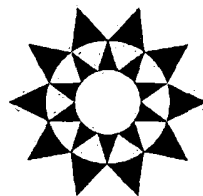


Registered number: 07640198

BARROW 1618 THE SCHOOL CO
GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



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BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

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BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Sarah Britton Gregory Day Selina Graham Richard Jackson
Govenors	Shannon Adams, Staff Governor Mark Ashby, The Science Link Governor Natasha Branston, Chair of Curriculum and Standards Committee, Outdoor Learning / Environment / Sustainability Link Governor and SSGC Link Governor Brynley Evans, Parent Governor and Science Link Governor Kay Garrison, Chair of the Health and Safety Committee and Arts Link Governor Selina Graham, Chair of HR Committee and EYFC Link Governor ^{1,2} Richard Jackson, Chair of Finance Committee and Numeracy Link Governor ^{1,2} Carolyn Jones, Chair of Governors and Literacy Link Governor (appointed 17 November 2020) ^{1,2} Victoria Mantle, SEN Link Governor Elizabeth Rhead, The Monitoring / Standards / Pupil Premium Link Governor Sian Stephenson, Headteacher ^{1,2} Christian Tooh, The ICT Link Governor ^{1,2} Maylin Ware, RE Link Governor ^{1,2} ¹ Member of the Finance Committee ² Member of the Audit Committee
Company registered number	07640198
Company name	Barrow 1618 The School Co
Principal and registered office	Barrow 1618 Free School Barrow Broseley Shropshire TF12 5BW

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

**Chief executive officer
and accounting officer** Sian Stephenson

**Senior management
team** Sian Stephenson, Headteacher
Charlotte Hayes, Deputy Headteacher
Angela Pitchford, School Business Manager

Independent auditors WR Partners
Chartered Accountants
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Governors' report and a directors' report under company law.

Since the academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

The School is a primary school for pupils aged 4 to 11 serving a catchment area in Broseley.

Structure, governance and management

a. Constitution

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

The charitable company's Memorandum of Association is the primary governing document of the academy.

The Governors of Barrow 1618 The School Co are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Barrow 1618 Free School, and Barrow 1618 Church of England Free School.

Details of the Governors who served during the year and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Governor's indemnities

The academy has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects governors from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000.

d. Method of recruitment and appointment or election of Governors

All members of the Governing Body are appointed and/or elected in accordance with the Articles of Association of the academy. The number of governors shall not be less than three.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

e. Policies and procedures adopted for the induction and training of Governors

The academy provides access for Governors to suitable training, and ensures that any new Governors are familiarised with the work and procedures of the academy, so that they can play a full role on the Governing Body. Governors are provided with access to the academy's reports, budgets and plans so that they have the information to carry out their duties, and are encouraged to meet with staff, students and parents. Where necessary, training will be provided on the charity, educational, legal and financial matters.

f. Organisational structure

The Governing Body is collectively responsible for the overall direction and strategic management of the school. This includes setting general policy, development plans, monitoring activities, and making decisions about capital expenditure and staff appointments. The Governing Body is also responsible for ensuring that the school meets all its statutory obligations and through the Accounting Officer, that it complies with financial regulations.

The Governing Body recognises that it would be impractical to undertake all the day to day activities itself in discharging its responsibilities and that it is necessary to delegate some of its functions through committees and to the Head Teacher of the school. There are six sub committees, the Finance and Audit Committee, the Human Resources Committee, the Premises, Security and Health and Safety Committee, the Curriculum and Standards Committee, the Admissions Committee and the Marketing Committee, that have delegated powers assigned to them by the full Governing Body. The Head Teacher controls the school at an executive level, implementing the policies laid down by Governors and reporting back on a regular basis.

g. Arrangements for setting pay and remuneration of key management personnel

Barrow 1618 is committed to ensuring that:

- Salaries remain competitive in the labour market, through conducting an annual performance management review, paying individuals in line with practice and standards agreed by the salaries and performance management committee.
- Individual's good performance is recognised and employees are rewarded financially for this through merit pay wherever possible; budget permitting.
- Individuals are not discriminated against because of gender, marital or civil partnership status, race, religion or belief, sexual orientation, age, disability, gender reassignment, pregnancy and maternity, or because they work part time or on a fixed term contract; and
- Progression in pay is directly linked to performance as evaluated through the Performance Management Cycle and Teacher Appraisal and Capability Policy. Every member of staff will be performance managed to develop as a professional and supported to fulfil their objectives.

h. Related parties and other connected charities and organisations

On occasion, the school utilises the expertise of Wiley Estates Company, a company controlled by Governor and former Chair of Governors, Selina Graham. All transactions are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

i. Engagement with employees (including disabled persons)

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The academy carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Governors.

