governors set the remuneration of the Head and Bursar following discussions at the committee level, including F&GP and Education committees. The Board and sub-committees look at the success of Executive goals, SMART targets and external benchmarking in making their awards to key personnel.

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Fundraising Policy

The charity's approach to fundraising is internally managed. It ensures that recognised standards are upheld, any complaints are dealt with promptly, and that campaigns are not persistent, emphasising protecting vulnerable people. The charity reviews fundraising regularly and are committed to following best practice wherever possible.

FUTURE PLANS

Short Term

The priority for the short term remains the rolling programme of refreshing and upgrading the facilities in the boarding houses and the refurbishment of the dining furniture in the Refectory.

Medium Term

Dover College aims to build a sustainable and functional Performing Arts Centre to provide its students and the local community with a versatile creative space. Dover College has no purpose-built performance space. Its educational philosophy and future growth demand a sustainable and functional multi-purpose performance space. Since the late 1970s, the College has used the Menzies Hall facility, a converted early 20th Century Wesleyan Chapel on an adjacent but separate site. The site was becoming expensive to maintain, difficult to secure, and had limited functionality.

Students will primarily use the auditorium for concerts, plays and whole school activities such as assemblies and prize days. There is also a requirement for teaching and rehearsal spaces for music, drama and other performance arts such as public speaking and dance/musical theatre (although a bespoke dance studio is not a current requirement). The College may use the centre as a conference facility.

One of the key requirements is making the centre as attractive as possible to third parties for community and commercial purposes. Dover College is extremely keen to put the Centre at the very heart of its community outreach programme. It will be available free or at cost for those who need it. It will also be available commercially for events, festivals and conferences that will use spare capacity and may add to the College revenue streams.

The College has used the playing fields at Farthingloe for over 100 years. To keep them vibrant and relevant, we are looking to construct a floodlit 3G football field at the site, which will benefit the pupils directly and generate revenue to support other projects. It will also provide a great resource for local groups and clubs.

THE CORPORATION OF DOVER COLLEGE

REPORT OF THE TRUSTEES
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STRUCTURE, GOVERNANCE AND MANAGEMENT

The Governing body is constituted under the College's Royal Charter.

Governors are elected at the Annual General Meeting held in March each year. Up to 16 Governors, including a Chairman, are elected to the Council of Governors, which is responsible for setting the strategy and overseeing the management of the College, including the approval of policies and monitoring of the College's Development Plan. All Governors are also Trustees of the Charity. The Bursar is also the Clerk to the Governors, attends all meetings, and is responsible for secretarial matters.

The Council of Governors is responsible for setting the salaries of the Headmaster and the Bursar. They also approve the annual pay increase level for all other staff. The policy on remuneration is to pay wages in keeping with the size of the College and the financial resources available. The policy on annual pay increases reflects the financial performance of the College as well as economic factors and forecasts. For the 2020-21 financial year, Governors agreed to a salary increase. Teaching staff were awarded increment level advancement where applicable.

The structure of Governance is such that four Committees operate within Terms of Reference and delegated powers agreed by Council:

The Finance and General Purpose Committee: To monitor the financial position of the College and its onward planning; to monitor marketing activity and its onward strategy; to oversee the investment of Foundation Funds, to monitor the College's building programmes.

The Education Committee: To provide strategic input to the education provided by Dover College, monitoring all aspects of that education, including pastoral, extra-curricular and staff development matters. The Education Committee is also responsible for Governor training.

The Compliance and Risk Committee: To monitor the College's policies relating to Education, National Minimum Standards, Self-Evaluation Forms, Health & Safety, Employment and other such sundry matters; to monitor risk.

The Nominations Committee. To ensure the effective Governance of Dover College by overseeing the selection, appointment and monitoring of Governors and the overall governance procedures.

The Council of Governors meets four times a year. All Committees meet regularly throughout the year. An Annual General Meeting is held in March for all Governors. Various members of staff are invited to attend the Committees to present. The Headmaster is invited to attend Governors' meetings.

The Governors operate under an agreed voluntary code of practice, which builds upon the Bye-Laws detailed in the Royal Charter. This code of practice has established guidelines for Governor terms of office and provides a structure for the regular review of the effectiveness of governance.

All Governors give freely of their time, and no remuneration was paid to Governors in the year. Governors are entitled to claim reasonable travelling expenses to attend meetings.

Governor Recruitment and Training

The Nominations Committee oversees the recruitment of Governors. The Education Committee is responsible for the training of Governors.

On being invited to join the governing body, new Governors are provided with an extensive Information Pack, which includes information about the College and its operation and the functions and responsibilities of being a Governor. They also undergo all necessary Safer Recruiting procedures. Once those procedures are completed, they formally join the Governing Body.

REPORT OF THE TRUSTEES
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Management

Day to day management of the College is delegated to the Headmaster. He is responsible for all aspects of the College's operation.

To facilitate good communication and effective management throughout the College, the following structure for management committees is in place:

- Senior Leadership Team (weekly)
- Safeguarding and Child Protection Committee (weekly)
- Heads of Department Committee (weekly)
- Events Coordination Committee (weekly)
- Bursary Management Committee (weekly)
- Health & Safety Committee (termly)
- Housemasters/Housemistresses Committee (weekly)
- Academic Achievement Committee (every two weeks)
- Flagging Committee (every Monday and Friday break time)
- Marketing and Admissions Committee (every half term)
- Calendar and Administration Committee (once a term)
- Uniform Committee (once a term)

Risk Management

Dover College has implemented a comprehensive range of risk management to protect both the College and its pupils and staff. The College is secure and compliant with all regulations following the appropriate Government and associated ISI directives.

The Governors are responsible for overseeing the risks faced by the College. The Governor Compliance and Risk Committee has reviewed the College's compliance with all regulations and carefully monitored risk factors. Through the risk management processes established for the College, the Governors are satisfied that the significant risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

A published Risk Assessment Policy details how the College approaches the assessment and recording of risk for all aspects of the College. These range from the inherent risks of our campus buildings to school activities and trips. Risk Assessments are centrally published to enable easy access and reference by all staff members.

A detailed Risk Register is maintained, which describes each of the major risks faced by the College, divided into clear categories (Governance, Management, Finance, Employment, Teaching and Physical). Risk levels are ascribed together with the controls and mitigations we have put into reducing either the incidence or the potential impact of these risks.

