

## **Dollar Academy – Fees in Advance**

### **Introduction**

Until now, Dollar Academy has offered parents and fee payers (“parents”) the option of paying school fees in the 3 following ways:

1. By direct debit, 3 instalments per term.
2. In full for each term, by the beginning of each term.
3. Annually for 1 academic session in advance, by the beginning of each session.

We have had requests from parents to extend the third option so that fees can be paid in advance for more than 1 academic session (“fees in advance” “FIA”) and in response to this, we will now be offering that option. For parents who do not wish to pay fees in advance, the arrangements noted above will remain in place.

### **Joining the scheme:**

Joining the scheme will be subject to a minimum payment of 2 years in advance. Annually, there will be a specific window of time to join the scheme. For session 2024/25 this will be from 1 June until the end of the summer term on 26 June 2024.

The scheme will only apply to tuition, boarding and any related fees for full academic sessions. Extra costs are not covered by the scheme (e.g. incidental outlays, revision materials and co-curricular activities).

### **Amount payable:**

The amount payable for future school years will be set out in an individualised table provided by the school’s finance team, based on assumed fee rises for each of those years. The total amount payable will be agreed with the parent(s) before any payment is made. FIA payments do attract a discount, which is described in the following section.

### **Discount rate:**

The discount rate will initially be set at 1% of the annual school fees. The rate will be cumulative and applied to each year’s fees, commencing in year 2. Please note that once the FIA payment is made, the discount rate will apply for the entire duration of the arrangement secured by that payment.

The discount rate will be subject to review on an annual basis by the Board of Governors and communicated to parents at the same time as the notice of school fees for the following session, which is usually at the end of May/beginning of June. Any new entrants to the scheme will receive the discount rate applicable at the time of entering the scheme.

### **Increases to fees:**

Future years’ fees will be calculated based on an assumed fee increase of 3% for each session. Fees may, in reality, change at a different rate, dependent on budgetary considerations, the Academy’s financial position and other wider economic influences.

Should the actual fee increase differ to the assumed annual increase of 3%, the difference will be refunded/invoiced to parents for payment at the start of each new academic session.

**FIA account:**

The Academy will administer a FIA billing account for each pupil for whom fees in advance have been paid. Fees paid in advance will be credited to this account and invoices for actual school fees, taking into consideration the discount rate, will be charged to the account before the start of each term.

**Final settlement:**

At the conclusion of the period for which fees in advance have been paid, the Academy will charge or refund parents any remaining balance on their FIA account.

If a pupil leaves the Academy before the end of the period for which school fees have been paid in advance, we will refund the remaining balance on their FIA account after charging school fees for their final term and any fees due in lieu of notice (if applicable).

**Legal agreement and termination:**

These arrangements will be set out in a supplementary legal agreement between fee payers and the Academy to provide clarity and protection for all parties. For the avoidance of doubt, the terms and conditions within the Parent-Academy contract will still apply.

Where FIA is paid by someone other than the Parent-Academy contract signatories, they will also be required to sign the supplementary legal agreement.

The legal agreement to pay school fees in advance may be terminated by either party giving at least 30 days' notice in writing, whereupon the Academy will refund parents with the remaining balance on their FIA account after accounting for all school fees due. This may include fees in lieu of notice, per the Parent-Academy contract.

In accordance with Anti-Money Laundering legislation, the Academy will need to undertake the necessary checks to verify the source of the funds.

**Additional Information and next steps:**

If you need any more information on the FIA scheme, or if you would like to pay school fees in advance, please email [feesinadvance@dollaracademy.org.uk](mailto:feesinadvance@dollaracademy.org.uk)

**Important note:**

The school is offering a FIA scheme for parents/prospective parents of Dollar Academy pupils. This scheme offers a discount and, as it operates under current VAT rules, no VAT is currently due on payments made under the scheme, and it is hoped this will remain so. However, in the event that a change to VAT legislation imposes a VAT charge on school fees, and this change either impacts payments already made into our FIA scheme (e.g. through anti-forestalling legislation) and/or results in an increase in school fees under any of the 3 payment options, it is possible that participants of the FIA scheme would not be protected from the change to VAT legislation. Should VAT become payable on school fees and the fees covered by the FIA scheme, the VAT charge would be treated as a difference that must be met by parents, and, where applicable, payable in addition to the school fee amount(s).

Dollar Academy is unable to provide legal or financial advice on whether using the FIA scheme is appropriate for parents. We strongly recommend that parents obtain appropriate advice from an accountant or solicitor before opting to join the scheme.