

BARROW 1618 THE SCHOOL CO
GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016


Whittingham Riddell
chartered accountants

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BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

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BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016

Members

Selina Graham
Richard Jackson
Sarah Britton
Gregory Day
Gregory Watson

Governors

Selina Graham, Chair of Governors, Chair of HR Committee and EYFC Link Governor^{1,2}
Natasha Branston, Chair of Curriculum and Standards Committee, Outdoor Learning / Environment / Sustainability Link Governor and SSGC Link Governor
Sally Ellis (appointed 20 June 2016)
Brinley Evans, Parent Governor and Science Link Governor
Kay Garrison, The Arts Link Governor
Charlotte Hayes (appointed 20 June 2016)
Richard Jackson, Chair of Finance Committee and Numeracy Link Governor^{1,2}
Carolyn Jones, Literacy Link Governor
Victoria Mantle, SEN Link Governor
John Newton, Head Teacher and Staff Governor^{1,2}
Annabel Prideaux, Parent Governor, Chair of Admissions Committee, Training and Governor Induction Link Governor and Monitoring / Standards / Pupil Premium Link Governor
Nicholas Swankie, Parent Governor (appointed 6 November 2015)
Maylin Ware, RE Link Governor^{1,2}
Gregory Watson, Chair of Marketing Committee and Safeguarding / LAC / Child Protection Link Governor^{1,2}
Elizabeth Moseley, Staff Governor (resigned 20 June 2016)
Jacquie Thomas-Clemson, ICT Link Governor (resigned 20 June 2016)

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 School, Barrow, Broseley, Shropshire, TF12 5BW

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016

Advisers (continued)

Chief executive officer

Mr John A Newton

Senior management team

John Newton, Head Teacher

Charlotte Hayes, Assistant Head Teacher

Independent auditors

Whittingham Riddell LLP, Belmont House, Shrewsbury Business Park, Shrewsbury, Shropshire, SY2 6LG

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. 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.

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 trust.

The Governors (or trustees) of Barrow 1618 The School Co are also known as 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 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. 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.

d. 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.

**BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)**

**GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

e. Pay policy for 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 fulfill their objectives.

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 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. Connected organisations, including related party relationships

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

h. Governors' 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.

**BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)**

**GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

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 was subject to an Ofsted inspection in the year, which 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.

c. Public benefit

It is considered that the greatest public benefit that the academy can offer is the provision of education 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 children particularly enjoy singing to elderly residents of local care homes, which brings great pleasure to all involved.

The school hall and grounds are available for community use, with local sports teams benefitting from the use of the newly designed sports pitch.

The school makes it's car park available to the church and ramblers wishing to explore the area. This is an important facility given the rural setting of Barrow.

The school provides hot meals for Morville Church of England School, which doesn't have it's own in house catering facilities.

The Governors confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charities Commission's general guidance on public benefit.

**BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)**

**GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Achievements and performance

a. Key financial performance indicators

The outcomes of external testing and monitoring visits has shown a well rounded strength in the achievements of the school, as noted above. The school continues to be oversubscribed, with all cohorts full with waiting lists for places. Attendance remains above national benchmarks, confirming the pupil's passion for school.

The school is very proud of the achievements of pupils in the statutory testing. The very high standards now expected are widely known, and teachers and pupils have risen to the challenge. 100% of pupils in reception achieved a good level of development in EYFS. 100% of Year 1 pupils achieved a pass in the phonics testing. In Year 2, 92% of pupils achieved either expected or greater than expected standard in reading, writing and maths combined. In Year 6, 83% achieved the expected standard in writing, 92% in reading and 100% in mathematics.

b. Review of activities

The staff and pupils of the school has enjoyed another wonderful year. The school has been subject to a high number of external verifications of performance which have confirmed the achievements and strengths of Barrow school. The school was inspected by OFSTED in June 2016, achieving outstanding results in all categories. In April 2016, the school successfully gained SafeyMARK 'Platinum' accreditation; a national award recognising safety excellence in schools. In July 2016, the school was awarded School Games 'Gold' Mark for the commitment to enhancing sport provision and its contribution to school life, and in September 2015, the school was recognised with a Certificate of Excellence, based on a number of performance indicators, by SchoolGuide.co.uk.