- A significant reduction in pupil numbers, which results in a substantial reduction in Income that could jeopardise the financial viability of the College. The College controls this risk by ensuring that we offer an education that is attractive to prospective pupils and parents, by ensuring the College has an effective recruitment strategy, including the resourcing of the Admissions and marketing department; ensuring that the College has an effective pupil retention strategy; investing in the facilities of the College and preserving and developing the good reputation of the College.

- The College fails to maintain sufficient financial solvency and is deemed to no longer be a viable going concern by auditors. The College addresses this risk by setting annual budgets with positive cash flow targets and carefully monitoring net cash reserves by the Finance & General Purpose Committee.

- Loss of Trusted Status for the issuing of CAS forms resulting in us being unable to sponsor and therefore recruit pupils from outside of the EU (and following BREXIT from outside of the UK). This risk is controlled through the detailed review of individual applications, requiring payment of a year's fees in advance and ensuring the timely renewal of the facility.

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Failure to arrange adequate insurance leaves the College exposed to significant financial loss in the event of a major accident or incident. The College controls this risk through the use of professional advisers, including an annual review of coverage and an annual review of the insurance renewal by the Compliance & Risk Committee.

- A serious breach of the College's Safeguarding Policy could lead to significant reputational damage. The College controls this risk through annual safeguarding training for all staff, ensuring staff are aware of their responsibility to report any concerns; strict adherence to procedures set out in the Safeguarding Policy in an incident; and strict adherence to the Safer Recruitment Policy.

- The College is subject to a security breach by an individual or individuals intent upon causing damage or injury. The College controls this risk through physical barriers such as fencing, railings and gates; electronic access controls to external entrances and main doors to Boarding Houses; CCTV; and following protocols set out in the Crisis Management Plan. There is a termly audit programme to check that the Health and Safety Policies are followed. The reports of these audits are scrutinised by the Compliance & Risk Committee.

- The Governing Body has assessed the risks that the college may face following BREXIT. The Board have assessed these risks and have mitigated against any identifiable risks to minimise adverse impact on the college.

- The Governing Body continues to carefully monitor and address the impact of Covid-19 globally and the implications for the College and significant level of risk posed. Proofing school strategy and operations for the lasting effects of the Covid-19 pandemic and in the event of future pandemics are high on the agendas for all committees.

We rigorously adhere to the reporting requirements of RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations directive dated 2013) and take action where such reports indicate improvements in our processes or infrastructure is required.

Environmental Responsibility

The College has a policy of, where it is reasonable and practicable to do, purchasing food from local suppliers, providing local employment and reducing the impact on the environment of transporting food long distances.

We continue with a programme of replacing old windows with new double glazed units to improve insulation and reduce the use of heating fuels. We also extensively use recycling programmes, including card, paper waste, food and electrical items. A full-site energy audit was conducted to renew the College's commitment to reducing the impact of its operations on the environment.

The College's daily minibus runs provide valuable service for parents who live at the furthest extent of the day footprint and help reduce the College's ecological footprint caused by day pupils being driven to school. Parents are encouraged to consider using the service, take advantage of public transport, or promote bicycling and walking to reduce the volume of car journeys to and from school.

Community Service

The College has a very active charity committee, which supports a specific charity each year. This year the chosen Charity was Evelina London Children's Hospital, and £3,842.75 has been raised.

Links with the Community

The College takes its role in the local community very seriously. Where academic commitments allow, we make our historic site and its facilities available free of charge or at cost. Safeguarding considerations limit the spaces and times that use the main school site for outreach activities.

We have built solid relationships with Dover District Council's development and community officers, their digital and communications teams and the KCC representatives.

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We have made a conscious effort to bring the community together in using our facilities, of which we are fortunate to have points throughout Dover (Town, Maxton and Farthingloe). We have offered facilities to the following local organisations and initiatives:

- Whitfield Juniors FC - Supporting their development and growth of boy's and girl's teams.
- Major Movements - Supporting Children who have suffered loss, bringing them together in play.
- Maxton Youth Club - Supporting local teenagers, giving them space to come together.
- HAF Programme - Supporting children who qualify for free school meals.

Other usual links with and support for local state schools would include:

- Providing use of our minibuses free of charge for local schools
- Providing free use of our sports facilities to several Pre-Schools and Primary Schools in the area to enable them to hold sports days
- In terms of wider public benefit the College educates over 200 UK pupils who would otherwise have to be educated at the expense of the state.
- We maintain a site of historic importance with two Scheduled Ancient Monuments.
- The local economy benefits from the money spent by our pupils, particularly those from overseas.
- Our bursary programme and community links also create a social asset without cost to taxpayers.

REFERENCE AND ADMINISTRATIVE DETAILS

Please see details on pages 1 and 2.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

THE CORPORATION OF DOVER COLLEGE

REPORT OF THE TRUSTEES
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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (the United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2015 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

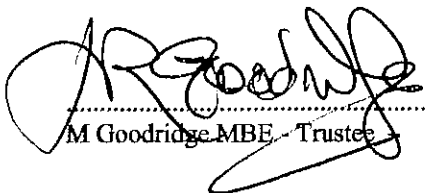
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter. They are also responsible for safeguarding the charity's assets and taking reasonable steps to prevent and detect fraud and other irregularities.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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 issued in October 2019 rather than the Accounting and Reporting by Charities; Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The trustees are responsible for the maintenance and integrity of the charity and financial information, which may be included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Council of Governors of Dover College on 15 March 2023. Adopted by the Trustees at the Annual General Meeting on 15 March 2023.

Approved by order of the board of trustees on 15th March 2023 and signed on its behalf by:


.....
M Goodridge MBE - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE CORPORATION OF DOVER COLLEGE**

Opinion

We have audited the financial statements of The Corporation of Dover College (the 'charity') for the year ended 31st August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st August 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE CORPORATION OF DOVER COLLEGE

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE CORPORATION OF DOVER COLLEGE**

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the charity's financial statements from our general commercial and industry experience and through discussion with the Directors and other management (as required by auditing standards). We determined that the most significant laws and regulations that are applicable to the company are:

- those that relate to the form and content of the financial statements, such as UK Generally Accepted Accounting Practice; and
- industry specific laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We gained an understanding of how the charity is complying with these laws and regulations through discussions with the trustees and other management about the policies and procedures regarding compliance with laws and regulations, and by observing the oversight of management, the culture of honesty and ethical behaviour.

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

- the nature of the industry and sector and control environment;
- the increased inherent fraud risk as a result of pressures on organisations caused by the COVID-19 pandemic, in particular those relating to revenue recognition and accounting estimates;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities; and
- any matters we identified having obtained and reviewed the charity's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; and
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud.

