

Registered company number: 06596258
Registered Charity number: 1125375

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

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BARNARD CASTLE SCHOOL
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2022**

Governors

Mr P D A Mothersill, (resigned as Chair on 1 September 2021)
Mrs C J Sunley, Chair (appointed as Chair on 1 September 2021)
Mr N J Bliss, Vice Chair
Ms S A A Ali
Mr I M Allison
Dr J R Elphick
Mr N P Hodges, Old Barnardians Club¹
Mr J H Hunter (resigned 29 March 2022)
Mr P A Kelsall
Ms K J Marshall (appointed 18 October 2021)
Mr R I Moffatt
Ms C M Newnam (resigned 30 April 2023)
Mr D C Osborne
Mr D S Penny (resigned 16 September 2021)
Dr J K Ramsingh (appointed 1 November 2022)
Mr E R Rendall
Ms A E Rhodes (appointed 1 November 2022)
Mr G M Richardson, Durham County Council¹
Mr D F Starr, Durham University¹
Dr N Thorpe, Newcastle University (resigned 31 August 2022)¹
Ms D Vinsome

¹ Nominated Governors

Company registered number

06596258

Charity registered number

1125375

Registered office

Newgate
Barnard Castle
County Durham
DL12 8UN

Company secretary

Mrs S M Metcalf

The Headmaster

Mr A C Jackson

BARNARD CASTLE SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Independent auditors

Clive Owen LLP
Chartered Accountants and Statutory Auditors
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Bankers

NatWest Bank Plc
29 Newgate Street
Bishop Auckland
County Durham
DL14 7ET

Investment Advisers

BlackRock Fund Managers Limited
12 Throgmorton Avenue
London
EC2N 2DL

Brewin Dolphin
10 Wellington Place
Leeds
LS1 4AN

BARNARD CASTLE SCHOOL
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CHAIR'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The chair presents her statement for the year.

September 2021 heralded the start of a new term and the return to "normality" for pupils and staff, although, each was a little wiser and more appreciative of the freedoms which were previously taken for granted. Pupils embraced the increasing number of sporting and extra-curricular activities and it was uplifting to see a Prep School coach leave for the first residential trip in over 2 years. Music and Drama were more popular than ever and delivered a number of excellent performances over the year, supported by a School choir of over 90 pupils. Trinity Term saw the return of external examinations for GCSE's and A-Levels, and the pupils, once again, took this in their stride producing an excellent set of results which allowed them all to continue on their chosen paths.

Charity and contribution to the wider community were themes that dominated the year. The parent body was phenomenal in their response to the Ukraine crisis providing both financial support as well as much needed supplies and their onward transportation to Ukraine. In turn, the pupils played their part with a number of charitable events including a sponsored swim by two Prep pupils.

Michaelmas saw the formation of a community theatre company called TOYS (Teesdale Operatic Youth Society), a partnership between the School and Teesdale Operatic Society which is open to any child and young person aged 8 – 18 from the local area. This new collaboration delivered 4 sell-out performances of Matilda involving 18 pupils from the School and 19 external students from state schools throughout the region.

There were many highlights in the year, however, one stands out for not only the sheer scale of the event but also because it encompassed all that has been missed over the last few years. The entire School, from Prep to Sixth Form, performed at the Sage in Gateshead in a Gala Concert; an event which had been deferred but finally got the go ahead on March 16th, in front of a packed audience of parents and staff. The concert featured performances from the Joint Schools' Orchestra, the Prep School Chamber Choir, the Senior School Chamber Choir, the Chapel Choir, the Jazz Band, the Wind Band, a Saxophone Ensemble, the cast of Oliver and large-scale performances from every pupil in the School. The concert ended with the whole School singing "Happy" in the largest group performance the Sage had ever seen.

School numbers increased once more to their highest in 11 years in both totality and in boarding numbers. The overseas market continues to thrive whilst the Sixth Form numbers are the strongest that they have ever been, which is testament to the breadth and depth of education as the pupils are prepared for the next phase of their lives.

Investment in the fabric of the School continued with the creation of a new Design & Technology workshop space, total refurbishment of the boys boarding bathroom facilities, new windows and doors for the teaching buildings, new visitor room and staff room for the Prep School, a new grounds tractor and the commencement of a phased refurbishment of the kitchen beginning with major electrical upgrades and the installation of new catering equipment. The School is committed to sustainable energy and is very proud that its investment in LED lighting infrastructure is now 70% LED fittings. The Prep School was very grateful for a generous donation which subsidised the purchase of a significant number of classroom devices allowing the younger years to develop their IT skills.

Finally, and with great sadness, within 15 hours of the announcement of the passing of HM Queen Elizabeth II, the School paid its respects with a poignant and fitting service in which all pupils played their part.



Mrs C J Sunley, Chair
Date: 18 May 2023

BARNARD CASTLE SCHOOL
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

Barnard Castle School is a charitable company limited by guarantee, which owns all of the land, buildings and other assets of the School. It is registered with Companies House (Company Number 6596258) and with the Charity Commission (Charity Number 1125375).

The Governors, who are also directors and trustees of the Charity, present their Annual Report and audited Financial Statements for the year ended 31 August 2022. The Governors confirm that the Annual Report and Financial Statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities, preparing these accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Governors confirm that they have complied with their duty to have due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant. Evidence of our public benefit is detailed throughout section of this Report entitled "Review of the Year".

Barnard Castle School is an independent day and boarding school in the North East of England for boys and girls from the age of 4 to 18. The Governors and the School are always guided by the charitable objectives:

- to inspire pupils in a safe, happy and supportive environment; and
- to provide an educational experience which combines academic rigour with a breadth of extra-curricular opportunities designed to help each child to find their own individual focus and to develop to their fullest potential.

The School opened in September 1883 under the leadership of Headmaster Reverend F.L. Brereton, moving to its present location in 1886. Initially, funding came from three sources: the estate of Benjamin Flounders; funds from St John's Hospital, which was founded in 1229 by John Balliol, Lord of Barnard Castle; and voluntary subscriptions collected from Northumberland, Durham and the North Riding of Yorkshire. In September 1914 Barnard Castle Preparatory School opened with ten boys in Westwick Lodge. In 1924 the School changed its name to Barnard Castle School, and in 1982 the School became co-educational. Barnard Castle School was incorporated in 2008.

School life continues to be characterised by the following values which were laid down at the School's inception in 1883:

- **Community**
Our staff and pupils feel part of something bigger than themselves, not just during their time at School, but for the rest of their lives;
- **Endeavour**
The School encourages its pupils to be intellectually curious, to be multi-dimensional and to embrace new challenges as they arise;
- **Integrity**
Pupils are helped to develop a robust work ethic, to have consistency and humility in their actions towards other people and to apply a strong moral compass in all that they do;
- **Compassion**
Being part of the community requires each individual to care about other people's happiness. By developing high level emotional intelligence, each child is expected to treat others with kindness and understanding;
- **Duty**
The School is committed to imbue its pupils with an understanding that they have a moral obligation to serve others and to seek out opportunities to enrich the wider community with an altruistic and selfless outlook; and
- **Enjoyment**
The community aspires to bring a sense of fun and enjoyment in all that it does for and with others. By striving to be the best version of ourselves and by adopting the values set out above, we aim to enjoy our lives and make ourselves and those around us happy and proud.