The outcomes of external testing and monitoring visits has shown a well rounded strength in the achievements of the school, as noted above. The school continues to be oversubscribed, with all cohorts full with waiting lists for places. Attendance remains above national benchmarks, confirming the pupil's passion for school.

The school is very proud of the achievements of pupils in the statutory testing. The very high standards now expected are widely known, and teachers and pupils have risen to the challenge. 100% of pupils in reception achieved a good level of development in EYFS. 100% of Year 1 pupils achieved a pass in the phonics testing. In Year 2, 92% of pupils achieved either expected or greater than expected standard in reading, writing and maths combined. In Year 6, 83% achieved the expected standard in writing, 92% in reading and 100% in mathematics.

Financial review

a. Going concern

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

BARROW 1618 THE SCHOOL CO
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

b. Financial risk management objectives and policies

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

All of the grants received from the EFA 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 EFA. 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.

During the year ended 31 August 2016, there was an excess of expenditure over income for the year (excluding pension movements) of £1,220. This takes the year end reserves figure to £58,098 alongside the restricted fixed asset reserve of £594,250.

c. 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 is often amplified for small schools.
- Impact of poor results from small cohort. With 12 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.

d. 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 2015/16 year amounts to just under £108,000. Additional reserves are considered prudent to provide a cushion to deal with unexpected emergencies such as urgent unforeseen maintenance, maternity or redundancy.

The academy's current level of unrestricted reserves is £116,756 (2015 - £98,744).

BARROW 1618 THE SCHOOL CO
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

e. Material investments 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, but ensuring that the investment instruments are such that there is no risk of loss to these cash funds.

Plans for future periods

a. Future developments

With significant building works complete and the school at full capacity, the last year has proven that the hard work of Barrow staff and pupils has made the school one to be very proud of. Going forward, governors are committed to continuing to work at the high standards that have been achieved, and are exploring ways of linking up with other schools through different channels.

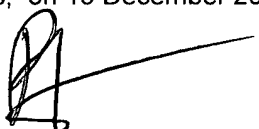
Consideration is being made to the best use of the school buildings to enrich the learning environment, with a staff resource centre being an aim from a capital development point of view in the coming years.


Disclosure of information to auditors

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report, incorporating a strategic report, was approved by order of the board of trustees as the company directors, on 15 December 2016 and signed on its behalf by:


Mr Richard Jackson
Chair of Finance Committee


Mr John A Newton
Accounting Officer

BARROW 1618 THE SCHOOL CO
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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.

The board of trustees has delegated the day-to-day responsibility to the Head Teacher, 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 trustees 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 trustees has formally met 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings attended	Out of a possible
Selina Graham, Chair of Governors, Chair of HR Committee and EYFC Link Governor	3	3
Natasha Branston, Chair of Curriculum and Standards Committee, Outdoor Learning / Environment / Sustainability Link Governor and SSGC Link Governor	1	1
Sally Ellis	3	3
Brinley Evans, Parent Governor and Science Link Governor	2	3
Kay Garrison, The Arts Link Governor	3	3
Charlotte Hayes	1	1
Richard Jackson, Chair of Finance Committee and Numeracy Link Governor	3	3
Carolyn Jones, Literacy Link Governor	3	3
Victoria Mantle, SEN Link Governor	2	3
John Newton, Head Teacher and Staff Governor	3	3
Annabel Prideaux, Parent Governor, Chair of Admissions Committee, Training and Governor Induction Link Governor and Monitoring / Standards / Pupil Premium Link Governor	2	3
Nicholas Swankie, Parent Governor	3	3
Maylin Ware, RE Link Governor	3	3
Gregory Watson, Chair of Marketing Committee and Safeguarding / LAC / Child Protection Link Governor	2	3
Elizabeth Moseley, Staff Governor	2	2
Jacquie Thomas-Clemson, ICT Link Governor	2	2

BARROW 1618 THE SCHOOL CO
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GOVERNANCE STATEMENT (continued)

The Finance Committee is a sub-committee of the main board of trustees. 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 school.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Richard Jackson	3	3
Selina Graham	3	3
Maylin Ware	3	3
John Newton	3	3
Gregory Watson	3	3

Review of Value for money

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

The Accounting Officer considers how the academy's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. 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.
- A detailed staffing review and analysis in the summer term following retirements has led to alterations in staffing levels and deployment. Higher levels of targeted support are now in place for the 2016/17 year, still working within budgetary constraints.
- 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, financial savings have been found in many areas.

