

**Notice of decision on individual review of charitable status  
SC009888 Governors of Dollar Academy Trust**

**1. Decision**

Following an inquiry under section 28 of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act), we confirm that the Governors of Dollar Academy Trust (Dollar Academy) meets the charity test and therefore continues to be eligible to be registered as a charity in Scotland.

**2. Summary of assessment against the charity test**

Dollar Academy's purposes are set out in Clause 27 of The Dollar Academy Trust Scheme 2010 (which OSCR approved under section 39 of the 2005 Act) and we are satisfied that:

- these purposes are charitable;
- the charity's activities provide public benefit in furtherance of those purposes;
- there is no evidence of any significant private benefit or disbenefit arising in consequence of the charity exercising its functions; and
- the conditions on accessing the benefit are not, on balance, unduly restrictive.

In assessing Dollar Academy against the charity test, we have had particular regard to the benefit it provides in furtherance of its purposes (both that which is charged for and that which is not) and the conditions on accessing that benefit, primarily the fees it charges its beneficiaries.

**a) Benefit which is charged for**

Dollar Academy is an all-through, co-educational school for pupils aged five to 18 years, offering education to both day and boarding pupils. During the financial year 2012-13 (which formed the basis of our assessment, as it was the most recent financial year for which complete financial information was available), it had a school roll of 1,212 pupils. Approximately 7% of the school's roll were regular boarders. The school's gross income during the year is projected to be £11,932,000; we have used this figure for the purposes of our assessment.

In 2012-13, the school's annual school fees ranged from £8,033 (average junior day fee) to £23,517 (senior boarding fee). The school's senior boarding fee was considerably lower than the average fees for Scottish Council of Independent Schools

(SCIS) boarding schools in 2012-13<sup>1</sup> (£3,393 lower) but the junior boarding fee was notably higher (£1,829 higher).

Due to the very low percentage of boarding pupils, we found it more appropriate to compare the day fees charged by Dollar Academy with the average fees charged by day schools in the sector. In doing so, we found that both the junior and senior day fees were only marginally higher than the average (£15 and £132 higher respectively). Nevertheless, these fees are substantial and represent a restrictive condition on accessing the benefit provided by the school. In order for public benefit to be provided, there must therefore be significant mitigation of these fees in place.

Dollar Academy provides benefit to its pupils which is charged for. In terms of educational benefit, the school's pupils follow a broad curriculum with children sitting standard grades, higher and advanced higher, and scotbac, in the senior school. The school offers a number of co-curricular activities and clubs in fields including the arts, sport, and community service.

#### **b) Benefit which is not charged for**

In addition, the school has provided evidence of a high level of benefit for which it makes little or no charge. These activities provide benefit to the wider public in furtherance of the school's purposes by providing access to its services and facilities. For example, the school:

- Contributes to national educational improvement and development by offering training and support to teachers from outwith the school, and writing and marking national and international examination papers.
- Hosts summer sports camps open to any child.
- Hires out or makes available a number of its facilities (including swimming pool, pitches, theatre, auditorium, art department and dining hall and sports hall) to numerous local clubs, state schools and the community generally.
- Takes part in the British Council's Comenius project. The project gives pupils the opportunity to participate in exchanges with other European schools and to take part in community work which provides educational and development benefit to the pupils.
- Supports pupils in the region who require specialist help applying to universities, through activities such as the organisation of presentations and the provision of individual practice interviews.
- Makes its facilities available as testing centres for university admissions as well as hosting university information sessions.

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<sup>1</sup> *Indicative average fees for SCIS schools analysis at September 2012, [www.scis.org.uk](http://www.scis.org.uk)*

(Note: comparison of day fees has been made with average day fees charged by day schools as Dollar Academy has a very low level of regular boarding pupils. Comparison of boarding fees has been made with average boarding fees charged by boarding schools).

It is clear that these activities are regular, scheduled and provide benefit for little or no charge to a wide range and high number of beneficiaries. This type of activity mitigates to an extent the restrictive nature of the fees charged by the charity for part of the benefit it provides.

### **c) Facilitated access to benefit**

In addition to the benefit provided for which there is little or no charge, the school mitigates the impact of the fees it charges by offering both means-tested and non means-tested fee remissions to its pupils. Means-tested access arrangements have the most significant impact on opening up access that is restricted due to the fees charged, as these awards are primarily focussed on addressing financial need. However, our assessment has also had regard to the impact of non means-tested awards and discounts offered by the school.

The school spent a moderate sum, amounting to 6.4% of its gross income, on means-tested bursary provision in 2012-13. In total, 85 pupils, or 7% of the school's roll, were in receipt of a means-tested bursary award from the school. The bursaries awarded by the school were of varying values, with the main focus being on higher-value bursaries of 60% and above and the highest number of awards being in the 100% bracket. In total, 26 pupils or 2.1% of the school roll were in receipt of 100% bursary. No pupils received funding from external sources in 2012-13.

Additionally, the school facilitates access to the benefit it provides by offering non means-tested fee remissions to its pupils. In 2012-13, the school spent 4% of its gross income on non means-tested discounts which were awarded to 7.5% of the school's roll. This type of fee remission consisted of sibling discounts.

### **d) Conclusion**

On balance, we conclude that Dollar Academy has provided sufficient evidence that the impact of the fees charged by the school is mitigated by the provision of means-tested facilitated access and benefit for which there is no charge.

In reaching our conclusion, we have had particular regard to the level and impact of the activities carried out by the school (including the provision of its facilities) for which there is little or no charge. We have also noted that the majority of the school's pupils are day pupils, paying fees which are in line with the sector average fees. While the school's expenditure on means-tested assistance is a moderate proportion of its income, it has a clear focus on offering higher value awards (including a number of full remission awards) which have the greatest impact on facilitating access for those on low incomes.

Cumulatively, these forms of facilitated access serve to mitigate the impact of the fees charged by the school. We therefore do not consider that there are any unduly

restrictive conditions on accessing the benefit provided by the school and public benefit is provided. Dollar Academy continues to meet the charity test.

10 January 2013