BARNARD CASTLE SCHOOL
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Purpose and Aims

The purpose of the School is:

"through creating an inspirational, compassionate and unpretentious environment, we aim to develop young adults with character. They are happy, confident, resilient, intellectually curious, tolerant, driven, and with a foundation of humanity, who are ready and prepared to face, embrace and lead in an ever-changing world."

This Purpose forms the basis of the Strategic Plan which highlights a set of Key Features that link to a concise set of School and Operational Strategic Aims. These Aims are aligned to the Governance Structure set out below, which makes the responsibility and accountability for the attainment of our Strategic Aims clear and transparent.

The Senior Management Team (SMT) own the School Development Plan, which defines the specific and time-bound objectives and actions required to achieve the Strategic Aims and the SMT makes regular progress reports to the Board of Governors.

When considering the Purpose, the SMT have identified the following Key Features:

- A Community
- Character Developers
- Fully co-educational Boarding and Day School
- A Broad Entry
- Traditional values in a Contemporary setting

With these Key Features in mind, the following Strategic Aims have been set:

- Wellbeing - *We aim to be recognised as the leading school for outstanding pastoral care in the North of England, ensuring the safeguarding and protection of each individual associated with the School, from pupils to employees and educating everyone in understanding positive mental health.*
- Character - *We aim to develop confidence, humility, resilience, tolerance, determination, a strong spiritual and moral compass, altruism and soft/life skills in each of our pupils.*
- Curiosity - *We aim to develop young adults who are intellectually curious, possess an appetite for learning, have an independent attitude towards their intellectual development, a thirst for knowledge and are culturally literate; culminating in academic results which maximise potential.*
- Journey - *We aim to use our 'whole School' to see genuine development from the age of entry until departure and beyond, in all aspects of life.*
- Interaction - *We aim to promote the School in the wider community, raising awareness regionally, nationally and internationally and be the 'school of choice' in the area; for pupil, parent and teacher.*

Underpinning these are the Operational Aims which are devised to ensure the effective running of the School:

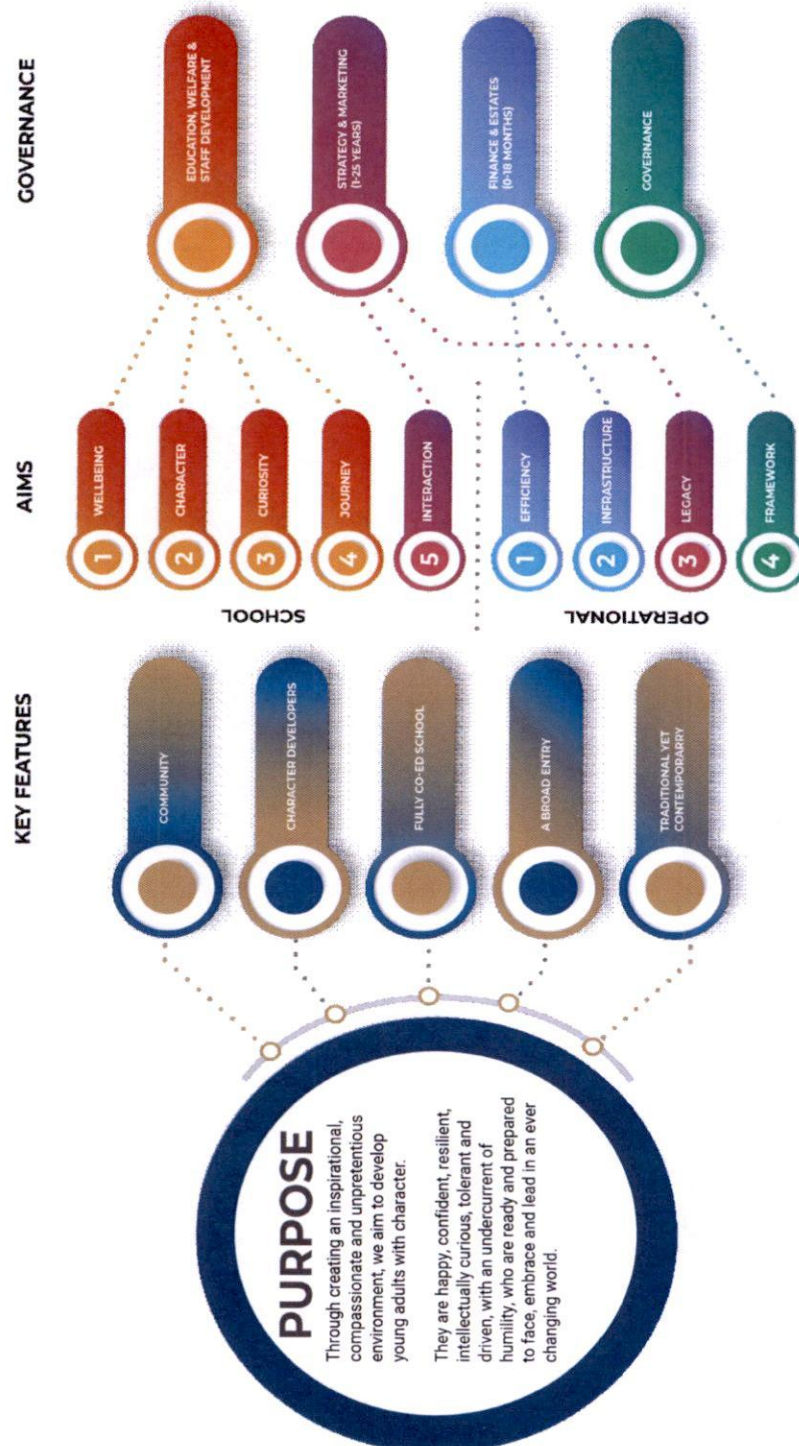
- Efficiency - *We aim to ensure the smooth day to day financing and running of the School, with the overall objective of ensuring the School operates within prudent financial parameters.*
- Infrastructure - *We aim to ensure the upkeep, safety and appropriateness of the facilities and to ensure that those individuals working at the School are high quality, strongly performing individuals.*
- Legacy - *We aim to establish and maintain a strong alumni network; to plan and prepare for the next generations of Barnardians, looking at future capital projects as well as scholarship and bursary funding which will see the School go from strength to strength.*
- Framework - *We aim to ensure that the School is compliant with all relevant laws and regulations, and to mitigate risk.*

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

Purpose and Aims (continued)

Governance responsibilities for delivering the School's Strategic Plan



BARNARD CASTLE SCHOOL
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report

Review of the Year



The School is committed to safeguarding and promoting the welfare of its pupils and staff and expects all those involved with the School to share this commitment. The objective is to create a culture and community where all pupils, staff and parents can confidently speak openly and feel that they are being listened to, by each other as well as by the School. The aim is to develop self-aware pupils who are empathetic, are armed with a sense of perspective and gratitude and have an understanding of the importance of a robust mental health.