The academy has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the academy's equal opportunities policy, the academy has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the academy's offices.

Objectives and activities

a. Objects and aims

The main objectives of the school are summarised below:

- To ensure that every pupil enjoys the same high quality education;
- To raise the standard of educational achievement of all pupils;
- To comply with all statutory and curriculum requirements by ensuring continual review;
- To provide value for money for the funds expended; and
- To conduct all elements of the academy's business in accordance with the highest standards of integrity, professionalism and openness.

b. Objectives, strategies and activities

Review of practice and monitoring are carried out throughout the year to ensure that aims and objectives are met. Governors work alongside the Head Teacher to promote and support the highest standards in all areas.

The school's most recent Ofsted inspection confirmed that the strong leadership and governance of the school was enabling great success of the main objectives for the school, with all areas rated as outstanding.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

c. Public benefit

In setting objectives and planning for activities, the Governors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

It is considered that the greatest public benefit that the school can offer is the provision of education to local pupils that maximises each student's potential, developing principled, informed and confident members of the community who respect the beliefs of others and who make a positive contribution to society. The school makes a focus of fundraising for local charities, with pupils raising thousands of pounds in the year as a result of community events and activities. Pupils regularly go out into the local area, being active members of both the church and wider community.

The school hall and grounds are available for community use, with local sports teams benefitting from the use of the specifically designed sports pitch. The school also makes its car park available to the church, local cricket club and ramblers wishing to explore the area. This is an important facility given the rural setting of Barrow.

Achievements and performance

a. Key performance indicators

End of Year Assessments were unable to take place during the Summer Term 2020-2021 in all Primary Schools, with the school closed to most pupils from January to 8th March 2021. For the second consecutive year, statutory end of Key Stage tests and teacher assessments did not take place due to the impact of COVID and disruption to the education of primary pupils. Attainment gaps were identified during the Autumn Term and measures were put in place to successfully address these. Progress was tracked and measured at the end of each term. School closure, during the spring term impacted on the progress of some children. This reflects what was experienced nationally. Generally, progress was lower between December and March, during lockdown, with many catching up in the summer term. Overall, at least expected progress was made by most pupils. Teacher assessments informed transitions and most pupils were on track based on prior attainment by the end of the year.

b. Going concern

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

c. Review of activities

The outcomes of external testing and ongoing monitoring has shown a well rounded strength in the achievements of the school. The onset of Covid together with associated restrictions and school closure has reduced the impact on activities this year, however the school continues to show its commitment to outdoor learning.

The school continues to be oversubscribed, with all cohorts full with waiting lists for places.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

a. Financial review

The school has achieved an in year revenue surplus of £11,106 (excluding pensions reserve and fixed asset movement). Total net movement in funds was a deficit of £32,894 which includes an actuarial loss on the pension scheme of £44,000.

Total assets excluding the defined benefit pension scheme liability was £805,073 which is a slight increase from the prior year at £770,967. Net current assets increased to £238,976 from £200,879 in 2020.

In the year, despite the impact of COVID 19 the principal sources of funding have continued to be received and expenditure has been managed appropriately against this. A small amount of additional funding was received in the year in order to support the additional costs involved in reopening the schools after lockdown.

b. Reserves policy

The Governors review the reserve levels of the school annually. Governors feel it is important that funding received during a financial year is spent for the benefit of pupils on roll at that time, whilst recognising the need for prudent financial management. Governors have determined that the appropriate level of unrestricted reserves in any one year should be sufficient to cover three months running costs, which for the 2020/21 year amounts to just over £132,000. Additional reserves are considered prudent to provide a cushion to deal with unexpected emergencies such as urgent unforeseen maintenance, maternity or redundancy.

