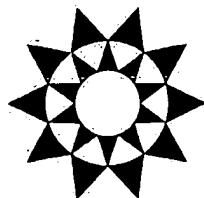


Registered number: 07640198

**BARROW 1618 THE SCHOOL CO**  
**GOVERNORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**



**WR**  
**Partners**  
Protecting your future.



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

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	Sarah Britton Gregory Day Selina Graham Richard Jackson
<b>Govenors</b>	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 (resigned 20 September 2021) Selina Graham, Chair of HR Committee and EYFC Link Governor (resigned 13 September 2021) <sup>1,2</sup> Richard Jackson, Chair of Finance Committee and Numeracy Link Governor <sup>1,2</sup> Carolyn Jones, Chair of Governors and Literacy Link Governor (appointed 17 November 2020) <sup>1,2</sup> Victoria Mantle, SEN Link Governor Elizabeth Rhead, The Monitoring / Standards / Pupil Premium Link Governor Sian Stephenson, Headteacher (resigned 31 August 2022) <sup>1,2</sup> Christian Toon, The ICT Link Governor <sup>1,2</sup> Maylin Ware, RE Link Governor (resigned 31 December 2021) <sup>1,2</sup> Christopher Penn (appointed 14 June 2022, resigned 14 August 2022) Lucy Blair (appointed 22 November 2021) Edmund Hobday (appointed 28 February 2022) Emily Swinnerton (appointed 28 February 2022) Charlotte Hayes (appointed 1 September 2022)

<sup>1</sup> Member of the Finance Committee

<sup>2</sup> Member of the Audit Committee

<b>Company registered number</b>	07640198
<b>Company name</b>	Barrow 1618 The School Co
<b>Principal and registered office</b>	Barrow 1618 Free School Barrow Broseley Shropshire TF12 5BW

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

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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<b>Chief executive officer and accounting officer</b>	Sian Stephenson (resigned 31/08/2022) Charlotte Hayes (appointed 01/09/2022)
<b>Senior management team</b>	Sian Stephenson, Headteacher (resigned 31/08/2022) Charlotte Hayes, Deputy Headteacher (acting Headteacher from 01/09/2022) Angela Pitchford, School Business Manager
<b>Independent auditors</b>	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG

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

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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2021 to 31 August 2022. 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 Directors' 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.

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

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**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.

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

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**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.

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**BARROW 1618 THE SCHOOL CO**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**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.

**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 it's 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.



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

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Achievements and performance**

**a. Key performance indicators**

With the end of Covid Restrictions, End of Year Assessments took place during the Summer Term 2021-2022. Attainment gaps identified during the Autumn Term and the measures put in place to successfully address these resulted in 100% of pupils reaching the Expected Standard in Reading, Grammar, punctuation and Spelling, and Maths, and 93% in Writing. During the year, progress is tracked and measured at the end of each term, with Teacher assessments informing transitions. 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. Since the onset of Covid it is pleasing to note the return of many activities, such as trips, sports day, school plays, and 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.

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

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Financial review**

**a. Financial review**

The school has achieved an in year revenue deficit of £28,340, (excluding pensions reserve). Total net movement in funds was a surplus of £296,660 which includes an actuarial gain on the pension scheme of £325,000.

Total net assets excluding the defined benefit pension scheme liability was £809,733 which is a slight increase from the prior year at £805,073. Net current assets increased to £253,635 from £238,976 in 2021.

Despite the prior year impact of COVID 19 the principal sources of funding have continued to be received and expenditure has been managed appropriately against this.

**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 2021/22 year amounts to just over £135,000. 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 2022 amounted to £765,733 (2021: £469,073).

Total restricted reserves including restricted asset funds at 31 August 2022 are £653,830 (2021: £378,262). The pension reserve is a deficit balance of £44,000 (2021: deficit balance of £336,000). If this is excluded, restricted reserves including restricted fixed asset funds are £697,830. (2021: £714,262). Unrestricted reserves at 31 August 2022 are £111,903. (2021: £90,811). 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.

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

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**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.