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 ongoing 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 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

BARROW 1618 THE SCHOOL CO
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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 trustees;
- 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 trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Whittingham Riddell LLP, the external auditors, to perform additional checks.

The auditors' role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a termly basis, the auditors report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Review of Effectiveness

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

- 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 Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 15 December 2016 and signed on their behalf, by:


Mr Richard Jackson
Chair of Finance Committee


Mr John Newton
Accounting Officer

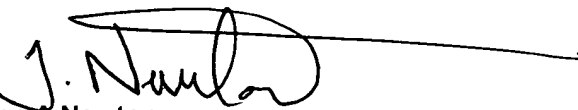
BARROW 1618 THE SCHOOL CO
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Barrow 1618 The School Co I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust 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 2015.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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


Mr John A Newton
Accounting Officer

BARROW 1618 THE SCHOOL CO
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STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The Governors (who act as governors of Barrow 1618 The School Co and 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 Annual Accounts Direction issued by the Education 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 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 the EFA/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 trustees on 15 December 2016 and signed on its behalf by:



Mr Richard Jackson
Chair of Finance Committee

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

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

We have audited the financial statements of Barrow 1618 The School Co for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of Governors and auditors

As explained more fully in the Statement of Governors' responsibilities, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 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 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

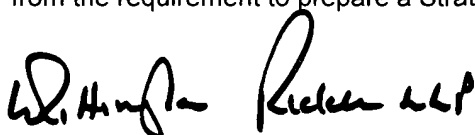
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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; or
- the Governors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Andrew Malpass BA FCA (Senior statutory auditor)

for and on behalf of

Whittingham Riddell LLP

Chartered Accountants
Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

19 December 2016

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated February 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, 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 2015 to 31 August 2016 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 the EFA 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 the EFA 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 the EFA, 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 auditors

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 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. 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.

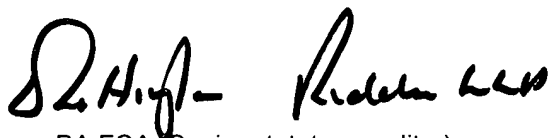
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO BARROW 1618
THE SCHOOL CO AND THE EDUCATION FUNDING AGENCY (continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have 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 (Senior statutory auditor)

for and on behalf of

Whittingham Riddell LLP

Chartered Accountants
Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

19 December 2016

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted Fixed Asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	7,604	-	9,116	16,720	67,707
Charitable activities	3	-	424,840	-	424,840	386,704
Other trading activities		36,208	-	-	36,208	38,439
Investments	4	182	-	-	182	125
TOTAL INCOME		43,994	424,840	9,116	477,950	492,975
EXPENDITURE ON:						
Raising funds		1,699	-	-	1,699	2,613
Charitable activities		32,076	412,999	37,887	482,962	447,744
TOTAL EXPENDITURE	7	33,775	412,999	37,887	484,661	450,357
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	18	10,219	11,841	(28,771)	(6,711)	42,618
		-	(17,727)	17,727	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		10,219	(5,886)	(11,044)	(6,711)	42,618
Actuarial losses on defined benefit pension schemes	22	-	(109,000)	-	(109,000)	(2,000)
NET MOVEMENT IN FUNDS		10,219	(114,886)	(11,044)	(115,711)	40,618
RECONCILIATION OF FUNDS:						
Total funds brought forward		98,744	58,530	605,294	762,568	721,950
TOTAL FUNDS CARRIED FORWARD		108,963	(56,356)	594,250	646,857	762,568

The notes on pages 21 to 39 form part of these financial statements.

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)
REGISTERED NUMBER: 07640198

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	14		585,134		605,294
CURRENT ASSETS					
Stocks	15	470		2,094	
Debtors	16	15,672		46,195	
Cash at bank and in hand		224,654		196,175	
		<u>240,796</u>		<u>244,464</u>	
CREDITORS: amounts falling due within one year	17	(32,073)		(57,190)	
NET CURRENT ASSETS			<u>208,723</u>		<u>187,274</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>793,857</u>		<u>792,568</u>
Defined benefit pension scheme liability	22	(147,000)			(30,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>646,857</u></u>		<u><u>762,568</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted funds	18	90,644		88,530	
Restricted fixed asset funds	18	594,250		605,294	
		<u>684,894</u>		<u>693,824</u>	
Restricted funds excluding pension liability					
Pension reserve		(147,000)		(30,000)	
		<u></u>		<u></u>	
Total restricted funds			537,894		663,824
Unrestricted income funds	18		108,963		98,744
TOTAL FUNDS			<u><u>646,857</u></u>		<u><u>762,568</u></u>

The financial statements were approved by the Governors, and authorised for issue, on 15 December 2016 and are signed on their behalf, by:


Mr Richard Jackson
Chair of Finance Committee


Mr John A Newton
Accounting Officer

The notes on pages 21 to 39 form part of these financial statements.