Our procedures to respond to the risks identified in performing the above included the following:

- reviewing the financial statement disclosures and testing of supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- obtaining a detailed understanding of and performing process walkthroughs, tests of control and tests of detail, in relation to the company's revenue recognition systems;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries; and
- assessing whether judgements made in making accounting estimates are indicative of a potential bias.

The above audit procedures were designed to provide reasonable assurance that the financial statements were free of fraud or error. These limited procedures did not identify actual or suspected non-compliance.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE CORPORATION OF DOVER COLLEGE

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Spain Brothers & Co
Chartered Accountants and Statutory Auditors
Westgate House
87 St Dunstons Street
Canterbury
Kent
CT2 8AE

Date:

THE CORPORATION OF DOVER COLLEGE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	9,565	2,000	11,565	186,112
Charitable activities					
Fees Receivable	6	4,838,923	-	4,838,923	4,358,035
Ancillary trading income		117,369	-	117,369	76,248
Other trading activities	4	14,518	-	14,518	6,400
Investment income	5	2,614	-	2,614	530
Other income	7	333,530	-	333,530	586,033
Total		5,316,519	2,000	5,318,519	5,213,358
EXPENDITURE ON					
Raising funds		118,599	-	118,599	94,052
Charitable activities					
Teaching	8	2,618,038	-	2,618,038	2,409,323
Welfare		704,695	-	704,695	618,957
Premises		839,107	-	839,107	824,281
Support Costs and governance		813,663	-	813,663	800,299
Grants, Awards and Prizes		-	-	-	38,210
Total		5,094,102	-	5,094,102	4,785,122
NET INCOME					
Transfers between funds	19	222,417 19,281	2,000 (19,281)	224,417 -	428,236 -
Net movement in funds		241,698	(17,281)	224,417	428,236
RECONCILIATION OF FUNDS					
Total funds brought forward		2,767,006	113,270	2,880,276	2,452,040
TOTAL FUNDS CARRIED FORWARD		3,008,704	95,989	3,104,693	2,880,276


The notes form part of these financial statements

THE CORPORATION OF DOVER COLLEGE

BALANCE SHEET
31ST AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	12	2,648,770	37,270	2,686,040	2,841,840
CURRENT ASSETS					
Debtors	13	358,856	-	358,856	268,374
Cash at bank and in hand		2,679,794	58,719	2,738,513	2,211,678
		<u>3,038,650</u>	<u>58,719</u>	<u>3,097,369</u>	<u>2,480,052</u>
CREDITORS					
Amounts falling due within one year	14	(2,131,493)	-	(2,131,493)	(1,768,044)
NET CURRENT ASSETS		<u>907,157</u>	<u>58,719</u>	<u>965,876</u>	<u>712,008</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>3,555,927</u>	<u>95,989</u>	<u>3,651,916</u>	<u>3,553,848</u>
CREDITORS					
Amounts falling due after more than one year	15	(547,223)	-	(547,223)	(673,572)
NET ASSETS		<u>3,008,704</u>	<u>95,989</u>	<u>3,104,693</u>	<u>2,880,276</u>
FUNDS					
Unrestricted funds	19			3,008,704	2,767,006
Restricted funds				95,989	113,270
TOTAL FUNDS				<u>3,104,693</u>	<u>2,880,276</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:


.....
M Goodridge MBE - Trustee

The notes form part of these financial statements

THE CORPORATION OF DOVER COLLEGE

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	540,925	380,150
Interest paid		(15,937)	(6,082)
Net cash provided by operating activities		<u>524,988</u>	<u>374,068</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(230,565)	(211,660)
Sale of tangible fixed assets		369,798	499,754
Interest received		2,614	530
Net cash provided by investing activities		<u>141,847</u>	<u>288,624</u>
Cash flows from financing activities			
Loan repayments in year		(140,000)	(300,000)
Net cash used in financing activities		<u>(140,000)</u>	<u>(300,000)</u>
Change in cash and cash equivalents in the reporting period			
		526,835	362,692
Cash and cash equivalents at the beginning of the reporting period			
		<u>2,211,678</u>	<u>1,848,986</u>
Cash and cash equivalents at the end of the reporting period			
		<u><u>2,738,513</u></u>	<u><u>2,211,678</u></u>

The notes form part of these financial statements

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	224,417	428,236
Adjustments for:		
Depreciation charges	270,608	264,836
Profit on disposal of fixed assets	(254,041)	(47,193)
Interest received	(2,614)	(530)
Interest paid	15,937	6,082
Increase in debtors	(90,482)	(67,981)
Increase/(decrease) in creditors	377,100	(203,300)
Net cash provided by operations	540,925	380,150

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.21	Cash flow	At 31.8.22
	£	£	£
Net cash			
Cash at bank and in hand	2,211,678	526,835	2,738,513
	<u>2,211,678</u>	<u>526,835</u>	<u>2,738,513</u>
Debt			
Debts falling due within 1 year	(140,000)	-	(140,000)
Debts falling due after 1 year	(560,000)	140,000	(420,000)
	<u>(700,000)</u>	<u>140,000</u>	<u>(560,000)</u>
Total	1,511,678	666,835	2,178,513

The notes form part of these financial statements

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022

1. LEGAL STATUS

The Corporation of Dover College is registered as a Charity in England & Wales (Registered Charity Number 307856).

The principal address is Effingham Crescent, Dover, Kent, CT17 9RH.

The nature of the Charity operations are set out in the Trustee's Report.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

Based on their review of the financial position, reserves levels and future plans the trustees have confidence that the Charity remains a going concern for the foreseeable future.

Income

Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the College against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Donations and legacies

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the College is considered probable.

Voluntary income for the College's general purposes is accounted for as unrestricted and is credited to general reserves. Where the donor or an appeal has imposed restrictions, voluntary income is credited to the relevant restricted fund. Gifts in kind are valued at an estimated open market value at the date of the gift, in the case of assets for retention or consumption, or at the value to the College in the case of donated services or facilities.

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2022

2. ACCOUNTING POLICIES - continued

Income

Government grants

Government grants under the Coronavirus Job Retention Scheme have been received. The income is shown under other income - Coronavirus JRS grant, and is credited to the statement of financial activities when it is receivable.