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

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**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**

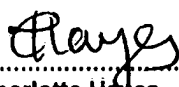
Insofar as the Governors are aware:

- 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  
and signed on its behalf by:

30/11/22

  
.....  
**Carolyn Jones**  
Chair of Governors

  
.....  
**Charlotte Hayes**  
Accounting Officer

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

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**GOVERNANCE STATEMENT**

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**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	1	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	0	3
Kay Garrison, Chair of the Health and Safety Committee and Arts Link Governor	1	1
Selina Graham, Chair of HR Committee and EYFC Link Governor	1	1
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	1	3
Elizabeth Rhead, The Monitoring / Standards / Pupil Premium Link Governor	3	3
Sian Stephenson, Headteacher	3	3
Maylin Ware, RE Link Governor	1	1
Christopher Penn	1	1
Lucy Blair	2	3
Edmund Hobday	1	2
Emily Swinnerton	2	2
Charlotte Hayes	0	0

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

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**GOVERNANCE STATEMENT (CONTINUED)**

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**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 board of Governors met 3 times during the year. The Governors maintained effective oversight of funds through regular reporting from management through the Finance Committee and direct reporting to the Chair of Governors.

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	1	1
Richard Jackson	3	3
Carolyn Jones	3	3
Sian Stephenson	3	3
Christian Toon	2	3
Maylin Ware	1	1
Emily Swinnerton	2	2

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

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**GOVERNANCE STATEMENT (CONTINUED)**

---

**Governance (continued)**

The Audit Committee is also a sub-committee of the main board of Governors. Its purpose is to ensure that risks found in the internal scrutiny reports are being addressed properly.

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
Richard Jackson	1	1
Maylin Ware	0	0
Christian Toon	1	1
Sian Stephenson	1	1
Selina Graham	0	0
Carolyn Jones	1	1
Emily Swinnerton	1	1

**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.

**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 2021 to 31 August 2022 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 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Governors.

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**BARROW 1618 THE SCHOOL CO**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**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 decided to buy-in an internal audit service from Telford and Wrekin Council

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;
- then 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.



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

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**GOVERNANCE STATEMENT (CONTINUED)**

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

  
.....  
**Carolyn Jones**  
Chair of Governors

Date: 30/11/22

  
.....  
**Charlotte Hayes**  
Accounting Officer

30.11.22

---

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

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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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 2021.

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 2021.

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.

Charlotte Hayes  
Accounting Officer



Date:

30.11.22

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

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**STATEMENT OF GOVERNORS' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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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 . 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 2021 to 2022;
- 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: 30/11/22

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

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

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**Opinion**

We have audited the financial statements of Barrow 1618 The School Co (the 'academy') for the year ended 31 August 2022 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 2021 to 2022 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 2022 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 2021 to 2022 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.

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

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

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**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.

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

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

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**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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

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

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

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**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.

*WR Partners*

**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

Date:

*30/11/22*

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

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

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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 2021 to 2022, 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 2021 to 31 August 2022 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 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 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.



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

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

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**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 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*WR Partners*

Andrew Malpass BA FCA  
**WR Partners**  
Chartered Accountants  
Statutory Auditors

Belmont House  
Shrewsbury Business Park  
Shrewsbury  
Shropshire  
SY2 6LG

Date:

*30/11/22*

**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 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>						
Donations and capital grants	3	4,776	-	10,836	15,612	28,676
Other trading activities	5	30,320	-	-	30,320	7,578
Investments	6	24	-	-	24	21
Charitable activities		-	538,560	-	538,560	506,346
<b>Total income</b>		<b>35,120</b>	<b>538,560</b>	<b>10,836</b>	<b>584,516</b>	<b>542,621</b>
<b>Expenditure on:</b>						
Charitable activities		14,028	581,550	17,278	612,856	531,515
<b>Total expenditure</b>		<b>14,028</b>	<b>581,550</b>	<b>17,278</b>	<b>612,856</b>	<b>531,515</b>
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>21,092</b>	<b>(42,990)</b>	<b>(6,442)</b>	<b>(28,340)</b>	<b>11,106</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	22	-	325,000	-	325,000	(44,000)
<b>Net movement in funds</b>		<b>21,092</b>	<b>282,010</b>	<b>(6,442)</b>	<b>296,660</b>	<b>(32,894)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		90,811	(197,375)	575,637	469,073	501,967
Net movement in funds		21,092	282,010	(6,442)	296,660	(32,894)
<b>Total funds carried forward</b>		<b>111,903</b>	<b>84,635</b>	<b>569,195</b>	<b>765,733</b>	<b>469,073</b>