Total reserves at 31 August 2021 amounted to £469,073 (2020: £501,967).

Total restricted reserves including restricted asset funds at 31 August 2021 are £378,262 (2020: £418,857). The pension reserve is a deficit balance of £336,000 (2020: deficit balance of £269,000). If this is excluded, restricted reserves including restricted fixed asset funds are £714,262 (2020: £687,857). Unrestricted reserves at 31 August 2021 are £90,811 (2020: £83,110). These represent the school's free reserves.

c. Investment policy

The school aims to manage its cash balances to provide for the day to day working capital requirements of its operations, whilst protecting the real long term value of any surplus cash balances against inflation. In addition, the school aims to invest surplus cash funds to optimise returns, while ensuring that the investment instruments are such that there is no risk of loss to these cash funds.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

d. Principal risks and uncertainties

The Governors identify and manage key risks and uncertainties through regular risk assessment, vision and strategy reviews. Alongside the key risks identified, governance sub committees are each responsible for identifying and managing risk specific to that area of focus.

Principal risks and uncertainties identified:

- Size - small school. With relatively small class numbers and a small number of pupils in total, the school is more vulnerable to a high impact from any change to the current situation.
- Vulnerable to staff turnover. As a small free school governors rely heavily on the commitment and dedication of staff. As well as monetary and time costs in recruitment, minimising any impact on pupils is a key concern.
- Impact of funding lag for SEN children. The financial impact of providing the support needed for SEN pupils is significant for a small school. Significant time and effort is committed to ensure the right support and funding is in place to ensure all children achieve to their full potential.
- More susceptible to change in Government Policy. From educational reform to funding changes, the impact of any changes can be significant for any school, but are often amplified for small schools.
- Impact of poor results from small cohort. With a maximum of 14 pupils in each year group, published statistics from statutory testing can be misleading in comparison to larger schools, with each pupil representing a significant proportion of the total.

e. Financial risk management objectives and policies

The school receives its principal funding from the ESFA (Education and Skills Funding Agency). Additional income relating to SEN has been received from the Local Authority.

All of the grants received from the ESFA and LA during the year, along with associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy also receives capital funding from the ESFA. The grants are shown as restricted income in the fixed asset fund. The restricted fixed asset balance is reduced by annual depreciation charges over the expected useful life for the assets held.

The school generates its own income from the operation of its extended school provision. A programme of lettings of the hall and grounds to different community organisations also generate an income for the school.

Fundraising

The pupils raise a significant amount of money each year for local and national charities. School closure during the Covid lockdown meant that the usual "Lent Project" fundraiser did not happen this year.

The school is ably supported by the Friends of Barrow, who organise and run many successful events in the year to the benefit of the school.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

Following the completion of the new reception modular extension, work continues to provide much needed additional workspace for staff and students alike. The school continues to actively seek ways to work with and form connections with other schools, for both the benefit of Barrow, and to share the knowledge and qualities of Barrow with others.

Disclosure of information to auditors

Insofar as the Governors are aware:

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

The Governors' report was approved by order of the Board of Governors, as the company directors, on 3 December 2021 and signed on its behalf by:


.....
Carolyn Jones
Chair of Governors


.....
Sian Stephenson
Accounting Officer

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Barrow 1618 The School Co has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

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

The board of Governors has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Barrow 1618 The School Co and the Secretary of State for Education. They are also responsible for reporting to the board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The board of Governors has formally met 3 times during the year.

Financial oversight and monitoring of funds is delegated to the Finance Committee.

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

Governor	Meetings attended	Out of a possible
Shannon Adams, Staff Governor	3	3
Mark Ashby, The Science Link Governor	2	3
Natasha Branston, Chair of Curriculum and Standards Committee, Outdoor Learning / Environment / Sustainability Link Governor and SSGC Link Governor	3	3
Brynley Evans, Parent Governor and Science Link Governor	2	3
Kay Garrison, Chair of the Health and Safety Committee and Arts Link Governor	2	3
Selina Graham, Chair of HR Committee and EYFC Link Governor	3	3
Richard Jackson, Chair of Finance Committee and Numeracy Link Governor	3	3
Carolyn Jones, Chair of Governors and Literacy Link Governor	3	3
Victoria Mantle, SEN Link Governor	2	3
Elizabeth Rhead, The Monitoring / Standards / Pupil Premium Link Governor	3	3
Sian Stephenson, Headteacher	3	3
Maylin Ware, RE Link Governor	3	3