Wellbeing is embedded into the curriculum with themed lessons and programmes such as "Headspace", which provides a weekly timeslot in which topics such as Mental Health, Equality and Diversity, can be explored in either a group setting or staff led. The curriculum is supported by a number of external speakers and a variety of initiatives, some staff led and some initiated by the pupils themselves. Examples of these during the course were:

- Themed weeks included Anti-Bullying Week, Black History Month and Mental Health Week.
- Representatives from the Diversity Trust and Autism North East delivered passionate and informative lectures to the teaching staff.
- Assemblies continued to provide a platform for reinforcing pastoral messages and the Barney ethos and culture. Topics have included Online Safety, Peer Support, Sexual Harassment, diversity issues as well as gratitude, integrity, courage, humour and compassion.
- The Sixth Form Diversity Focus Group met regularly delivering talks to their fellow pupils and ensuring that student voices were heard.
- Parents continue to access Parents' Pastoral Forums, either virtually or at School, dealing with relevant issues such as Support Networks, Diversity and Inclusion and Everyone's Invited.
- The Barney Burrow is a listening hub for Prep School children to speak to U6th students regarding any worries or concerns that they may have.

Investment in the Boarding Houses continued with the commencement of a phased programme for the boys boarding rooms beginning with a major mechanical, electrical and fittings refurbishment of all of the boarding bathroom facilities.

At the heart of every education is a healthy staff body who strive to achieve the best for their pupils as a result of an appropriate work/life balance. The Designated Staff Liaison Governor meets each term with the staff and is responsible for understanding and representing the views of the Common Room and non-teaching staff on the issues being discussed by the Governing Body and ensuring that staff welfare and development needs are being met.

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

Strategic report (continued)

Review of the Year (continued)



The School is renowned for the focus it places on character development and this is a significant strength of the School. Whilst academic success is essential, the development of character and life skills, especially in a world which is being increasingly dominated by Artificial Intelligence, is of vital importance. The objective is to ensure all pupils are aware of this, and to formulate a structure in which every pupil understands and gains access to a programme which focuses on character development.

Activity Programme and House Activities

The Activity Programme and House Activities are an important part of a Barney education and all pupils throughout the School are encouraged to take part in the excellent array of activities on offer which range from CCF and sport to chess and debating. Participation in these activities is seen to be a core requirement for all pupils allowing them to develop their character and learn new skills.

House activities continued throughout the year with house points available for every single competition, contributing towards an overall end of term victor for each of the School Houses.

The Co-Curricular Programme in Prep School offers a huge number of activities, alongside supervised homework sessions. Pupils are encouraged to participate in activities which include hockey, netball, Lego, Junior Duke, Rock and Pop band and Eco-Warriors, to name a few. This year, an early morning swim session at 7:45am was introduced for years 3-6.

Charity

The School continues to promote and support a number of charitable organisations with the pupils undertaking a variety of fundraising activities.

The Ukraine Crisis called for immediate action and the parent body was phenomenal in its response providing both financial support as well as medical supplies, outdoor items, hygiene products, food and winter clothing, and the transportation of this support to Ukraine. Pupils also played their part including a sponsored swim by two Prep pupils which raised over £1,000.

In addition, a total of £10,952 was raised during the year for the following charities:

- Brain Tumour Research
- The Woodland Trust
- Veterans Wood Craft
- Macmillan Cancer
- Mary's Meals
- MIND
- Save the Children
- Toilet Twinning – 4 latrines in Africa and the Sudan
- A number of CCF cadets took part in the Walking Home for Christmas Campaign

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

Strategic report (continued)

Review of the Year (continued)

Combined Cadet Force (CCF)

The CCF programme continues to flourish with a cadet strength of 171 Army and 26 RAF cadets. CCF offers pupils a broad range of challenging, exciting, adventurous and educational activities aimed at developing personal responsibility, leadership and self-discipline.

The cadets have embraced the return to "normal" schooling:

- 43 Year 9 cadets were awarded their half stars for successfully completing two components of the basic cadet syllabus.
- 43 Year 9 and 48 Year 10 cadets were awarded their cadet GP rifle badge for completing the skills at arms cadre.
- 45 Year 11 cadets were awarded their first star badge for completing their basic cadet syllabus.
- 50 Year 10 cadets completed their Bronze NNAS (National Navigational Award Scheme).
- 43 Year 9 and 50 Year 10 cadets completed their basic first aid cadre.
- 47 Year 11 and 3 Year 12 cadets completed their Cadet Force Instructional Techniques cadre.
- 9 Year 13 cadets completed their advanced leadership cadre.
- 50 Year 10 cadets completed their leadership and development cadre.
- All Year 11, 12 and 13 cadets completed their advanced tactics cadre and 9 Year 13 completed their advanced leadership cadre.
- 38 cadets enjoyed a day on the ranges at Catterick.
- 14 RAF cadets were awarded their Part 1 Proficiency Certificates and have been promoted to lance corporal.
- 9 RAF cadets gained their First-Class Cadet certificates.
- 5 cadets completed a Level 2 BTEC Qualification in Teamwork and Personal Development in the Community.
- 20 cadets went on an air flying experience day at RAF Leeming.
- 35 cadets enjoyed a 5-day summer camp at Barry Budden Training Camp in Scotland.

In addition:

- One cadet has been appointed as a Lord-Lieutenant Cadet for County Durham and Teesside.
- 5 cadets received gold medals for walking a total of 120 km over a 4-day period.
- Over 100 cadets competed in the annual RFCA Tri-Climb Competition and the School were overall winners with a number of individuals successes.
- 4 cadets were awarded the Combined Cadet Force Association National Praiseworthy Action Certificates for assisting an elderly gentleman who had fallen.
- 2 cadets received the highest award with the CCF – that of The Master Cadet.

Duke of Edinburgh Award

Participation in the Duke of Edinburgh programme continues to be very popular with 55 pupils camping on a 2-day 1-night training expedition in Teesdale and 17 pupils completing a 3-day 2-night wild camping expedition to the High Pennines.

During the year 37 Year 11 pupils completed their Silver assessed expedition, 15 Year 11 pupils completed all sections, and 20 Year 12 and 13 pupils completed their Gold assessed expedition.

This year has also seen the introduction of Junior Duke in Prep School, a junior version of the Duke of Edinburgh Award, which encourages children to learn life skills to increase their independence and resilience. It has proved to be very popular and is enjoyed by the pupils as they work through their activities such as cooking a meal with a budget and packing a hiking bag for a trip.

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

Strategic report (continued)

Review of the Year (continued)

Sport

The return to post Pandemic "normal" schooling allowed pupils to engage in the huge range of different sporting activities available to them. It is gratifying to see this interest continuing outside the School with a large number of students representing the County in a range of sporting disciplines. Opportunities to compete are provided through House competitions, inter school fixtures and County and National competitions.