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

The notes on pages 28 to 51 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 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	13	556,098	566,097
		<u>556,098</u>	<u>566,097</u>
<b>Current assets</b>			
Debtors	14	30,730	24,681
Cash at bank and in hand		273,714	254,183
		<u>304,444</u>	<u>278,864</u>
Creditors: amounts falling due within one year	15	(50,809)	(39,888)
<b>Net current assets</b>		<u>253,635</u>	<u>238,976</u>
<b>Total assets less current liabilities</b>		<u>809,733</u>	<u>805,073</u>
<b>Net assets excluding pension liability</b>		<u>809,733</u>	<u>805,073</u>
Defined benefit pension scheme liability	22	(44,000)	(336,000)
<b>Total net assets</b>		<u><u>765,733</u></u>	<u><u>469,073</u></u>

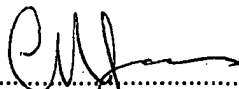
**BARROW 1618 THE SCHOOL CO**  
(A company limited by guarantee)  
REGISTERED NUMBER: 07640198

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2022.**

	Note	2022 £	2021 £
<b>Funds of the academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	16	569,195	575,637
Restricted income funds	16	128,635	138,625
Restricted funds excluding pension asset	16	697,830	714,262
Pension reserve	16	(44,000)	(336,000)
<b>Total restricted funds</b>	16	<b>653,830</b>	<b>378,262</b>
<b>Unrestricted income funds</b>	16	<b>111,903</b>	<b>90,811</b>
<b>Total funds</b>		<b>765,733</b>	<b>469,073</b>

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 24 to 51 were approved and authorised for issue by the Governors and are signed on their behalf, by:

  
.....  
**Carolyn Jones**  
Chair of Governors

  
.....  
**Charlotte Hayes**  
Accounting Officer

Date: 30/11/22

30.11.22

The notes on pages 28 to 51 form part of these financial statements.

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

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	18	27,324	5,954
<b>Cash flows from investing activities</b>	19	(7,793)	(15,576)
<b>Change in cash and cash equivalents in the year</b>		19,531	(9,622)
Cash and cash equivalents at the beginning of the year		254,183	263,805
<b>Cash and cash equivalents at the end of the year</b>	20, 21	<u>273,714</u>	<u>254,183</u>

The notes on pages 28 to 51 form part of these financial statements

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

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

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**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 2021 to 2022 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.

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

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

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**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.

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

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

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**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.



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

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

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**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.

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

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

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**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.

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

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

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**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 2022. 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**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted fixed asset funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Donations	4,776	-	4,776	23,641
Capital Grants	-	10,836	10,836	5,035
<b>Total 2022</b>	<b>4,776</b>	<b>10,836</b>	<b>15,612</b>	<b>28,676</b>
<b>Total 2021</b>	<b>3,333</b>	<b>25,343</b>	<b>28,676</b>	

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**4. Funding for the academy's educational operations**

	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	451,258	451,258	406,165
Other DfE/ESFA grants			
Other DfE / ESFA Grant Income	-	-	17,988
Pupil Premium	18,087	18,087	18,243
Universal Infant Free School Meals (UIFSM)	24,613	24,613	8,279
Rates Reclaim	629	629	-
PE and Sports Grant	16,810	16,810	16,770
	<u>-</u>	<u>511,397</u>	<u>467,445</u>
<b>Other Government grants</b>			
Local Authority - SEN	-	-	7,007
Student Support Services	3,749	3,749	779
	<u>3,749</u>	<u>3,749</u>	<u>7,786</u>
<b>Other income from the academy's educational operations</b>	23,414	23,414	31,115
<b>Total 2022</b>	<u>538,560</u>	<u>538,560</u>	<u>506,346</u>
<b>Total 2021</b>	<u>506,346</u>	<u>506,346</u>	