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	20	<u>46,024</u>	<u>116,552</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		182	125
Purchase of tangible fixed assets		<u>(17,727)</u>	<u>(62,202)</u>
Net cash used in investing activities		<u>(17,545)</u>	<u>(62,077)</u>
Change in cash and cash equivalents in the year		28,479	54,475
Cash and cash equivalents brought forward		<u>196,175</u>	<u>141,700</u>
Cash and cash equivalents carried forward	21	<u><u>224,654</u></u>	<u><u>196,175</u></u>

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical 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 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Barrow 1618 The School Co constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Barrow 1618 The School Co prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Barrow 1618 The School Co for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Governors have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 26.

1.2 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 Department for Education 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 and include grants from the Department for Education.

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

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where there is certainty of receipt and it is measurable.

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs 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.

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.5 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 trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements..

1.6 Turnover

Turnover comprises revenue recognised by the academy in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.7 Tangible fixed assets and depreciation

All assets costing more than £100 are capitalised.

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 incorporating income and expenditure account 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 incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Property Improvements	-	2% Straight Line
Motor vehicles	-	25% Straight Line
Fixtures and fittings	-	15% Straight Line
Computer equipment	-	33% Straight Line

1.8 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 Bank.

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.9 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 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.

1.13 Liabilities and provisions

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. 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.

1.14 Financial instruments

The academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.15 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 Chapter 3 Part 11 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.

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.16 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 and the assets are held separately from those of the academy.

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. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 scheme and the assets are held separately from those of the academy trust 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 incorporating income and expenditure account 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

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.17 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted Fixed Asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	7,604	-	-	7,604	15,916
Capital Grants	-	-	9,116	9,116	51,791
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and capital grants	7,604	-	9,116	16,720	67,707
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

In 2015, of the total income from donations and capital grants, £15,916 was to unrestricted funds and £51,791 was to restricted funds

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
GAG	-	367,500	367,500	326,482
SEN & Other Grants	-	57,340	57,340	60,222
	<u>-</u>	<u>424,840</u>	<u>424,840</u>	<u>386,704</u>

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds and £386,704 was to restricted funds.

4. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment income - local cash	182	-	182	125

In 2015, of the total investment income, £ 125 was to unrestricted funds and £ NIL was to restricted funds.

5. DIRECT COSTS

	Academy's Educational Operations £	Total 2016 £	Total 2015 £
Maintenance	16,829	16,829	10,223
Cleaning	14,094	14,094	9,613
Utilities and Rates	9,966	9,966	8,464
Insurance	3,945	3,945	4,233
Educational Supplies	10,491	10,491	9,858
School Trips	13,619	13,619	13,211
Other Direct Costs	2,516	2,516	1,450
Staff Development	5,555	5,555	5,763
Wages and salaries	145,255	145,255	171,456
National insurance	10,292	10,292	11,275
Pension cost	19,840	19,840	14,342
Depreciation	37,887	37,887	40,309
	<u>290,289</u>	<u>290,289</u>	<u>300,197</u>

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

6. SUPPORT COSTS

	Academy's Education £	Total 2016 £	Total 2015 £
Insurance	751	751	1,014
Catering	10,664	10,664	14,161
Other Support Costs	18,178	18,178	15,750
Governance	10,423	10,423	7,009
Marketing and Recruitment	413	413	(597)
Professional Costs	7,793	7,793	3,946
Wages and salaries	107,557	107,557	88,489
National insurance	3,356	3,356	1,154
Pension cost	33,538	33,538	16,621
	<u>192,673</u>	<u>192,673</u>	<u>147,547</u>

7. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on fundraising trading	-	-	1,699	1,699	2,613
Academy's Educational Operations:					
Direct costs	175,388	44,143	70,758	290,289	302,445
Support costs	144,450	-	48,223	192,673	145,299
	<u>319,838</u>	<u>44,143</u>	<u>120,680</u>	<u>484,661</u>	<u>450,357</u>

In 2016, of the total expenditure, £NIL (2015 - £33,037) was to unrestricted funds and £402,886 (2015 - £377,011) was to restricted funds.