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Governors aim to ensure the delivery of an inspiring and outstanding standard of education for all pupils. To do this, the Governors have the following core strategic functions:

Establishing the strategic direction, by:

- Setting the vision, values and objectives for the school
- Agreeing the school improvement strategy with priorities and targets
- Meeting statutory duties

Ensuring accountability, by:

- Monitoring progress towards targets
- Performance management with the headteacher
- Engaging with stakeholders
- Contributing to school self evaluation

Ensuring financial probity, by:

- Setting the budget
- Monitoring spending against the budget
- Ensuring value for money is obtained
- Ensuring risks to the organisation are managed

The Finance Committee is a sub committee of the main Governing Body. Its purpose is to appropriately deal with the financial matters of the school that arise during the year and agree on the financial strategy of the academy.

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
Selina Graham	3	3
Richard Jackson	3	3
Carolyn Jones	3	3
Sian Stephenson	3	3
Christian Toon	2	3
Maylin Ware	1	3

Review of value for money

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

The accounting officer considers how the academy's use of its resources has provided good value for money during each academic year, and reports to the board of Governors where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy has delivered improved value for money during the year by:

- The continued use of tender for service contracts and large capital purchases, ensuring that best value for the highest standards are consistently achieved. Savings on expenditure and insurance for the school minibus have been made in this way in the year.
- With continuing pressure on school finances, the school has continued to increase pupil numbers gradually by way of two additional pupils being welcomed into the reception cohort each year.
- The school uses a range of different suppliers for the purchases of day to day resources and supplies, now utilising online companies as well as more traditional school suppliers. As well as a greater range of available products, this ensures best value is maintained for all purchases.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Barrow 1618 The School Co for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Governors has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Governors.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The Board of Governors has considered the need for a specific internal audit function and has opted for a bought-in internal audit service in line with the AFH 2019/20.

The Finance Committee considered the output from external audit interim visits, and other compliance visits, in conjunction with the Trust's assessment of risk in confirming the scope of the internal audit work.

The internal auditor's role included performing a range of checks on areas of the Trust's finance systems and controls which included:

- the operations of the systems of controls;
- the proper use of public funds;
- systems, procedures and policies in place; and
- reporting on their findings.

In addition to the internal audit, the external auditors reported to the Finance Committee the results of the interim visits performed during the year, which comprise part of the statutory year end audit; reporting on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

Review of effectiveness

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


- the internal scrutiny review performed by Telford & Wrekin Council;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Governors and signed on their behalf by:


.....
Carolyn Jones
Chair of Govenors


.....
Sian Stephenson
Accounting Officer

Date: 3 December 2021

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Barrow 1618 The School Co I have considered my responsibility to notify the academy Board of Governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy Board of Governors are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2020.

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



Sian Stephenson
Accounting Officer

Date: 3 December 2021

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



.....
Carolyn Jones
Chair of Governors

Date: 3 December 2021

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BARROW 1618 THE SCHOOL CO**

Opinion

We have audited the financial statements of Barrow 1618 The School Co (the 'academy') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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 academy'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 Governors with respect to going concern are described in the relevant sections of this report.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BARROW 1618 THE SCHOOL CO (CONTINUED)**

Other information

The other information comprises the information included in the Governors' Report (incorporating the strategic report and the director's report) other than the financial statements and our Auditors' report thereon. The Governors are responsible for the other information contained within the Governors' Report (incorporating the strategic report and the director's report). 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. 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 course of 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BARROW 1618 THE SCHOOL CO (CONTINUED)**

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the academy or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We reviewed the susceptibility of the Trust's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the Trust's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the Trust and its environment and identify any instances of non-compliance.
- We also assessed the Trust's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and Trust awareness to carry out our work to the required standard.