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**5. Income from other trading activities**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other income	297	297	595
Income From Clubs	30,023	30,023	6,983
<b>Total 2022</b>	<u>30,320</u>	<u>30,320</u>	<u>7,578</u>
<i>Total 2021</i>	<u>7,578</u>	<u>7,578</u>	

**6. Investment income**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank Interest	24	24	21
<b>Total 2022</b>	<u>24</u>	<u>24</u>	<u>21</u>
<i>Total 2021</i>	<u>21</u>	<u>21</u>	

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**7. Expenditure**

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Academy's Educational Operations:					
Direct costs	280,259	-	25,443	305,702	255,776
Allocated support costs	103,919	69,249	133,986	307,154	275,739
<b>Total 2022</b>	<b>384,178</b>	<b>69,249</b>	<b>159,429</b>	<b>612,856</b>	<b>531,515</b>
<b>Total 2021</b>	<b>353,053</b>	<b>55,379</b>	<b>123,083</b>	<b>531,515</b>	

**8. Analysis of expenditure by activities**

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Academy's Educational Operations	305,702	307,154	612,856	531,515
<b>Total 2021</b>	<b>255,776</b>	<b>275,739</b>	<b>531,515</b>	

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**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	Academy's Educational Operations 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	265,259	265,259	240,264
Educational Supplies	40,152	40,152	15,512
Risk Protection Arrangement Fees	291	291	-
<b>Total 2022</b>	<b>305,702</b>	<b>305,702</b>	<b>255,776</b>
<i>Total 2021</i>	<i>255,776</i>	<i>255,776</i>	

**Analysis of support costs**

	Academy's Educational Operations 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	150,919	150,919	135,789
Depreciation	17,278	17,278	19,795
Examination Fees	12	12	28
Staff Development	2,580	2,580	4,650
Non-educational Supplies	33,247	33,247	33,168
Risk Protection	-	-	1,551
Premises	69,249	69,249	53,828
Catering	33,869	33,869	26,930
<b>Total 2022</b>	<b>307,154</b>	<b>307,154</b>	<b>275,739</b>
<i>Total 2021</i>	<i>275,739</i>	<i>275,739</i>	

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**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Depreciation of tangible fixed assets	17,792	19,568
Fees paid to auditors for:		
- audit	5,650	5,400
- other services	3,640	2,750
	<u>17,792</u>	<u>19,568</u>

**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	288,601	269,269
Social security costs	20,291	19,172
Pension costs	102,034	86,423
	<u>410,926</u>	<u>374,864</u>
Agency staff costs	5,252	1,189
	<u>416,178</u>	<u>376,053</u>

**b. Staff numbers**

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

	2022 No.	2021 No.
	21	16
	<u>21</u>	<u>16</u>

The average head-count expressed as full time equivalents was 11 (2021: 11).

**c. Higher paid staff**

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



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**10. Staff (continued)**

**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 £147,979 (2021 £140,830 as restated).

**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:

		2022	2021
		£	£
Sian Stephenson, Headteacher	Remuneration	50,000 -	50,000 -
		55,000	55,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
Shannon Adams, Staff Governor	Remuneration	25,000 -	30,000 -
		30,000	35,000
	Pension contributions paid	5,000 -	
		10,000	

During the year ended 31 August 2022, no Governor expenses have been incurred (2021 - £NIL).

**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.

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**13. Tangible fixed assets**

	Property Improvements £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 September 2021	641,710	107,917	63,845	7,250	820,722
Additions	6,049	1,449	295	-	7,793
Disposals	-	-	-	(7,250)	(7,250)
At 31 August 2022	<u>647,759</u>	<u>109,366</u>	<u>64,140</u>	<u>-</u>	<u>821,265</u>
<b>Depreciation</b>					
At 1 September 2021	86,767	100,512	60,096	7,250	254,625
Charge for the year	12,861	2,560	2,371	-	17,792
On disposals	-	-	-	(7,250)	(7,250)
At 31 August 2022	<u>99,628</u>	<u>103,072</u>	<u>62,467</u>	<u>-</u>	<u>265,167</u>
<b>Net book value</b>					
At 31 August 2022	<u>548,131</u>	<u>6,294</u>	<u>1,673</u>	<u>-</u>	<u>556,098</u>
At 31 August 2021	<u>554,943</u>	<u>7,405</u>	<u>3,749</u>	<u>-</u>	<u>566,097</u>

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.