2021/22 provided the following highlights:

- Cricket
 - o 4 Prep pupils were selected to take part in the Durham County Pathway Cricket training programme.
 - o Girl's cricket continues to flourish and the U13 and U15 teams qualified for the regional finals of the Lady Taversers Cup.
- Rugby
 - o The 1st XV reached the semi-final of the National Competition whilst the 2nd XV enjoyed a second consecutive unbeaten season.
 - o U12's finished 2nd in the County 7's tournament and the U13's won the County 7's.
 - o Two pupils have been involved in U18 England Development camps.
 - o 14 pupils are involved in the U17/18 Newcastle Falcons Academy and 4 pupils at U16 level.
 - o 6 pupils were selected for the U18 Durham County Squad and 8 pupils for the U15 Durham Performance Pathway and 2 pupils were selected for U14 DPP.
- Hockey
 - o In the Senior School 31 girls and 15 boys were selected to play for Durham County and 1 girl was selected to play for North Yorkshire Hockey.
 - o In the Prep School 2 pupils have been selected to play for Durham County U12 Hockey.
 - o Years 5 and 6 were County Champions.
 - o An U17 player continues to be involved in the England Hockey Performance Pathway.
 - o 2 pupils have been invited to train with Durham University's National League team.
- Netball
 - o The continued partnership with Leeds Rhinos Netball has enabled pupils to access extra coaching.
 - o An U6th girl was selected for U19 England Roses Academy Positional training.
 - o 3 pupils were selected for U15 County and 2 for U13 County teams.
- Equestrian
 - o The Equestrian team has almost doubled in size over the past year and has competed in a record number of competitions in Show Jumping, Dressage and Eventing.
 - o 4 Prep pupils represented the School in National Schools Equestrian Association (NSEA) events.
 - o A Year 12 pupil competed in two FEI International competitions, winning the 110cm in Wales.
- Swimming
 - o A Year 11 pupil gained 1st ranking in the Region.
- Squash
 - o The 1st team came 3rd in the National Schools Squash Championship.
- Cross Country
 - o 37 pupils qualified for County Cross Country Championships.
- Football
 - o A Year 12 pupil made her debut for Middlesbrough FC's ladies Football Team.
- Golf
 - o A Year 4 pupil has been selected as the Girl's Captain for Blackwell Golf Club.

In September, over the first exeat weekend in the year, the School hosted 36 rugby and hockey teams from both the state and independent sectors in a Festival Weekend allowing over 400 children the opportunity to safely return to these sports. It also provided the opportunity for 12 Sixth Form pupils to utilise their new qualifications by refereeing all of the games.

In Trinity Term, the first Year 3 Cricket Festival allowed over 150 pupils from 8 different primary schools to experience coaching and game play. The event gave the senior cricket players the opportunity to demonstrate their leadership, communication and coaching skills.

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

Strategic report (continued)

Review of the Year (continued)

Societies

Exploring interests beyond the curriculum is important and student-run societies are encouraged and supported by staff where needed. With over 20 societies and clubs now in existence, students create a personalised Sixth Form experience, well beyond the A Level classroom. Societies include MedSoc, LawSoc, Debating Society, Egalitarian Society, the Oxbridge Corner, MathsSoc, History Society, Economics Society and the Mythological Society.

Drama

Drama has had a very busy year both in the community and in School, whilst delivering some excellent performances all of which have been sold out.

Michaelmas Term saw the formation of a community theatre company called TOYS (Teesdale Operatic Youth Society), a partnership between the School and Teesdale Operatic Society which is open to any child aged 8 – 18 from the local area. Rehearsals of the group culminated in:

- TOYS performance of Matilda in 4 sell-out performances involving 18 pupils and 19 external students from state schools throughout the region.
- TOYS cabaret performance on the last 2 days of School in Trinity Term.

In October 2021, Degenerate Fox, a theatre group, came in to School and ran a workshop for all Drama scholars, finishing with a performance of their piece "The Dirty Thing" which was open to the public.

Lent Term saw the whole School musical "Oliver" which had a cast of 45 pupils who performed in 4 sell-out shows, supported by a pupil tech crew. In the Prep School, years 3 and 4 performed in the musical "Pirates vs Mermaids".

The whole of Prep School Year 5 was involved in their performance "Mystery at Magpie Manor", a hugely entertaining and energetic "whodunit" play where pupils perform amongst the audience.

LAMDA lessons, designed to inspire and empower pupils to be confident communicators, continue to be very popular in both Prep and Senior School with huge successes across the board in the examinations.

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

Strategic report (continued)

Review of the Year (continued)

Music

The relaxing of COVID restrictions saw a return of whole School singing with every pupil singing together at least once per week. Chapel Choir now boasts over 60 members in Senior School and 42 in Prep – over 14% of all pupils.

The highlight of the year was the performance of the entire School in the Whole School Gala Concert on the 16th March 2022 at the Sage Gateshead. The concert featured performances from the Joint Schools' Orchestra, Prep School Chamber Choir, Senior School Chamber Choir, Chapel Choir, Jazz Band, Wind Band, Saxophone Ensemble, the cast of Oliver and large-scale performances from every pupil in the School. The concert ended with the whole school singing "Happy" in the largest group performance the Sage had ever seen.

Interest in music lessons continued to increase with over 250 individual lessons taking place every week.

Pupils performed both in and out of School:

- The Senior School Autumn Concert featured performances by Wind Band, Jazz Band, Chapel Choir, Junior Orchestra, Senior Woodwind Ensemble, Sax Ensemble and one of the Rock and Pop Bands.
- The Lunchtime concerts continued every Friday.
- The Wind and Jazz Band performed at the Durham Christmas Market.
- The Chapel Choir, Wind Band and Jazz Band delighted an audience at the Bowes Museum at the annual Christmas Concert.
- The House Singing Competitions involve every pupil in both Prep and Senior Schools and resulted in success for Grenville (Prep) and Longfield (Senior).
- The Have a Go Concert in Prep School saw over 60 pupils performing a musical piece to their peers and parents.

Trinity Term saw a 100% pass rate for all pupils taking ABRSM, LCM and MTB Music Examinations, with 3 pupils gaining Grade 8 in Piano and Singing.

In Lent Term the world class organist, Anna Lapwood (Director of Music at Pembroke College, Cambridge and Associate Artist at the Royal Albert Hall) and William Fox (Assistant Organist at St Paul's Cathedral, London) visited the School to give a recital to celebrate the centenary of the Chapel organ.

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

Strategic report (continued)

Review of the Year (continued)



The School provides and develops an environment where intellectual curiosity and independence can thrive. IT is now firmly embedded into the life of each member of School, allowing not only for a much greater level of independence and inquisitiveness but also for education to continue irrespective of any restrictions or absences.

The weekly Sixth Form Oxbridge Corner explored issues beyond the curriculum, embracing the next chapter in pupils' lives as they plan their next steps. Extended Project Qualifications provide a further academic stretch and challenge alongside A-Level studies and evidence a genuine interest in a specific area of interest. A third of the sixth form cohort elected to undertake an EPQ with chosen topics ranging from mental health apps to a children's book on intersectional feminism.