Expenditure

Expenditure is accrued as soon as a liability is considered probable. Expenditure attributable to more than one cost category on the Statement of Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- 6.67% on cost (10% for astroturf carpet)
Furniture, equipment and vehicles	- 33 1/3% on cost, 20% on cost and 12.5% on cost

- 1) For the purpose of the schedule included in these financial statements, fixed assets in the category of furniture, equipment and vehicles which are greater than ten years old are deemed to be fully depreciated. The costs and depreciation are therefore excluded from the schedule.
- 2) Freehold property is depreciated over an estimated useful life of 50 years. However, as the residual value of the freehold property exceeds the carrying amount shown in the financial statements no depreciation charge has been provided.
- 3) Refurbishment projects on properties over and above general maintenance and repairs are capitalised as "Improvements". This is then written off over a 10 or 15 year period as appropriate in accordance with the depreciation accounting policy.

Heritage assets

Heritage assets are recognised on the balance sheet and initially measured at cost when purchased or if donated, their valuation. Assets are subsequently stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Fair values for donated assets are estimated by reference to market prices.

Where information on the cost or valuation of heritage assets is not available or the cost of providing such information significantly outweighs any benefit to the users of the accounts then heritage assets are not recognised on the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2022

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Acquisitions only arise when donated to the charity or if it is believed that they will further the charity's objectives. Once acquired they will be preserved by the charity in order to keep their historical, artistic, scientific, technological, geophysical or environmental qualities to such a high level as to contribute to knowledge and culture. A register of all assets held by the charity is available and the assets themselves are accessible to the public with prior agreement. Heritage assets are to be held for the foreseeable future.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Debtors and creditors receivable/ payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities in support costs and governance.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Pension Costs

Retirement benefits to employees of the College are provided through two defined contribution pension schemes.

- (a) The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the College's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The College's contributions, which are in accordance with the recommendation of the Government Actuary, are charged in the period in which the salaries to which they are payable.
- (b) Non- Teaching Staff Scheme - This is a defined contribution pension scheme. Employer's pensions costs are charged in the period in which the salaries to which they relate are payable.

Investments

Listed investments are valued at market value at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Bad debts

Provision is made on specific bad debts identified on regular review. Subsequent recoveries are written back against the provision.

Leased assets

Rentals payable under operating leases are charged on a time basis over the lease term.

Cash and cash equivalents

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2022

2. ACCOUNTING POLICIES - continued

Debtors and creditors receivable/ payable within one year

Cash and cash equivalents included cash in hand, deposits held at call with banks and deposits in trading accounts held by investment managers.

Significant judgements and estimates

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The trustees do not consider any of these judgements or estimations to have any significant effect on the financial statements.

3. DONATIONS AND LEGACIES

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
Donations-				
Dover College Trust	-	-	-	117,000
Old Doverian Trust	3,000	2,000	5,000	19,500
Other Donations	6,565	-	6,565	49,612
	<u>9,565</u>	<u>2,000</u>	<u>11,565</u>	<u>186,112</u>

4. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Turnover	14,518	6,400
Cost of sales	(12,556)	(5,903)
Gross profit	1,962	497
Administration	(4,610)	(5,169)
Net (deficit)/surplus	<u>(2,648)</u>	<u>(4,672)</u>

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2022

5. INVESTMENT INCOME

	2022	2021
	£	£
Bank interest received	<u>2,614</u>	<u>530</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
(a) Fees receivable consist of:		
School fees	5,758,918	5,173,524
Less: total scholarships and bursaries	<u>(919,995)</u>	<u>(853,699)</u>
	4,838,923	4,319,825

Add back: Bursaries and other awards paid for by restricted funds received from Dover College Trust & Dover College Scholarship and Prize Fund

-	38,210
<u>4,838,923</u>	<u>4,358,035</u>

(b) Ancillary trading income

	2022	2021
	£	£
Letting income (educational)	61,140	39,153
Registration fees	10,373	5,931
School bus service	45,856	31,164
	<u>117,369</u>	<u>76,248</u>

7. OTHER INCOME

	2022	2021
	£	£
Gain on sale of tangible fixed assets	254,041	47,193
Interest on overdue accounts	47	5,519
Sundry income	79,442	35,857
Coronavirus JRS grant	-	497,464
	<u>333,530</u>	<u>586,033</u>

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2022

8. ANALYSIS OF EXPENDITURE

(a) Total Expenditure	Staff Costs	Other	Depreciat -ion	Total	2021
	£	£	£	£	£
Cost of generating funds:					
Financing costs (see note d)	-	59,461	-	59,461	55,101
Costs of generating other educational income	-	41,972	-	41,972	27,879
	-	101,433	-	101,433	82,980
Trading costs	4,610	12,556	-	17,166	11,072
	4,610	113,989	-	118,599	94,052
Charitable activities:					
Teaching	2,225,082	272,514	120,442	2,618,038	2,409,323
Welfare	426,522	278,173	-	704,695	618,957
Premises	257,698	431,243	150,166	839,107	824,281
Support costs of schooling (see note c)	466,770	346,893	-	813,663	800,299
Grants, awards and prizes	-	-	-	-	38,210
	3,376,072	1,328,823	270,608	4,975,503	4,691,070
Total resources expended	3,380,682	1,442,812	270,608	5,094,102	4,785,122

(b) Grants, awards and prizes

From restricted funds:

	2022	2021
	£	£
Bursaries, grants and allowances	-	38,210

(c) Governance included in support costs:

Remuneration paid to auditor for audit services	12,300	12,300
Remuneration paid to auditor for non audit services	2,210	4,602
Other governance costs	13,633	17,077
	28,143	33,979

(d) Finance Costs

Bad Debts	39,036	45,458
Bank charges and management fees	4,488	3,561
Interest payable and similar charges	15,937	6,082
	59,461	55,101

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2022

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st August 2022 nor for the year ended 31st August 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st August 2022 nor for the year ended 31st August 2021.

10. STAFF COSTS

Total staff costs comprised:

	2022	2020
	£	£
Wages and salaries	2,823,048	2,699,295
Social security costs	263,768	242,750
Pension contributions - Teaching	254,182	245,427
Pension contributions - Non Teaching	39,684	47,307
	<u>3,380,682</u>	<u>3,234,779</u>

The average number of employees (full-time and part-time combined) in the period was 115 (2021 - 114) of which 50 (2021 - 53) were teaching/academic staff.

Higher paid employees:

	2022	2021
Taxable Emoluments Band:		
£60,001 - £70,000	-	-
£70,001 - £80,000	1	1
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1
	<u>1</u>	<u>1</u>

Total key management personnel remuneration benefits excluding employer National Insurance Contributions and employer pension contributions were £175,737 (2021 £178,592).