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**14. Debtors**

	2022 £	2021 £
<b>Due within one year</b>		
Trade debtors	525	795
Other debtors	26,668	18,869
Prepayments and accrued income	3,537	5,017
	<u>30,730</u>	<u>24,681</u>

**15. Creditors: Amounts falling due within one year**

	2022 £	2021 £
Trade creditors	18,712	6,901
Other taxation and social security	5,784	5,644
Other creditors	6,907	5,496
Accruals and deferred income	19,406	21,847
	<u>50,809</u>	<u>39,888</u>

	2022 £	2021 £
Deferred income at 1 September 2021	14,377	14,524
Resources deferred during the year	17,656	14,377
Amounts released from previous periods	(14,377)	(14,524)
	<u>17,656</u>	<u>14,377</u>

The majority of the deferred income balance is ESFA income received in the year that relates to 2023. In addition, a rent rebate relating to the 2023 year, is also included.

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**16. Statement of funds**

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>					
General Funds	90,811	35,120	(14,028)	-	111,903
<b>Restricted general funds</b>					
General annual grant (GAG)	-	451,258	(451,258)	-	-
Pupil Premium	-	18,087	(18,087)	-	-
Other grants	138,625	69,215	(79,205)	-	128,635
Pension reserve	(336,000)	-	(33,000)	325,000	(44,000)
	(197,375)	538,560	(581,550)	325,000	84,635
<b>Restricted fixed asset funds</b>					
Restricted Fixed assets funds - all funds	575,637	10,836	(17,278)	-	569,195
<b>Total Restricted funds</b>	378,262	549,396	(598,828)	325,000	653,830
<b>Total funds</b>	469,073	584,516	(612,856)	325,000	765,733

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 2023.

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**16. Statement of funds (continued)**

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

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
<b>Unrestricted funds</b>					
General Funds	83,110	10,932	(3,231)	-	90,811
<b>Restricted general funds</b>					
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)
	<u>(151,232)</u>	<u>506,346</u>	<u>(508,489)</u>	<u>(44,000)</u>	<u>(197,375)</u>
<b>Restricted fixed asset funds</b>					
Restricted Fixed Asset Funds - all funds	570,089	25,343	(19,795)	-	575,637
<b>Total Restricted funds</b>	<u>418,857</u>	<u>531,689</u>	<u>(528,284)</u>	<u>(44,000)</u>	<u>378,262</u>
<b>Total funds</b>	<u><u>501,967</u></u>	<u><u>542,621</u></u>	<u><u>(531,515)</u></u>	<u><u>(44,000)</u></u>	<u><u>469,073</u></u>

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**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	(13,097)	-	569,195	556,098
Current assets	175,809	128,635	-	304,444
Creditors due within one year	(50,809)	-	-	(50,809)
Provisions for liabilities and charges	-	(44,000)	-	(44,000)
<b>Total</b>	<b>111,903</b>	<b>84,635</b>	<b>569,195</b>	<b>765,733</b>

**Analysis of net assets between funds - prior 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)
<b>Total</b>	<b>90,811</b>	<b>(197,375)</b>	<b>575,637</b>	<b>469,073</b>

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**18. Reconciliation of net (expenditure)/income to net cash flow from operating activities**

	2022 £	2021 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(28,340)	11,106
<b>Adjustments for:</b>		
Depreciation	17,792	19,568
(Increase)/decrease in debtors	(6,049)	9,023
Increase/(decrease) in creditors	10,921	(56,743)
FRS 102 adjustment	33,000	23,000
<b>Net cash provided by operating activities</b>	<b>27,324</b>	<b>5,954</b>