In the Prep School, Residential School trips were reinstated with visits to Kingsway Residential Site, Robinwood and London.

Public examinations were reintroduced in Summer 2022 with the full programme of GCSE's and A Levels. After two years of no external examinations, there was considerable uncertainty as to how the pupils would fare with the general consensus being that the results would fall between those of 2019 (the last set of external examinations) and 2021. The pupils coped extremely well, delivering results which were not only significantly higher than the national average but saw good progress over the 2019 external results, allowing all of the Sixth Form leavers to enter the next phase of their lives as they had planned.



Central to the aims of the School is the provision of a seamless and coherent journey from Reception through to the end of Sixth Form. Each pupil's "journey" will show how they develop the various aspects of School life - academically, athletically, socially etc. – and allow staff to cater appropriately for each child. It is important that the pupils who are leaving the Prep School in Year 6 are prepared both mentally and emotionally for the next stage of their education in the Senior School.

An important aspect of this vision is the interaction between the Prep pupils with those from Senior School. Whole School activities such as the Barney Run offer opportunities for all pupils from across the Prep and Senior Schools to mix and to support each other and for the Prep pupils to become more familiar with the whole school facilities. A further example of pupil integration is the Barney Burrow, an initiative in the Prep School which allows pupils who have any worries or are a little sad, simply to go and talk to a member of Sixth Form in a quiet space.

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

Strategic report (continued)

Review of the Year (continued)



The School recognises and values the symbiotic relationship it has with the communities of Barnard Castle, Teesdale, County Durham and North Yorkshire. The School aims to make a positive and valued contribution to the wider community, advancing the cause of education and social welfare. To achieve this, the School strives to be recognised locally, nationally and internationally as an outstanding developer of young adults; a trusted partner for the provision of educational, sport and welfare support and resources; a great employer and a good neighbour.

As part of a new Activity programme, Monday afternoons now provide the opportunity for all pupils and staff to provide a service to the wider community including. Examples of such service include:

- The Charity group have collected and distributed food to local food banks.
- The Eco group have planted over 100m of hedgerow and have regular litter picking trips in Barnard Castle.
- Shoeboxes covered in Christmas paper and filled with small gifts were sent to boys and girls in Romania.
- The Mental Health group organised various fund-raising events to raise funds for mental health charities

In addition to educating pupils privately and not at the expense of the public purse, the School contributes to both national and local economies and also generates funds from overseas. Oxford Economics and Independent School Council Research undertook an assessment which showed that the School's contribution to national GDP in the financial year 2017/18 was £14m, including the provision of an £8m contribution to County Durham's GDP. The analysis also concluded that the total UK Tax payments supported by the School's activities amounted to £4.1m and the saving to the UK taxpayer derived from the School's pupil attendance was £3.7m. The School continues to employ a similar number of staff and it is estimated that the School's activities directly support about 340 individuals in total. The Governors believe that this assessment remains valid and it is likely that the School's contribution to both the national and local economies has increased as a result of the increase in student numbers since the 2017/18 research was undertaken.

Transformational Bursaries and Scholarships

The School has long focused on developing young people of character; individuals with the confidence, compassion, creativity and humanity to make a real difference in our ever-changing world. Moreover, providing access to children, regardless of their means, has been a core tenet of the School since 1881, when the first governing document enshrined this principle.

While the School does not have the benefit of a strong financial endowment, the School continues to support a number of pupils through Bursaries and Scholarships. Parents are encouraged to apply for Bursaries, which are awarded based on a fair and rigorous means testing process; the means assessment is revisited each year. As a result, 46 pupils received means-tested assistance with fees this year (equivalent to 26 full places). Financial assistance and educational extension opportunities were also awarded to a number of pupils who successfully gained places on the Scholarship Programme (94 in the current year).

At the end of the academic year there were 4 Ukrainian pupils in School with another joining in September. The School works closely with Darlington Borough Council and provides transformational bursaries to a number of looked after and vulnerable children from the borough. During the year the School gained accreditation with the Royal National Children's Springboard Foundation and welcomed their first Springboarder in September 2022 with the intention of more to follow each academic year.

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

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

Strategic report (continued)

Review of the Year (continued)

Educational, Sport and Welfare Community Support

A core principle of the School is the belief that it has a duty to support the local community wherever it is realistic to do so. The School has continued to provide facilities and support to a number of different organisations including:

- **Use of the School's playing fields:**
 - o Barnard Castle FC
 - o Raby Castle Cricket Club
 - o Barnard Castle Cricket Club
 - o Middleton Cricket Club
 - o Glaxo Squash
 - o Glaxo FC
 - o Durham Palatinates netball
 - o Classic Car Show
 - o North East Netball
 - o BCRUFC Ladies
 - o Teesdale Operatic Society
 - o Durham Co School cross country
 - o Pony Club Triathlon
 - o Holi Festival
 - o Durham Co Cricket (various ages)
 - o Northern Diamond Cricket Academy
 - o Girls U11 County cricket
 - o Durham Close Protection Unit Training
- **Professional development:**
 - o Hosting professional development opportunities for teachers and support staff from other schools.
 - o Hosting masterclasses and the provision of UCAS advice and interview experience for candidates from local maintained schools.
 - o Governors and staff serve on the Governing Bodies of various maintained schools.
 - o The School provides a large number of examiners to the main examination boards and one of its Heads of Departments advises Durham University on PGCE applicants.
- **Hosting events:**
 - o The Festival Weekend in September when the School hosted 36 rugby and hockey teams from both the state and independent sectors allowing over 400 children the opportunity to safely return to sport.
 - o The Cricket Festival in the Trinity Term saw over 150 pupils from 8 different primary schools experiencing coaching and game play.
 - o The School hosted an evening celebration of the Holi Festival where pupils and staff entertained the town Mayor and various members of the town.
 - o Summer Activity Weeks open to the whole community during the Summer holidays.
- **Use of the School's facilities:**
 - o Duke of Edinburgh's Award local assessors use the School as a meeting place for coordination and planning.
 - o "Cligue", a local charity, holds its annual fundraising dinner in the School.
 - o The local Barnard Castle Rotary Club use the auditorium for charity lectures.
 - o Barnard Castle School Choral Society use the Chapel.
 - o The Chapel is available for use by the community and visitors are encouraged on Heritage Open Days.
 - o The School makes additional parking available without charge to the Bowes Museum on busy occasions and for special exhibitions. Further, the School is a designated place of safety for the Bowes Museum's collection of art and artefacts.
 - o The School's playing fields are used as landing zones for helicopters carrying members of the Royal family and other dignitaries to local engagements.

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

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

Strategic report (continued)

Review of the Year (continued)

Financial review



The financial results reflected the return to normality with an increase in income driven not only by increased pupil numbers, which was countered by increases in the various direct costs headings as the pupils returned physically to School. The Financial Statements show an operating profit of £224,978 for the year before pension adjustments (2021: loss of £354,609). Included within these figures was a loss on investments of £129,198 (2021: gain of £101,243).