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2022

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	5,095	181,017	186,112
Charitable activities			
Fees Receivable	4,358,035	-	4,358,035
Ancillary trading income	76,248	-	76,248
Other trading activities	6,400	-	6,400
Investment income	530	-	530
Other income	586,033	-	586,033
Total	<u>5,032,341</u>	<u>181,017</u>	<u>5,213,358</u>
EXPENDITURE ON			
Raising funds	87,970	6,082	94,052
Charitable activities			
Teaching	2,409,273	50	2,409,323
Welfare	618,957	-	618,957
Premises	824,281	-	824,281
Support Costs and governance	798,299	2,000	800,299
Grants, Awards and Prizes	-	38,210	38,210
Total	<u>4,738,780</u>	<u>46,342</u>	<u>4,785,122</u>
NET INCOME	293,561	134,675	428,236
Transfers between funds	132,705	(132,705)	-
Net movement in funds	426,266	1,970	428,236
RECONCILIATION OF FUNDS			
Total funds brought forward	2,340,740	111,300	2,452,040
TOTAL FUNDS CARRIED FORWARD	<u><u>2,767,006</u></u>	<u><u>113,270</u></u>	<u><u>2,880,276</u></u>

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2022

12. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	I.C.T. centre building £	Furniture, equipment and vehicles £	Totals £
COST					
At 1st September 2021	1,146,283	3,796,199	84,044	1,080,264	6,106,790
Additions	-	113,971	-	116,594	230,565
Disposals	(70,000)	(131,085)	-	(58,312)	(259,397)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31st August 2022	1,076,283	3,779,085	84,044	1,138,546	6,077,958
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION					
At 1st September 2021	-	2,435,571	84,044	745,335	3,264,950
Charge for year	-	150,166	-	120,442	270,608
Eliminated on disposal	-	(87,157)	-	(56,483)	(143,640)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31st August 2022	-	2,498,580	84,044	809,294	3,391,918
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE					
At 31st August 2022	1,076,283	1,280,505	-	329,252	2,686,040
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31st August 2021	1,146,283	1,360,628	-	334,929	2,841,840
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Heritage Assets (College Treasures)

In addition to the capitalised fixed assets held for the Charity's' own use, the College also has several assets which act as a permanent record of the College's history. These comprise of a unique collection of paintings, depicting the College's Heads over the years, together with many other artefacts whose intrinsic value is also bound up with the College's history. Most of these are irreplaceable originals to which no reliable value can be attributed and accordingly these have not been capitalised in the accounts. The Governors take the view that disclosure of these assets would prejudice the efficient working of the Charity, and have therefore decided that such details should not be provided here.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors - school fees	245,209	102,049
Other debtors	27,129	139,680
Prepayments	86,518	26,645
	<hr/>	<hr/>
	358,856	268,374
	<hr/>	<hr/>

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2022

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2022	2021
	£	£
Fees received in advance	1,441,374	1,057,543
Trade creditors	114,592	91,769
Taxation and social security	63,881	63,722
Other creditors	511,646	555,010
	<u>2,131,493</u>	<u>1,768,044</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2022	2021
	£	£
Other creditors	<u>547,223</u>	<u>673,572</u>

Deferred Income

Under certain circumstances, the contract with parents provides for the payment of an additional term's fees in advance (beyond the current term) to ensure the fees payable in lieu of notice can be collected. These sums are normally applied in satisfaction of the final term's fees when leaving the College.

16. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>140,000</u>	<u>140,000</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>140,000</u>	<u>140,004</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>280,000</u>	<u>419,996</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	83,570	90,063
Between one and five years	40,997	124,567
	<u>124,567</u>	<u>214,630</u>

Lease payments made in the year and recognised as an expense totalled £93,671 (2021 £75,244).

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2022

18. SECURED DEBTS

The following secured debts are included within creditors:

	2022 £	2021 £
Other loans	<u>560,000</u>	<u>700,000</u>

Loans

Included in other loans is the Coronavirus Business Interruption Loan, which is backed by the UK Government, who have guaranteed 80% of the loan balance directly with the lender.

19. MOVEMENT IN FUNDS

	At 1.9.21 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
Unrestricted funds				
General fund	2,767,006	222,417	19,281	3,008,704
Restricted funds				
Leamington lecture theatre	3,073	-	(3,073)	-
Lecture theatre seating	8,003	-	(1,333)	6,670
Music school	40,800	-	(10,200)	30,600
Other restricted funds	36,974	2,000	(4,675)	34,299
Cobb Centre	24,420	-	-	24,420
	<u>113,270</u>	<u>2,000</u>	<u>(19,281)</u>	<u>95,989</u>
TOTAL FUNDS	<u>2,880,276</u>	<u>224,417</u>	<u>-</u>	<u>3,104,693</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,316,519	(5,094,102)	222,417
Restricted funds			
Other restricted funds	2,000	-	2,000
TOTAL FUNDS	<u>5,318,519</u>	<u>(5,094,102)</u>	<u>224,417</u>

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2022

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	2,340,740	293,561	132,705	2,767,006
Restricted funds				
Fives court	1,100	-	(1,100)	-
Leamington lecture theatre	6,145	-	(3,072)	3,073
Lecture theatre seating	9,336	-	(1,333)	8,003
Music school	51,000	-	(10,200)	40,800
Other restricted funds	19,299	134,675	(117,000)	36,974
Cobb Centre	24,420	-	-	24,420
	<u>111,300</u>	<u>134,675</u>	<u>(132,705)</u>	<u>113,270</u>
TOTAL FUNDS	<u>2,452,040</u>	<u>428,236</u>	<u>-</u>	<u>2,880,276</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,032,341	(4,738,780)	293,561
Restricted funds			
Other restricted funds	181,017	(46,342)	134,675
TOTAL FUNDS	<u>5,213,358</u>	<u>(4,785,122)</u>	<u>428,236</u>

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2022

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
Unrestricted funds				
General fund	2,340,740	515,978	151,986	3,008,704
Restricted funds				
Fives court	1,100	-	(1,100)	-
Leamington lecture theatre	6,145	-	(6,145)	-
Lecture theatre seating	9,336	-	(2,666)	6,670
Music school	51,000	-	(20,400)	30,600
Other restricted funds	19,299	136,675	(121,675)	34,299
Cobb Centre	24,420	-	-	24,420
	<u>111,300</u>	<u>136,675</u>	<u>(151,986)</u>	<u>95,989</u>
TOTAL FUNDS	<u>2,452,040</u>	<u>652,653</u>	<u>-</u>	<u>3,104,693</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	10,348,860	(9,832,882)	515,978
Restricted funds			
Other restricted funds	183,017	(46,342)	136,675
TOTAL FUNDS	<u>10,531,877</u>	<u>(9,879,224)</u>	<u>652,653</u>

Restricted Funds:

Individual funds represent fixed asset additions financed by donations for their specific purpose.