**19. Cash flows from investing activities**

	2022 £	2021 £
Purchase of tangible fixed assets	(7,793)	(15,576)
<b>Net cash used in investing activities</b>	<b>(7,793)</b>	<b>(15,576)</b>

**20. Analysis of cash and cash equivalents**

	2022 £	2021 £
Cash in hand and at bank	273,714	254,183
<b>Total cash and cash equivalents</b>	<b>273,714</b>	<b>254,183</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**21. Analysis of changes in net debt**

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	254,183	19,531	273,714
	<u>254,183</u>	<u>19,531</u>	<u>273,714</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 £5,384 were payable to the schemes at 31 August 2022 (2021 - £5,271) 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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**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 2024.

The employer's pension costs paid to TPS in the year amounted to £40,285 (2021 - £37,704).

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 2022 was £20,000 (2021 - £17,000), of which employer's contributions totalled £15,000 (2021 - £13,000) and employees' contributions totalled £5,000 (2021 - £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 1.13 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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**22. Pension commitments (continued)**

**Principal actuarial assumptions**

	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	<b>4.05</b>	<b>4.05</b>
Rate of increase for pensions in payment/inflation	<b>2.9</b>	<b>2.90</b>
Discount rate for scheme liabilities	<b>4.3</b>	<b>1.70</b>
Inflation assumption (CPI)	<b>2.8</b>	<b>2.80</b>

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

	<b>2022</b>	<b>2021</b>
	<b>Years</b>	<b>Years</b>
<i>Retiring today</i>		
Males	<b>22.9</b>	<b>23.0</b>
Females	<b>25.1</b>	<b>25.1</b>
<i>Retiring in 20 years</i>		
Males	<b>24.1</b>	<b>24.3</b>
Females	<b>26.7</b>	<b>26.7</b>

**Sensitivity analysis**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1%	<b>34</b>	<b>319</b>
0.1%pa inflation	<b>55</b>	<b>353</b>
Pay growth +0.1%	<b>45</b>	<b>338</b>
Life expectancy +1 year	<b>53</b>	<b>357</b>

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**22. Pension commitments (continued)**

**Share of scheme assets**

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

	2022 £	2021 £
Equities	171,000	177,000
Property	16,000	12,000
Cash and other liquid assets	7,000	6,000
Other	99,000	84,000
Other Bonds	70,000	69,000
<b>Total market value of assets</b>	<b>363,000</b>	<b>348,000</b>

The actual return on scheme assets was £1,000 loss (2021 - £45,000 gain).

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

	2022 £	2021 £
Current service cost	(41,000)	(30,000)
Interest cost	6,000	(6,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(35,000)</b>	<b>(36,000)</b>

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

	2022 £	2021 £
<b>At 1 September</b>	<b>684,000</b>	<b>559,000</b>
Current service cost	41,000	30,000
Interest cost	12,000	11,000
Employee contributions	5,000	4,000
Actuarial (gains)/losses	(332,000)	83,000
Benefits paid	(3,000)	(3,000)
<b>At 31 August</b>	<b>407,000</b>	<b>684,000</b>

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

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**22. Pension commitments (continued)**

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

	2022 £	2021 £
<b>At 1 September</b>	<b>348,000</b>	<b>290,000</b>
Return on plan assets (excluding net interest on the net defined pension liability)	6,000	5,000
Actuarial (losses)/gains	(7,000)	39,000
Employer contributions	15,000	13,000
Employee contributions	5,000	4,000
Benefits paid	(3,000)	(3,000)
Administration expenses	(1,000)	-
<b>At 31 August</b>	<b>363,000</b>	<b>348,000</b>

**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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**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 £2,738 (2021: £4,515).

During the year, the daughter of one of the Trust's key management personnel, was employed by the Trust. The total salary for the year was £684 (2021: £NIL).

**Income Related Party Transaction:**

During the year Friends of Barrow, an organisation which Christian Toon (Governor) is a member of, donated £NIL, (2021: £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 £NIL, (2021: £10,309) to the Academy Trust. The donation was restricted in its nature.