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

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BARROW 1618 THE SCHOOL CO (CONTINUED)**

Use of our report

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



Andrew Malpass BA FCA (Senior statutory auditor)
for and on behalf of
WR Partners
Chartered Accountants
Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

3 December 2021

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BARROW
1618 THE SCHOOL CO AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 20 August 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Barrow 1618 The School Co during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Barrow 1618 The School Co and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Barrow 1618 The School Co and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Barrow 1618 The School Co and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Barrow 1618 The School Co's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Barrow 1618 The School Co's funding agreement with the Secretary of State for Education dated July 2012 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BARROW
1618 THE SCHOOL CO AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Andrew Malpass BA FCA
WR Partners
Chartered Accountants
Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date: 3 December 2021

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	3,333	-	25,343	28,676	6,204
Other trading activities		7,578	-	-	7,578	16,036
Investments	6	21	-	-	21	100
Charitable activities		-	506,346	-	506,346	484,571
Total income		10,932	506,346	25,343	542,621	506,911
Expenditure on:						
Charitable activities		3,231	508,489	19,795	531,515	523,037
Total expenditure		3,231	508,489	19,795	531,515	523,037
Net movement in funds before other recognised gains/(losses)						
		7,701	(2,143)	5,548	11,106	(16,126)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	22	-	(44,000)	-	(44,000)	(87,000)
Net movement in funds		7,701	(46,143)	5,548	(32,894)	(103,126)
Reconciliation of funds:						
Total funds brought forward		83,110	(151,232)	570,089	501,967	605,093
Net movement in funds		7,701	(46,143)	5,548	(32,894)	(103,126)
Total funds carried forward		90,811	(197,375)	575,637	469,073	501,907

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

The notes on pages 27 to 50 form part of these financial statements.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)
REGISTERED NUMBER: 07640198

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	566,097	570,088
		<u>566,097</u>	<u>570,088</u>
Current assets			
Debtors	14	24,681	33,704
Cash at bank and in hand		254,183	263,805
		<u>278,864</u>	<u>297,509</u>
Creditors: amounts falling due within one year	15	(39,888)	(96,630)
Net current assets		<u>238,976</u>	<u>200,879</u>
Total assets less current liabilities		<u>805,073</u>	<u>770,967</u>
Net assets excluding pension liability		<u>805,073</u>	<u>770,967</u>
Defined benefit pension scheme liability	22	(336,000)	(269,000)
Total net assets		<u><u>469,073</u></u>	<u><u>501,967</u></u>


BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)
REGISTERED NUMBER: 07640198

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Funds of the academy			
Restricted funds:			
Fixed asset funds	16	575,637	570,089
Restricted income funds	16	138,625	117,768
Restricted funds excluding pension asset	16	714,262	687,857
Pension reserve	16	(336,000)	(269,000)
Total restricted funds	16	378,262	418,857
Unrestricted income funds	16	90,811	83,110
Total funds		469,073	501,967

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

The financial statements on pages 23 to 50 were approved and authorised for issue by the Governors and are signed on their behalf, by:



Carolyn Jones
 Chair of Governors



Sian Stephenson
 Accounting Officer

Date: 3 December 2021

The notes on pages 27 to 50 form part of these financial statements.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	18	5,954	69,356
Cash flows from investing activities	19	(15,576)	(65,182)
Change in cash and cash equivalents in the year		(9,622)	4,174
Cash and cash equivalents at the beginning of the year		263,805	259,631
Cash and cash equivalents at the end of the year	20, 21	<u>254,183</u>	<u>263,805</u>

The notes on pages 27 to 50 form part of these financial statements

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

The Governors have also assessed the potential impact on the future operations of the academy with regard to the Covid-19 outbreak. The academy is considered to be well positioned given the current environment with no impact on the going concern basis of the financial statements.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.5 Interest receivable

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

1.6 Taxation

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

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

1.7 Tangible fixed assets and depreciation

Assets costing £100 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Property improvements	-	2% Straight line
Fixtures and equipment	-	15% Straight line
Motor vehicles	-	25% Straight line
Computer equipment	-	33% Straight Line



1.8 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

1.11 Provisions

Provisions are recognised when the academy has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

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

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.13 Pensions

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

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

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

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

1.14 Fund accounting

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

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

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

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

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	3,333	20,308	23,641	1,191
Capital Grants	-	5,035	5,035	5,013
Total 2021	3,333	25,343	28,676	6,204
<i>Total 2020</i>	<i>1,191</i>	<i>5,013</i>	<i>6,204</i>	