The annual depreciation charge relating to these fixed assets is transferred from the general fund, and offset against the balance carried forward in restricted funds.

The Cobb Centre represents donations received for a specified project. The project for the Cobb Centre was in progress at the year end and the balance of unspent funds will be carried forward and offset against future expenditure.

Other restricted funds represent gifts received from external donors for specific purposes. Expenditure directly financed by such gifts is shown under restricted funds.

Unrestricted Funds:

The general fund represents accumulated income from the College's activities and other sources that are available for the general purposes of the College.

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2022

20. RELATED PARTY DISCLOSURES

Mr S Fisher, Headmaster, paid school fees for the year totalling £5,496 (2021 £4,945). At the year end £88 (2021 £nil) was outstanding. Mr S Fisher received a discount on the school fees paid.

Mr A Hodkinson, Bursar, paid school fees for the year totalling £12,379 (2021 £nil). At the year end £1,033 (2021 £nil) was outstanding. Mr A Hodkinson received a discount on the school fees paid.

Dr C Scholfield-Myers, Parent Governor, paid school fees for the year totalling £16,410 (2021 £15,314). At the year end £nil (2021 £nil) was outstanding. No discount was received on the school fees paid by Dr C Scholfield-Myers.

Contributions towards the fees amounting to £31,238 (2021 £26,710) for eligible pupils were made by the charity, the Dover College Scholarship and Prize Fund. Several of the Trustees of Dover College are also Trustees of this charity. The objectives of this charity are to further the education of the pupils attending Dover College.

21. NET ASSETS OF THE FUNDS OF THE CHARITY

Net assets belong to the various funds as follows:	Net Current Assets / (Current Liabilities)		Long-term Liabilities	Fund Balance
	Fixed Assets			
	£	£	£	£
Restricted funds	37,270	58,719	-	95,989
Unrestricted funds				
Designated funds:				
Dover College Foundation	-	-	-	-
Other unrestricted funds:				
General reserve	2,648,770	907,157	(547,223)	3,008,704
	<u>2,686,040</u>	<u>965,876</u>	<u>(547,223)</u>	<u>3,105,776</u>

22. PENSION SCHEMES

The College participates in the Aviva Pension Trust for Independent Schools for Teaching staff, and Royal London for Non-Teaching staff in the year to 31 August 2022.

During the year, pension contributions totalling £254,182 (2021 £245,427) were made in respect of teachers to all schemes.

Contributions totalling £39,684 (2021 £47,307) were made in respect of Non-Teaching staff to all schemes.

At the year end contributions totalling £793 (2021 £38,367) were outstanding.

THE CORPORATION OF DOVER COLLEGE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST AUGUST 2022

23. FINANCIAL INSTRUMENTS

	2022	2021
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	272,338	241,729
Carrying amount of financial liabilities		
Measured at amortised cost	1,237,342	1,382,573

THE CORPORATION OF DOVER COLLEGE

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2022

	31 AUGUST 2022		31 AUGUST 2021	
	£	£	£	£
<u>INCOME</u>				
<u>Fees Receivable</u>				
Day fees		2,597,417		2,232,848
Flexible Boarding Fees		107,716		288,878
Full Boarders		2,275,044		1,959,921
Junior Department Fees		678,170		549,765
Other Fees		100,571		142,112
		<hr/>		<hr/>
		5,758,918		5,173,524
<u>Less:</u>		<u>(919,995)</u>		<u>(815,489)</u>
<u>Net Fees Receivable</u>		4,838,923		4,358,035
 <u>Trading Income:</u>				
Letting Income	6,317		537	
Tuckshop	<u>8,201</u>		<u>5,863</u>	
		14,518		6,400
 <u>Other Income:</u>				
Letting Income (Educational)	61,140		39,153	
Interest on Overdue Accounts	47		5,519	
Registration Fees	10,373		5,931	
Write off old credit balances	-		35,720	
Sundry Income	79,442		137	
Investment Income	2,614		530	
School Bus Service	45,856		31,164	
Government Grants	-		497,464	
Donations	11,565		186,112	
Gain on sale of tangible fixed assets	<u>254,041</u>		<u>47,193</u>	
		<hr/>		<hr/>
		465,078		848,923
		<hr/>		<hr/>
		5,318,519		5,213,358
 <u>LESS:EXPENDITURE</u>				
Capital Expenditure	-		-	
Teaching & Academic Costs	2,618,038		2,409,323	
Welfare	704,695		618,957	
Premises	839,107		824,281	
Management & School Administration	813,663		800,299	
Finance	59,461		55,101	
Trading Expenditure	17,166		11,072	
School Bus Service Costs	41,972		27,879	
Letting Expenditure (Educational)	-		-	
Bursaries financed by restricted funds	<u>-</u>		<u>38,210</u>	
		<hr/>		<hr/>
		5,094,102		4,785,122
		<hr/>		<hr/>
		224,417		428,236
Realised Gains on Investments		<hr/>		<hr/>
		224,417		428,236
Unrealised Gains on Investment Assets		<hr/>		<hr/>
		-		-
		<hr/>		<hr/>
<u>NET SURPLUS / (DEFICIT) FOR THE YEAR</u>		<u>224,417</u>		<u>428,236</u>

THE CORPORATION OF DOVER COLLEGE

**SCHEDULE TO THE INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2022**

	2022	2021
	£	£
<u>TEACHING AND ACADEMIC COSTS</u>		
Salaries	2,225,082	2,141,101
Academic Support Salaries		
School Services	128,651	79,164
Academic Departmental Costs	79,293	39,525
Sports and Activities	20,211	17,933
Computer lease costs	44,359	22,280
Depreciation	120,442	109,320
	<u>2,618,038</u>	<u>2,409,323</u>
<u>WELFARE</u>		
House and School Running Costs	191,596	211,830
Medical Centre	58,286	59,529
Catering	454,813	347,598
	<u>704,695</u>	<u>618,957</u>
<u>PREMISES</u>		
Maintenance of Buildings	327,583	310,562
Maintenance of Grounds	149,053	116,947
Rates and Insurance	92,163	150,577
Light and Heat	120,142	90,679
Depreciation	150,166	155,516
	<u>839,107</u>	<u>824,281</u>
<u>MANAGEMENT AND SCHOOL ADMINISTRATION</u>		
Headmasters office	166,351	120,103
Bursary and Administration	360,003	382,050
Audit and Accountancy fees	14,510	16,902
Other School Overheads (inc Publicity costs)	152,913	206,458
Agency Fees	119,886	74,786
	<u>813,663</u>	<u>800,299</u>
<u>FINANCE</u>		
Bad debts	39,036	45,458
Bank Charges and Management Fees	4,488	3,561
Loan Interest	15,937	6,082
HMRC Interest	-	-
	<u>59,461</u>	<u>55,101</u>
<u>TRADING EXPENDITURE</u>		
Letting Expenses ('Vatable')	5,539	-
Tuckshop Costs	7,017	5,903
Proportion of Staff Salaries attributable to "trading activities"	4,610	5,169
	<u>17,166</u>	<u>11,072</u>