8. TURNOVER

The whole of the turnover is attributable to Academy Educational Operations.

All turnover arose within the United Kingdom.

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

9. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	37,887	40,309
Auditors' remuneration	5,925	5,311
Operating lease rentals:		
- Other operating leases	705	705
	<u>705</u>	<u>705</u>

10. AUDITORS' REMUNERATION

The Auditor's remuneration amounts to an Audit fee of £5,925 (2015 - £5,311).

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

11. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	244,031	238,359
Social security costs	13,648	12,429
Operating costs of defined benefit pension schemes	53,378	30,963
	<hr/> 311,057	<hr/> 281,751
Supply teacher costs	8,781	21,586
	<hr/> 319,838	<hr/> 303,337
	<hr/> <hr/>	<hr/> <hr/>

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

2016 No.	2015 No.
12	12

Average headcount expressed as a full time equivalent:

	2016 No.	2015 No.
Teaching Staff	4	4
Support Staff	7	7
Management	1	1
	<hr/> 12	<hr/> 12
	<hr/> <hr/>	<hr/> <hr/>

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

The total amount of employee benefits (including employer pension contributions) received by key management personnel amounted to £88,309 (2015: £56,889).

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

12. GOVERNORS' REMUNERATION AND EXPENSES

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Governors. The value of Governors' remuneration and other benefits was as follows:

		2016	2015
		£	£
John Newton	Remuneration	45,000-50,000	<i>45,000-50,000</i>
	Pension contributions paid	5,000-10,000	<i>5,000-10,000</i>
Elizabeth Moseley	Remuneration	15,000-20,000	<i>15,000-20,000</i>
	Pension contributions paid	0-5,000	<i>0-5,000</i>
Charlotte Hayes	Remuneration	30,000-35,000	
	Pension contributions paid	0-5,000	

During the year, no Governors received any reimbursement of expenses (2015 - £NIL).

13. GOVERNORS' AND OFFICERS' INSURANCE

The academy trust 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 trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Governors and officers indemnity element from the overall cost of the RPA scheme.

BARROW 1618 THE SCHOOL CO
(Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

14. TANGIBLE FIXED ASSETS

	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost					
At 1 September 2015	7,250	92,891	49,527	545,623	695,291
Additions	-	3,586	2,514	11,627	17,727
At 31 August 2016	<u>7,250</u>	<u>96,477</u>	<u>52,041</u>	<u>557,250</u>	<u>713,018</u>
Depreciation					
At 1 September 2015	5,437	33,578	33,570	17,412	89,997
Charge for the year	1,813	14,205	10,735	11,134	37,887
At 31 August 2016	<u>7,250</u>	<u>47,783</u>	<u>44,305</u>	<u>28,546</u>	<u>127,884</u>
Net book value					
At 31 August 2016	<u>-</u>	<u>48,694</u>	<u>7,736</u>	<u>528,704</u>	<u>585,134</u>
At 31 August 2015	<u>1,813</u>	<u>59,313</u>	<u>15,957</u>	<u>528,211</u>	<u>605,294</u>

The academy 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.

15. STOCKS

	2016 £	2015 £
Uniform	<u>470</u>	<u>2,094</u>

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16. DEBTORS

	2016 £	2015 £
Trade debtors	1,167	4,891
Other debtors	4,392	14,162
Prepayments and accrued income	10,113	27,142
	<u>15,672</u>	<u>46,195</u>

17. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	9,923	40,236
Other creditors	9,162	-
Accruals and deferred income	12,988	16,954
	<u>32,073</u>	<u>57,190</u>