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. Funding for the academy's educational operations

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DfE/ESFA grants			
General Annual Grant (GAG)	406,165	406,165 ✓	383,090
Other DfE/ESFA grants			
Other DfE / ESFA Grant Income	17,988	17,988 ✓	17,988
Pupil Premium	18,243	18,243 ✓	18,005
Universal Infant Free School Meals (UIFSM)	8,279	8,279 ✓	17,252
Rates Reclaim	-	-	3,020
PE and Sports Grant	16,770	16,770 ✓	16,760
	-	467,445	456,115
Other Government grants			
Local Authority - SEN	7,007	7,007 ✓	2,813
Student Support Services	779	779 ✓	-
	7,786	7,786	2,813
Other income from the academy's educational operations	31,115	31,115 ✓	25,643
Total 2021	506,346	506,346	484,571
Total 2020	484,571	484,571	

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings Income	595	✓ 595	68
Income From Clubs	6,983	✓ 6,983	15,968
Total 2021	<u>7,578</u>	<u>7,578</u>	<u>16,036</u>
<i>Total 2020</i>	<u>16,036</u>	<u>16,036</u>	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank Interest	21	✓ 21	100
Total 2021	<u>21</u>	<u>21</u>	<u>100</u>
<i>Total 2020</i>	<u>100</u>	<u>100</u>	

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Academy's Educational Operations:					
Direct costs	253,264	-	2,512	255,776	230,930
Allocated support costs	99,789	55,379	120,571	275,739	292,107
Total 2021	353,053	55,379	123,083	531,515	523,037
Total 2020	367,574	80,830	74,633	523,037	

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Academy's Educational Operations	255,776	275,739	531,515	523,037
Total 2020	230,930	292,107	523,037	

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Academy's Educational Operations 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	240,264	240,264	215,728
Educational Supplies	15,512	15,512	15,202
Total 2021	255,776	255,776	230,930
<i>Total 2020</i>	<i>230,930</i>	<i>230,930</i>	

Analysis of support costs

	Academy's Educational Operations 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	135,789	135,789	151,846
Depreciation	19,795	19,795	19,476
Examination Fees	28	28	-
Staff Development	4,650	4,650	4,065
Non-educational Supplies	33,168	33,168	34,234
Risk Protection	1,551	1,551	1,656
Premises	53,828	53,828	44,911
Catering	26,930	26,930	35,919
Total 2021	275,739	275,739	292,107
<i>Total 2020</i>	<i>292,107</i>	<i>292,107</i>	

BARROW 1618 THE SCHOOL CO
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Depreciation of tangible fixed assets	19,568	19,476
Fees paid to auditors for:		
- audit	5,400	5,240
- other services	2,750	2,420
	<u>19,568</u>	<u>19,476</u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	269,269	259,909
Social security costs	19,172	17,013
Pension costs	86,423	81,596
	<u>374,864</u>	<u>358,518</u>
Agency staff costs	1,189	716
Staff restructuring costs	-	8,340
	<u>376,053</u>	<u>367,574</u>

Staff restructuring costs comprise:

	2021 £	2020 £
Severance payments	-	8,340
	<u>-</u>	<u>8,340</u>

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10. Staff (continued)

b. Staff numbers

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

2021 No.	2020 No.
16	15

c. Higher paid staff

No employee received remuneration amounting to more than £60,000 in either year.

d. Key management personnel

The key management personnel of the academy comprise the Governors and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £128,649 (2020 £90,149).

11. Governors' remuneration and expenses

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

		2021 £	2020 £
Joseph Leppington, Headteacher (resigned December 2019)	Remuneration	Nil	20,000 - 25,000
	Pension contributions paid	Nil	0 - 5,000
Charlotte Hayes, Deputy Headteacher (resigned 30 June 2020)	Remuneration		35,000 - 40,000
Sian Stephenson, Headteacher (appointed April 2020)	Remuneration	50,000 - 55,000	15,000 - 20,000
	Pension contributions paid	10,000 - 15,000	0 - 5,000
Shannon Adams, Staff Governor	Remuneration	30,000 - 35,000	5,000 - 10,000

During the year ended 31 August 2021, no Governor expenses have been incurred (2020 - £NIL).