THE CORPORATION OF DOVER COLLEGE

MANAGEMENT BALANCE SHEET
AS AT 31 AUGUST 2022

	31 AUGUST 2022		31 AUGUST 2021	
	£	£	£	£
<u>FIXED ASSETS</u>				
Freehold Land & Buildings		1,076,283		1,146,283
Freehold Improvements		1,280,505		1,360,628
Furniture, Equipment & Vehicles		329,252		334,929
Depreciation to date		-		-
		<u>2,686,040</u>		<u>2,841,840</u>
<u>CURRENT ASSETS</u>				
Stock		-		-
Trade Debtors - School Fees	245,209		102,049	
Prepayments	86,518		26,645	
Sundry Debtors	27,129		139,680	
Cash at Bank and in hand	<u>2,738,513</u>		<u>2,211,678</u>	
	<u>3,097,369</u>		<u>2,480,052</u>	
<u>CREDITORS</u>				
Amounts falling due within one year:				
Fees Received in Advance - Overseas Students	1,441,374		1,057,543	
Trade Creditors	114,592		91,769	
PAYE/NIC Creditor	63,881		63,722	
Deferred Income-Final Term Deposits	186,262		134,648	
Other Creditors and Accruals	185,384		280,362	
Corona Business Interruption Loan	<u>140,000</u>		<u>140,000</u>	
	<u>2,131,493</u>		<u>1,768,044</u>	
<u>NET CURRENT ASSETS/(LIABILITIES)</u>		<u>965,876</u>		<u>712,008</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>3,651,916</u>		<u>3,553,848</u>
<u>CREDITORS</u>				
Amounts falling due after more than one year				
Loan from Dover College Trust		-		-
Corona Business Interruption Loan		(420,000)		(560,000)
Deferred Income-Final Term Deposits		<u>(127,223)</u>		<u>(113,572)</u>
<u>NET ASSETS</u>		<u><u>3,104,693</u></u>		<u><u>2,880,276</u></u>
<u>FUNDS</u>				
Balance brought Forward		2,880,276		2,452,040
Surplus / (Deficit) for Year		<u>224,417</u>		<u>428,236</u>
		<u><u>3,104,693</u></u>		<u><u>2,880,276</u></u>

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Our Ref: PAF/PRH/DCS1

15th March 2023

STRICTLY PRIVATE & CONFIDENTIAL

The Finance and General Purposes Committee
Dover College
Effingham Crescent
Dover, Kent
CT17 9RH

Dear Sirs

THE CORPORATION OF DOVER COLLEGE
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2022

We are writing to draw your attention to various matters that arose during the course of our audit of the College's financial statements for the year ended 31st August 2022.

Expected modifications to the audit report

There are no expected modifications to the audit report at present.

Changes to the letter of representation

There are no expected modifications to the letter of representation at present.

Adjusted and Unadjusted misstatements

Please find attached a summary of adjusted and unadjusted misstatements identified during the course of our audit.

Deficiencies in the accounting and internal control systems

Opening Balances

Our review of opening balances noted errors relating to audit adjustments that were made to accruals and bad debt provision at 31 August 2021. All other opening balances were correct.

Therefore, the management information produced throughout the year may not have been as accurate as it could have been. The accruals difference was fairly small at £2,752, but the bad debt provision was overstated by £36,482.

A schedule of audit adjustments for the period ended 31st August 2022 have been passed onto to Sue Davis, to be posted onto the accounts system to ensure the management accounts for the current year are kept up to date.

Year End Postings

We are also pleased to note that the year end balances have again been produced directly from the Oasis accounts system, rather than via spreadsheets. Under this method, the risk of errors in the totals reported for management purposes is reduced. There were several new nominal codes used this year to further analyse expenditure, and therefore providing further useful information.

Payroll System

As with last year, we were able to locate all of the payroll reports for the year, all of which had been produced prior to the payroll payment date. We are pleased to note that all monthly reports had been signed as authorised.

Fixed Assets

Fixed Asset Register:

We are pleased to note that the detailed fixed asset register has now been completed, with the only exception being Freehold Property Improvements completed prior to 1998. All of the amounts for assets purchased prior to 1998 are fully depreciated. We did however notice several inaccuracies on the schedule this year, notably with no depreciation charge being charged in the year on a number of additions.

As in previous years, the draft financial statements show the exclusion of furniture, equipment and vehicles which are greater than ten years old, which is in accordance with the College's accounting policy. These items are already fully depreciated. However, the costs and relating depreciation to date for the 'Isams' database have been carried forward on the basis they are still used by the School. As they are fully depreciated, the costs of £53,634 are offset by the depreciation to date of the same amount, which means there is no impact on the overall result for the year for this adjustment.

Heritage Assets

Whilst no value is included in the financial statements for heritage assets on the basis no reliable value can be attributed to them, we would recommend the register of these items is reviewed and kept up to date.

As these items are not included on the general fixed asset register, this register would be useful to record high-value items and hold information for any future insurance claims and renewals policy.

Pupil Deposits

There was no detailed breakdown of deposits available as at 31st August 2022. A list was provided as at 16th November 2022, and movements since the year end were reversed to recreate a list as at the year end. There was a small difference of £1,300 between the regenerated listing and nominal balance after this exercise.

We are also pleased to note that deposit monies have been ring-fenced and are now kept in a separate bank account.

VAT

Our review of the VAT returns submitted to HMRC in the past year revealed that all returns were submitted on time.

We are pleased to note that we were able to reconcile the totals declared for overseas agency fees on all of the VAT returns during the year.

We are also pleased to note that the error noted in prior years where VAT was being miscalculated on tuck shop income, variable letting income, laundry and dry cleaning fees, and prep diaries has this year been largely rectified, and amounts overpaid on previous returns has been reclaimed. There was one small error of £27 noted on calculation of VAT due on tuckshop income.