	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	9,311	9,926
Resources deferred during the year	6,373	9,311
Amounts released from previous years	(9,311)	(9,926)
Deferred income at 31 August 2016	<u>6,373</u>	<u>9,311</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	98,744	43,994	(25,982)	-	-	116,756
Other General funds	-	-	(7,793)	-	-	(7,793)
	<u>98,744</u>	<u>43,994</u>	<u>(33,775)</u>	<u>-</u>	<u>-</u>	<u>108,963</u>
Restricted funds						
Restricted Funds - all funds	88,530	424,840	(404,999)	(17,727)	-	90,644
Pension reserve	(30,000)	-	(8,000)	-	(109,000)	(147,000)
	<u>58,530</u>	<u>424,840</u>	<u>(412,999)</u>	<u>(17,727)</u>	<u>(109,000)</u>	<u>(56,356)</u>
Restricted Fixed Asset Funds						
Restricted Fixed Asset Funds - all funds	605,294	9,116	(37,887)	17,727	-	594,250
Total restricted funds	<u>663,824</u>	<u>433,956</u>	<u>(450,886)</u>	<u>-</u>	<u>(109,000)</u>	<u>537,894</u>
Total of funds	<u>762,568</u>	<u>477,950</u>	<u>(484,661)</u>	<u>-</u>	<u>(109,000)</u>	<u>646,857</u>

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

All of the grants received from the EFA 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 EFA. 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.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted Fixed Asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	585,134	585,134	605,294
Current assets	108,963	122,717	9,116	240,796	244,464
Creditors due within one year	-	(32,073)	-	(32,073)	(57,190)
Provisions for liabilities and charges	-	(147,000)	-	(147,000)	(30,000)
	<u>108,963</u>	<u>(56,356)</u>	<u>594,250</u>	<u>646,857</u>	<u>762,568</u>

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(6,711)	42,618
Adjustment for:		
Depreciation charges	37,887	40,309
Interest income	(182)	(125)
Decrease/(increase) in stocks	1,624	(155)
Decrease in debtors	30,523	127,852
Decrease in creditors	(25,117)	(84,947)
FRS 17 adjustments	8,000	(9,000)
Net cash provided by operating activities	<u>46,024</u>	<u>116,552</u>

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	224,654	196,175
Total	<u>224,654</u>	<u>196,175</u>

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22. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for 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 pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years 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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £18,408 (2015 - £15,824).

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22. PENSION COMMITMENTS (continued)

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £17,679 (2015- £15,310), of which employer's contributions totalled £12,538 (2015 - £10,853) and employees' contributions totalled £5,141 (2015 - £4,457). The agreed contribution rates for future years are 13.8% for employers and 5.5 - 12.5% for employees.

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.

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Expected return on scheme assets at 31 August	3.40 %	3.70 %
Rate of increase for pensions in payment / inflation	2.00 %	2.20 %
Inflation assumption (CPI)	1.90 %	2.20 %

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

	2016	2015
Retiring today		
Males	23.9	23.9
Females	26.4	26.3
Retiring in 20 years		
Males	26.2	26.1
Females	29.2	29.1

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22. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	85,000	66,000
Government Bonds	-	13,000
Property	8,000	6,000
Other Bonds	32,000	17,000
Cash/Liquidity	3,000	3,000
Other	32,000	19,000
Total market value of assets	<u>160,000</u>	<u>124,000</u>

The actual return on scheme assets was £19,000 (2015 - £6,000).

Movements in the present value of the defined benefit obligation were as follows:

	2016 £	2015 £
Opening defined benefit obligation	154,000	127,000
Interest cost	6,000	6,000
Contributions by employees	5,000	4,000
Actuarial losses	122,000	-
Current service cost	20,000	17,000
Closing defined benefit obligation	<u>307,000</u>	<u>154,000</u>

Movements in the fair value of the academy's share of scheme assets:

	2016 £	2015 £
Opening fair value of scheme assets	124,000	105,000
Return on plan assets (excluding net interest on the net defined pension liability)	5,000	6,000
Actuarial gains and (losses)	13,000	(2,000)
Contributions by employer	13,000	11,000
Contributions by employees	5,000	4,000
Closing fair value of scheme assets	<u>160,000</u>	<u>124,000</u>

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NOTES TO THE FINANCIAL STATEMENTS
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23. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts payable:		
Within 1 year	176	705
Between 1 and 5 years	-	176
	<hr/>	<hr/>
Total	176	881
	<hr/>	<hr/>

24. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

25. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy's operations 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 trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

During the year, Wiley Estates Company, a company controlled by Selina Graham supplied services to the Academy totalling £250. (2015: £NIL)

26. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.