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12. Governors' and Officers' insurance

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

13. Tangible fixed assets

	Property Improvements £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2020	631,993	106,463	59,440	7,250	805,146
Additions	9,717	1,454	4,405	-	15,576
At 31 August 2021	641,710	107,917	63,845	7,250	820,722
Depreciation					
At 1 September 2020	74,006	96,062	57,739	7,250	235,057
Charge for the year	12,761	4,450	2,357	-	19,568
At 31 August 2021	86,767	100,512	60,096	7,250	254,625
Net book value					
At 31 August 2021	554,943	7,405	3,749	-	566,097
At 31 August 2020	557,987	10,401	1,701	-	570,089

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13. Tangible fixed assets (continued)

The Academy Trust occupies land (including buildings) which is owned by the Diocese of Hereford. The Diocese is the provider of the academy on the same basis as when the academy was a maintained school. The Academy Trust occupies the land (and buildings) under a mere licence. This continuing permission of the Diocese is pursuant to, and subject to, the Diocese' charitable objects.

The licence delegates aspects of the management of the land (and buildings) to the Academy Trust company for the time being, but does not vest any rights over the land in the Academy Trust company. The Diocese has given an undertaking to the Secretary of State that it will not give the Academy Trust company less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the Academy Trust company is occupying the land (and buildings) the Governors have concluded that the value of the land and buildings occupied by the Academy Trust company will not be recognised on the balance sheet of the company.

Improvements to the buildings financed by capital grants have been capitalised within property improvements above, and are being written off over their expected useful lives, as the Academy Trust has the expectation of continuing to operate from the premises.

14. Debtors

	2021 £		2020 £
Due within one year			
Trade debtors	795	✓	1,195
Other debtors	18,869	✓	27,202
Prepayments and accrued income	5,017	✓	5,307
	<u>24,681</u>		<u>33,704</u>

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15. Creditors: Amounts falling due within one year

	2021 £		2020 £
Trade creditors	6,901	✓	58,326
Other taxation and social security	5,644	✓	4,478
Other creditors	5,496	✓	5,271
Accruals and deferred income	21,847	✓	28,555
	<u>39,888</u>		<u>96,630</u>
	2021 £		2020 £
Deferred income at 1 September 2020	14,524		10,197
Resources deferred during the year	14,377		14,524
Amounts released from previous periods	(14,524)		(10,197)
	<u>14,377</u>		<u>14,524</u>

The deferred income balance is ESFA income received in the year that relates to 2022.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

16. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds					
General Funds - all funds	83,110	10,932	(3,231)	-	90,811
Restricted general funds					
General annual grant (GAG)	-	406,165	(406,165)	-	-
Pupil Premium	-	18,243	(18,243)	-	-
Other grants	117,768	81,938	(61,081)	-	138,625
Pension reserve	(269,000)	-	(23,000)	(44,000)	(336,000)
	(151,232)	506,346	(508,489)	(44,000)	(197,375)
Restricted fixed asset funds					
Class II Restricted Funds - all funds	570,089	25,343	(19,795)	-	575,637
Total Restricted funds	418,857	531,689	(528,284)	(44,000)	378,262
Total funds	501,967	542,621	(531,515)	(44,000)	469,073

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

All of the grants received from the ESFA and LA during the year, along with associated expenditure are shown as restricted funds in the Statement of Financial Activities. The academy also receives capital grants from the ESFA. These grants are shown as restricted income in the fixed asset fund. The restricted fixed asset fund is reduced by annual depreciation charges over the expected useful life of the assets held.

The academy generates it's own income from the operation of it's extended schools provision. A programme of letting of the hall and grounds to different community organisations also generates an income for the school.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

16. Statement of funds (continued)

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds						
General Funds - all funds	134,811	17,327	(8,859)	(60,169)	-	83,110
Restricted general funds						
General annual grant (GAG)	-	365,391	(365,391)	-	-	-
Pupil Premium	-	18,005	(18,005)	-	-	-
Other grants	103,899	101,175	(87,306)	-	-	117,768
Pension reserve	(158,000)	-	(24,000)	-	(87,000)	(269,000)
	(54,101)	484,571	(494,702)	-	(87,000)	(151,232)
Restricted fixed asset funds						
Class II Restricted Funds - all funds	524,383	5,013	(19,476)	60,169	-	570,089
Total Restricted funds	470,282	489,584	(514,178)	60,169	(87,000)	418,857
Total funds	605,093	506,911	(523,037)	-	(87,000)	501,967