The net assets of the School at the balance sheet date were £8,816,852 (2021: £8,591,874). Fixed asset additions amounted to £513,068 in the year.

Admissions & Marketing

The Admissions department has continued its year-on-year improvement and raised the School roll to its highest level for 12 years. The post Covid relaxation of travel restrictions allowed international pupils to return whilst it was pleasing to see strong demand from the domestic market for both day and boarding places.

Reserves Policy

The policy of the School is to achieve an annual operating surplus which secures its future financial viability and allows continued investment in its infrastructure. As at 31 August 2022, the School held fund balances of £8,816,852 comprising £8,165,763 unrestricted funds, £605,214 restricted funds and £45,875 endowment funds.

The Durham County Council Local Government Scheme notional pension fund calculation is impacted by the assumptions made at the end of the financial year and can result in large swings in the valuation. In the short term, the opinion of the Governors is that the calculation has only a limited effect on the School's cash flow, while in the longer term the effects are expected to be sustainable out of the future income and are therefore disregarded for reserve policy purposes. Options which might mitigate the risk continue to be explored.

After making appropriate enquiries the Governors have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future.

Investment Policy

The Governors' investment powers are derived from the powers vested in them under the School's Articles of Association and they have delegated the management of the investment portfolio to Brewin Dolphin and BlackRock. The Governors' policy is to adopt a low to medium risk investment strategy.

Principal Risks and Uncertainties

The main risk areas for the School are risks associated with the protection of the School's pupils, staff and assets. Procedures and systems to identify and minimise these risks are regularly reviewed and updated. Within financial risks, liquidity risk is managed by a combination of loans to finance long term projects coupled with the judicious use of cash reserves to deal with monthly fluctuations in cash flow.

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

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

Estate Development

Investment in the fabric of the School continued with the creation of a new Design & Technology workshop space, new windows and doors for the Languages and Chemistry teaching buildings, a new visitor room and a staff room for Prep School, a new grounds tractor and the commencement of the phased refurbishment of the kitchen with major electrical upgrades and the installation of new catering equipment. The phased programme for the boys boarding houses continued with the total refurbishment of the bathroom facilities.

Plans for Future Periods

The School's Strategic Plan, supported by the Development Plan and Capital Plan, set out the plans of the Headmaster and his Senior Management Team for the School over the next 10 years. These documents are regularly reviewed and updated and have the full support of the Governing Body. The Plans have a level of flexibility incorporated within them to allow for such events as the Covid pandemic to ensure that the School operates within agreed, prudent financial parameters.



School's Alumni

The aim is to establish and maintain a strong Barnardian network from entry point into the School throughout the lives of Old Barnardian's (OB's), developing a strong alumni network with on-going communication between the School and the OB's. Trinity term saw the appointment of a new Director of Development and Alumni Relations.

The OB network plays a significant role in the School's Lecture Series as a rich source of speakers on a wide variety of subjects, encompassing professions, life themes and opportunities.

Structure, governance and management



Independent Schools Inspectorate

The School continues to be regulatory compliant, meeting all necessary standards. There were no inspections in the year.

Governing Document

The governance of the Charity is set out in its governing document, the Memorandum and Articles of Association. The Charity is a limited company, limited by guarantee, as defined by the Companies Act 2006. The most recent amendment to the Articles of Association was made on 13th September 2019 when the current Articles of Association were adopted.

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

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

Structure, governance and management (continued)

The Governing Body

The School is governed by a Board of Governors (the Board), comprising Foundation Governors who are appointed by a resolution of the Board, and Nominated Governors who are nominated by the relevant organisations listed in the Articles of Association and appointed by a resolution of the Board.

The Board of Governors identifies suitable Foundation candidates with the skills and experience appropriate to the perceived needs of the School and who will contribute to maintaining a balanced, diverse and effective Board. A Governors' skills matrix is maintained to ensure that the core requirement to recruit responsible individuals with an active interest, the time necessary to fulfil their duties and the complementary expertise to add value to the Board, is achieved.

All new Governors are given a copy of the School's Governor Handbook and an induction which includes a full tour of the School and meetings with key management and staff, and a range of students.

Governor training is an ongoing process achieved through internal training and by training programmes and best practice manuals provided by organisations such as AGBIS. All Governors regularly complete a self-review and a general governing body audit is conducted annually together with an individual skills assessment which provides the opportunity to analyse contribution and to identify any new requirements or additional training needs.

The Governors all give their time freely and accordingly no remuneration was paid in the year. Details of any expenses and related party transactions are disclosed in note 29 to the Accounts.

Organisational Management

The Board determines the general policy and strategic direction of the School in close collaboration with the Headmaster and his Senior Management Team who are responsible for its implementation and administration throughout the Senior and Prep schools. The day-to-day management of the School, therefore, is delegated to the Headmaster, who undertakes the key leadership role overseeing educational, pastoral and administrative functions, supported by his Senior Management Team.

The full Board of Governors meets formally three times a year with the Headmaster and his Senior Management Team in attendance. The purpose of the meetings is to determine, agree and ensure effective implementation of the strategic direction, general policies and procedures and financial oversight of the School. To facilitate this process and to ensure optimal output, four committees have been established, each of which meets at least once a term. The members of the committees are selected for their specific relevant expertise and are allocated individual areas of responsibility. The four committees are as follows:

- Finance & Estates (Including Risk and Audit)
- Education, Welfare & Staff Development
- Strategy, Marketing & Development
- Governance

The Terms of Reference of each committee are reviewed annually by the full Board.

The Senior Management Team provide each respective Governor sub-committee with at least termly reports. Each committee reviews and monitors these reports to measure performance and identify trends with regard to – as is appropriate to each committee - academic performance, pastoral care, marketing and development, historic and future financial performance.

The Headmaster oversees the recruitment and management of all educational staff, whilst the Bursar oversees the recruitment and management of administrative and non-teaching support staff.

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

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

Structure, governance and management (continued)

Risk Management

The Governors have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against the key risks faced by the School. The School maintains an up-to date register of the main areas of risk to the ongoing operations of the School. Risks are categorised as Governance and Strategic, Operational, Financial and External.

Pay Policy for Senior Staff

The remuneration of the Headmaster is set by the Chairman and Vice-Chairs of the Board. Senior management salaries are set by the Headmaster and reviewed by the Finance & Estates Committee using a diverse set of criteria including, inter alia, benchmark reports provided by sector associations such as AGBIS (the Association of Governing Bodies of Independent Schools), IAPS (Independent Association of Prep Schools) and the ISC (Independent Schools Council), together with those of respected consultants within the sector.

Disclosure of information to auditors

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

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

Auditors

The auditors, Clive Owen LLP, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

Approved by order of the members of the Board of Governors on 18 May 2023 and signed on their behalf by:



Mrs C J Sunley
Chair

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

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

The Governors (who are also the Directors of the Charity for the purposes of company law) are responsible for preparing the Governors' Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity 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 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Charity will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

In so far as the Governors are aware:

- there is no relevant audit information of which the charity auditor are unaware; and
- the 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.