We also noted an error of £984 overpaid VAT on Agency Fees, where the prior quarters VAT payment was included in the calculation, and VAT was paid on this amount.

Calculation of Bursaries

We are pleased to note that in our testing no errors were noted this year on the calculation of bursaries.

Recording of Day to Day Procedures and Functions:

Following our comments in our letters in previous years, we have observed that there have been no further developments in updating the manual which documents the daily processes in the Bursary.

We understand the new finance manager still intends to update and improve the manual prepared, and we look forward to reviewing it when it has been completed.

Bank mandate

We are pleased to note that amendments have been made to the bank mandate for the change in Bursar from Sarah Greig to Andrew Hodkinson. We would advise, if not already done so, that Andrew Hodkinson is removed now that he has left the school.

Conclusion of deficiencies in the accounting and internal control systems

Other than the above observations, we confirm that there were no significant deficiencies in the accounting and internal control systems discovered during our normal audit work. Our audit included consideration of internal control relevant to the preparation of the financial statements of the College in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control, and did not include a detailed review of all aspects of the systems and, for this reason, the contents of this letter do not necessarily include all deficiencies which might exist in your accounting and internal control systems.

The matters being reported are limited to those deficiencies that we have identified during the audit and that we have concluded are of sufficient importance to merit being reported to you.

Qualitative aspects of accounting practices and financial reporting

Donations Receivable

Donations have been recorded in accordance with FRS102, so that they have been recorded in the year they are receivable.

We have received confirmation from the Bursar that £75,000 received in the year from the Dover College Trust has been repaid as the school was in the fortunate position as to not need a donation of this level during the year, and felt that it could be better used at a later date.

All other donations were reviewed, and their treatment in the accounts is considered reasonable.

Long Term Deposits:

In previous years, an amount of the deposits held has been treated as current liabilities. This has been calculated as all of the year 13 pupil deposits, plus the higher of 50% of the years 6 and 11 pupil deposits, and the average of the deposits repaid to non-year 13 leavers in the past two years.

Following the same calculation method this year, deposits totalling £177,852 have been classified as current liabilities, with the remaining deposits of £127,223 being classified as long term creditors.

Significant difficulties encountered during the audit

We confirm that there were no significant difficulties encountered during the audit.

Draft Result for the Year and Going Concern Assessment

The draft accounts show the net surplus in unrestricted funds before transfers for the year to be £224,698, compared £428,236 for the year ended 31st August 2021.

In the year to 31st August 2021, the school received £497,464 from the government Job Retention Scheme for furloughed workers. Without this amount, there would have been a deficit of £69,228.

In the year to 31st August 2022, the school sold Menzies Hall, and made a profit on disposal of £254,761. Without this amount, there would have been a deficit of £30,063.

While there has clearly been an improvement in income, particularly fee income, post pandemic, there is now mounting pressure from both the economic and political environment that will impact on the expenditure of the school going forward.

The draft financial statements show net current assets of £965,876 compared to £712,008 at the end of August 2020. The Covid business interruption loan of £700,000, which was received in August 2020 has still not been spent, and is included in total cash at bank total as at 31st August 2022 of £2,738,513. Repayments have started against this loan, and the amount remaining outstanding at the year-end is £560,000.

Cash balances at the year-end include the final term deposits received from pupils which totalled £305,075 as at 31st August 2022. Following our recommendations in previous years, we are pleased to note that these deposits have been ring-fenced and placed in to a newly opened separate bank account as mentioned previously.

The Charities SORP requires Trustees when preparing financial statements to make an assessment of the Charity's ability to continue as a going-concern. This includes the identification of events and or conditions where there are material uncertainties.

The current ongoing situation with Covid does not change the Trustees' responsibility to make an assessment of the Charity's ability to continue as a going-concern, and they are required to take in to full consideration the potential impact of the pandemic when reaching their decision as to whether the College will continue to be a going-concern for at least 12 months after the financial statements are approved.

The going-concern review should also be reviewed on a regular basis as time progresses, and the impact of the pandemic on the Charity is better known and understood.

We are pleased to note that detailed monthly management accounts and cashflow forecasts are prepared, and they are reviewed and discussed by the Finance Committee in their regular meetings. We recommend that this is continued.

Timeframe for Assessment of Going Concern:

It is noted under Financial Reporting Standard 102 that 'management' takes into account all available information about the future, which is at the least, but is not limited to, 12 months from the date when the financial statements are authorised for issue (this will be when the financial statements are approved in March 2023, making the period of review to be up to and including March 2024).

We look forward receiving updates on the progress made in this area, in particular to assist with our review of going concern prior to the approval of the financial statements and the signing of our audit report. The results of that review will have a significant impact on the wording of our audit report.

Independence and objectivity

The following issues are potential threats to our independence:

- a. Long association with the audit engagement

The Senior Statutory Auditor has been personally involved with the audit for sixteen years. As a result, there could be a perceived loss of independence due to self-interest, self-review or familiarity. In order to address such threats, we applied safeguards appropriate to the audit. These are outlined below.

- b. Non audit services

Our firm undertakes non audit services which may create perceived threats to our objectivity or a perceived loss of independence. Such services do not involve initiating transactions or taking management decisions and are of a technical, mechanical or informative nature.

The financial statements are prepared by us using the trial balance provided by yourselves. In order to address such threats, we intend to apply safeguards appropriate to the audit. These are outlined below.

We have introduced the following safeguards to counter these potential threats.

- The audit file will be subject to an engagement quality control review by an audit partner not otherwise associated with the audit before our audit work is completed.
- The Quality Assurance Directorate of the Institute of Chartered Accountants in England and Wales, who are our audit regulator, visit us from time to time and carry out, amongst other things, independent reviews of our audit files.
- We use an independently produced audit programme.
- We use an independently produced accounts disclosure checklist.
- All audit partners and staff are subject to regular training that maintains and enhances their technical knowledge.

We confirm that, in our professional judgement and having regard to the safeguards in place, the firm is independent within the meaning of the Auditing Practices Board's Ethical Standards and the objectivity of the audit engagement partner and staff is not impaired. Therefore, we are pleased to proceed in accordance with our appointment.

Other matters required by auditing standards to be communicated

There are no other matters that we are required by auditing standards to communicate to you.

Other matters relating to the audit

This letter has been prepared for your private use. It should not be disclosed to a third party without our written consent, nor will we accept any responsibility whatsoever in respect of its contents to any other person.

May we take this opportunity of thanking you and your staff for their assistance and co-operation during the conduct of our audit.

Yours faithfully



SPAIN BROTHERS & CO