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	566,097	566,097
Current assets	90,811	178,513	9,540	278,864
Creditors due within one year	-	(39,888)	-	(39,888)
Provisions for liabilities and charges	-	(336,000)	-	(336,000)
Total	90,811	(197,375)	575,637	469,073

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	570,089	570,089
Current assets	179,740	117,768	-	297,508
Creditors due within one year	(96,630)	-	-	(96,630)
Provisions for liabilities and charges	-	(269,000)	-	(269,000)
Total	83,110	(151,232)	570,089	501,967

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure) for the year (as per Statement of financial activities)	11,106	(16,126)
Adjustments for:		
Depreciation	19,568	19,476
Decrease/(increase) in debtors	9,023	(10,410)
(Decrease)/increase in creditors	(56,743)	52,416
FRS 102 adjustment	23,000	24,000
Net cash provided by operating activities	5,954	69,356

19. Cash flows from investing activities

	2021 £	2020 £
Purchase of tangible fixed assets	(15,576)	(65,182)
Net cash used in investing activities	(15,576)	(65,182)

20. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	254,183	263,805
Total cash and cash equivalents	254,183	263,805

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

21. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	263,805	(9,622)	254,183
	<u>263,805</u>	<u>(9,622)</u>	<u>254,183</u>

22. Pension commitments

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

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

Contributions amounting to £5,271 were payable to the schemes at 31 August 2021 (2020 - £3,978) and are included within creditors.

Teachers' Pension Scheme

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £37,704 (2020 - £31,754).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £17,000 (2020 - £17,000), of which employer's contributions totalled £13,000 (2020 - £13,000) and employees' contributions totalled £4,000 (2020 - £4,000). The agreed contribution rates for future years are 17 per cent for employers and 5.6 per cent for employees.

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	4.05	3.55
Rate of increase for pensions in payment/inflation	2.90	2.40
Discount rate for scheme liabilities	1.70	1.80
Inflation assumption (CPI)	2.80	2.30

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	23.0	22.9
Females	25.1	25.0
<i>Retiring in 20 years</i>		
Males	24.3	24.2
Females	26.7	26.6

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate +0.1%	319	255
0.1%pa inflation	353	283
Pay growth +0.1%	338	270
Life expectancy +1 year	357	285

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

Share of scheme assets

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

	2021 £	2020 £
Equities	177,000	139,000
Property	12,000	12,000
Cash and other liquid assets	6,000	5,000
Other	84,000	70,000
Other Bonds	69,000	64,000
Total market value of assets	348,000	290,000

The actual return on scheme assets was £45,000 (2020 - £2,000).

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

	2021 £	2020 £
Current service cost	(30,000)	(33,000)
Interest cost	(6,000)	(4,000)
Total amount recognised in the Statement of Financial Activities	(36,000)	(37,000)

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

	2021 £	2020 £
At 1 September	559,000	357,000
Current service cost	30,000	33,000
Interest cost	11,000	8,000
Employee contributions	4,000	4,000
Actuarial losses	83,000	160,000
Benefits paid	(3,000)	(3,000)
At 31 August	684,000	559,000

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22. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	290,000	199,000
Return on plan assets (excluding net interest on the net defined pension liability)	5,000	4,000
Actuarial gains	39,000	73,000
Employer contributions	13,000	13,000
Employee contributions	4,000	4,000
Benefits paid	(3,000)	(3,000)
At 31 August	348,000	290,000

23. Members' liability

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

24. Related Party Transactions

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

Expenditure Related Party Transaction:

During the year the spouse of a Governor was employed by the trust in a teaching assistant role. The total salary for the year was £4,515 (2020: £12,293).

Income Related Party Transaction:

During the year Friends of Barrow, an organisation which Christian Toon (Governor) is a member of, donated £10,000 to the Academy Trust. The donation was restricted in its nature.

During the year Barrow 400, an organisation which Selina Graham (Governor) is a member of, donated £10,309 to the Academy Trust. The donation was restricted in its nature.