Approved by order of the members of the Board of Governors on18 May 2023..... and signed on its behalf by:



Mrs C J Sunley
Chair

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARNARD CASTLE SCHOOL

Opinion

We have audited the financial statements of Barnard Castle School (the 'charity') 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 and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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.

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 Charity 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 Charity'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.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Governors are responsible for the other information contained within the Annual 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.

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARNARD CASTLE SCHOOL (CONTINUED)

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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the Strategic Report have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report including the Strategic Report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of Governors

As explained more fully in the Governors' Responsibilities Statement, the Governors (who are also the directors of the charitable company 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARNARD CASTLE SCHOOL (CONTINUED)

Our 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. Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Charity. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We determined the most significant of these to be around employment law, charity law, company law, health and safety law, food and hygiene regulations, taxation law, Independent Schools Regulator and GDPR.
- Enquiry of Governors and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Review of board minutes and correspondence with regulators
- Enquiry of Governors and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BARNARD CASTLE SCHOOL (CONTINUED)

Use of our report

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



Antony Luckett BCom BFP FCA DChA (Senior Statutory Auditor)

for and on behalf of

Clive Owen LLP

Chartered Accountants and Statutory Auditors

140 Coniscliffe Road

Darlington

County Durham

DL3 7RT

Date:

BARNARD CASTLE SCHOOL
(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 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:						
Donations and legacies	3	15,937	-	-	15,937	114,838
Charitable activities:	6					
School fees		11,619,316	-	-	11,619,316	10,341,461
Other income		41,325	-	-	41,325	60,087
Cost of providing school buses		(42,691)	-	-	(42,691)	(111,090)
Remissions		(1,269,480)	-	-	(1,269,480)	(1,246,283)
Other trading activities	4	192,234	-	-	192,234	85,040
Investments	5	3,064	13,253	-	16,317	14,359
Government grants	7	-	-	-	-	34,552
Total		10,559,705	13,253	-	10,572,958	9,292,964
Expenditure on:						
Raising funds	8	68,508	3,824	-	72,332	89,720
Charitable activities:	9					
Teaching and governance		5,863,418	-	-	5,863,418	5,543,638
Premises		2,362,515	-	-	2,362,515	2,490,955
Welfare		1,031,168	-	-	1,031,168	787,397
Other charitable activities		884,002	5,347	-	889,349	837,106
Total		10,209,611	9,171	-	10,218,782	9,748,816
Net income/(expenditure) before net (losses)/gains on investments						
		350,094	4,082	-	354,176	(455,852)
Net (losses)/gains on investments		-	(129,198)	-	(129,198)	101,243
Net income/(expenditure)		350,094	(125,116)	-	224,978	(354,609)
Transfers between funds	24	14,628	(14,628)	-	-	-
Net movement in funds before other recognised gains carried forward		364,722	(139,744)	-	224,978	(354,609)

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Net movement in funds before other recognised gains/(losses) brought forward		364,722	(139,744)	-	224,978	(354,609)
Other recognised gains:						
Actuarial gains/(losses) on defined benefit pension scheme	29	-	-	-	-	960,000
Net movement in funds		<u>364,722</u>	<u>(139,744)</u>	<u>-</u>	<u>224,978</u>	<u>605,391</u>
Reconciliation of funds:						
Total funds brought forward		7,801,041	744,958	45,875	8,591,874	7,986,483
Net movement in funds		364,722	(139,744)	-	224,978	605,391
Total funds carried forward		<u>8,165,763</u>	<u>605,214</u>	<u>45,875</u>	<u>8,816,852</u>	<u>8,591,874</u>

The notes on pages 30 to 55 form part of these financial statements.

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06596258

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	14	6,454	7,957
Tangible assets	15	10,053,478	10,262,525
Investments	16	510,953	638,493
		<u>10,570,885</u>	<u>10,908,975</u>
Current assets			
Stocks	17	55,045	70,268
Debtors	18	819,364	586,357
Cash at bank and in hand		2,612,676	1,819,912
		<u>3,487,085</u>	<u>2,476,537</u>
Creditors: amounts falling due within one year	19	(3,074,291)	(2,420,361)
Net current assets		<u>412,794</u>	<u>56,176</u>
Total assets less current liabilities		<u>10,983,679</u>	<u>10,965,151</u>
Creditors: amounts falling due after more than one year	20	(2,166,827)	(2,373,277)
Net assets excluding pension asset		<u>8,816,852</u>	<u>8,591,874</u>
Total net assets		<u><u>8,816,852</u></u>	<u><u>8,591,874</u></u>

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06596258

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Charity funds			
Endowment funds	24	45,875	45,875
Restricted funds	24	605,214	744,958
Unrestricted funds	24	8,165,763	7,801,041
Total funds		<u>8,816,852</u>	<u>8,591,874</u>

The financial statements were approved and authorised for issue by the Governors on 18 May 2023 and signed on their behalf by:



Mrs C J Sunley
Chair

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	26	1,497,102	(165,383)
Cash flows from investing activities			
Proceeds from the disposal of tangible fixed assets		2,750	621
Purchase of intangible assets		-	(8,800)
Purchase of tangible fixed assets		(513,068)	(741,968)
Proceeds from sale of investments		95,688	98,473
Purchase of investments		(97,346)	(104,937)
Dividend income		13,253	12,815
Interest received		3,064	1,544
Net cash used in investing activities		(495,659)	(742,252)
Cash flows from financing activities			
Cash inflows from new borrowing		-	1,850,000
Loan repayments in year		(49,094)	(49,226)
Capital repayments in year		(159,585)	(104,580)
Net cash (used in)/provided by financing activities		(208,679)	1,696,194
Change in cash and cash equivalents in the year		792,764	788,559
Cash and cash equivalents at the beginning of the year		1,819,912	1,031,353
Cash and cash equivalents at the end of the year	27	2,612,676	1,819,912

The notes on pages 30 to 55 form part of these financial statements

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

There were no material departures from the standard.

Barnard Castle School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

The financial statements are reported in £ sterling.

1.2 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

1.3 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.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred in directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

BARNARD CASTLE SCHOOL
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.3 Expenditure (continued)

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.4 Government grants

Grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.5 Tangible fixed assets and depreciation

No depreciation is provided on freehold land.

Tangible fixed assets are measured at cost less accumulated depreciation and impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	- 2% straight line
Plant and machinery	- 5% straight line
Motor vehicles	- 10 - 25% straight line
Fixtures and fittings	- 5 - 33% straight line
Building alterations	- 2 - 20% straight line
Computer equipment	- 20 - 33% straight line

1.6 Intangible assets and amortisation

Intangible assets are initially recognised at cost and subsequently stated at cost net of amortisation and any provision for impairment. Intangible assets are being amortised over their expected useful lives on the following straight line basis:

Amortisation is provided on the following basis:

Computer Software	- 20 - 25% straight line
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1.7 Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to sell.

1.8 Taxation

The charity is exempt from corporation tax on its charitable activities.

BARNARD CASTLE SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.9 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent the permanent funds of the School. All income generated by these funds are unrestricted and used for the purpose of the School.

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

1.10 Pensions

Retirement benefits to employees of the Charity 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 Charity 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 Charity in separate government 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.

The actuary has undertaken a valuation of the LGPS as at 31 August 2022 which shows an asset of £2,710,000. In accordance with Section 28.22 of FRS102 as the Charity will not benefit from either reduced contribution rates in the future nor a refund from the scheme, the asset is not recognised within these financial statements.

1.11 Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

BARNARD CASTLE SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.12 Provisions

Provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, for which it is probable that a transfer of economic benefit will be required in settlement and the amount of the settlement 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 in the Statement of Financial Activities as a finance cost.

1.13 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.14 Financial instruments

The Charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the School and their measurement basis 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 18. 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 costs as detailed in notes 19 and 20. 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.

1.15 Hire purchase and leasing commitments

Assets obtained under hire purchase contracts and finance leases are capitalised in the Balance Sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the Balance Sheet over the relevant period. The capital element of the future payments is treated as a liability.

BARNARD CASTLE SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The School 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.

LGPS - 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 29, will impact on 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.

Bad debt provision - There are two provisions included within the financial statements; full provision and partial provision. The full provision provides for 100% of balances that are not considered to be recoverable. The partial provision provides for 25% of balances that are doubtful debts. The total bad debt provision within the financial statements is £140,098.

Goodwin - The case related to male spouse or civil partner of a female member is treated in the same way as a same-sex spouse or civil partner. Survivor benefits will be calculated using service from 1 April 1972, or 6 April 1978 if the marriage or civil partnership took place after the last day of pensionable service. This change will apply for deaths in respect of female members which occurred from 5 December 2005, which is the date that same-sex civil partnerships were introduced. This case was brought against the Teachers' Pension Scheme. Actuaries have estimated that the impact of Goodwin indexation to be less than 0.1% of total liabilities. Based on this estimate it would increase liabilities by £6,470 which has been assessed to be immaterial to the financial statements.

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

3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	8,064	8,064	91,948
Legacies	7,873	7,873	22,890
Total 2022	15,937	15,937	114,838
Total 2021	114,838	114,838	

4. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Lettings and event income	192,234	192,234	85,040
Total 2022	192,234	192,234	85,040
Total 2021	85,040	85,040	

5. Investment income

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment income from listed investments	-	13,253	13,253	12,815
Deposit account interest	3,064	-	3,064	1,544
Total 2022	3,064	13,253	16,317	14,359
Total 2021	1,544	12,815	14,359	

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

6. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
School fees	11,619,316	-	11,619,316	10,341,461
Other income	41,325	-	41,325	60,087
Cost of providing school buses	(42,691)	-	(42,691)	(111,090)
Remissions	(1,269,480)	-	(1,269,480)	(1,246,283)
Total 2022	10,348,470	-	10,348,470	9,044,175
Total 2021	9,058,377	(14,202)	9,044,175	

Included within Remissions are remote learning discounts on day fees that were offered to all parents as a result of the Covid-19 pandemic of £Nil (2021: £34,334).

7. Government grants

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Coronavirus Job Retention Scheme grants	-	-	34,552
Total 2021	34,552	34,552	

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

8. Raising funds - expenditure

Other trading activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Lettings and event costs	68,508	-	68,508	85,751
Investment management fees	-	3,824	3,824	3,969
	<u>68,508</u>	<u>3,824</u>	<u>72,332</u>	<u>89,720</u>
Total 2021	<u>85,751</u>	<u>3,969</u>	<u>89,720</u>	

9. Analysis of charitable expenditure by activities

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Teaching and Governance	5,776,201	87,217	5,863,418	5,543,638
Premises	1,641,647	720,868	2,362,515	2,490,955
Welfare	1,031,168	-	1,031,168	787,397
Other	817,906	71,443	889,349	837,106
	<u>9,266,922</u>	<u>879,528</u>	<u>10,146,450</u>	<u>9,659,096</u>
Total 2021	<u>8,736,497</u>	<u>922,599</u>	<u>9,659,096</u>	

In 2022 of the total charitable expenditure of £10,146,450 (2021: £9,659,096), £10,141,103 (2021: £9,653,749) was to unrestricted funds, £5,347 (2021: £5,347) was to restricted funds and £Nil (2021: £Nil) was to endowment funds.

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

9. Analysis of charitable expenditure by activities (continued)

Analysis of direct costs

	Teaching and Governance 2022 £	Premises 2022 £	Welfare 2022 £	Other 2022 £	Total funds 2022 £	Total funds 2021 £
Pension finance costs	-	-	-	-	-	10,000
Staff costs	5,294,986	784,317	513,459	521,673	7,114,435	6,837,130
Teaching resources	220,321	-	-	-	220,321	143,096
Premises and grounds	-	102,856	-	-	102,856	88,469
Rates	-	73,633	-	-	73,633	68,644
Insurance	18,963	80,205	-	-	99,168	93,366
Light, heat and water	-	273,841	-	-	273,841	226,086
Other teaching costs	155,488	-	-	-	155,488	148,892
Travel	86,443	-	2,279	-	88,722	31,235
Catering	-	-	495,353	-	495,353	306,036
Laundry	-	-	7,224	-	7,224	2,018
Nursing	-	-	12,853	-	12,853	8,889
Cleaning	-	79,577	-	-	79,577	194,762
Maintenance	-	247,218	-	-	247,218	299,605
Marketing and development	-	-	-	80,850	80,850	73,430
IT costs	-	-	-	108,476	108,476	86,176
Administration	-	-	-	88,861	88,861	78,278
Recruitment	-	-	-	22,408	22,408	18,284
Bad debts	-	-	-	(4,362)	(4,362)	22,101
	<u>5,776,201</u>	<u>1,641,647</u>	<u>1,031,168</u>	<u>817,906</u>	<u>9,266,922</u>	<u>8,736,497</u>
Total 2021	<u>5,459,776</u>	<u>1,703,947</u>	<u>787,397</u>	<u>785,377</u>	<u>8,736,497</u>	

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

9. Analysis of charitable expenditure by activities (continued)

Analysis of support costs

	Governance 2022 £	Premises 2022 £	Finance 2022 £	Total funds 2022 £	Total funds 2021 £
Depreciation and amortisation	-	723,414	-	723,414	741,840
(Surplus)/deficit on disposal of assets	-	(2,546)	-	(2,546)	45,168
Bank charges	-	-	14,680	14,680	12,966
Bank interest	-	-	39,486	39,486	7,672
Leasing interest	-	-	17,277	17,277	23,851
Interest paid to HMRC	-	-	-	-	7,240
Governance costs	87,217	-	-	87,217	83,862
	<u>87,217</u>	<u>720,868</u>	<u>71,443</u>	<u>879,528</u>	<u>922,599</u>
Total 2021	<u>83,862</u>	<u>787,008</u>	<u>51,729</u>	<u>922,599</u>	

10. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Auditors' remuneration	11,000	11,000
Depreciation - owned assets	671,245	690,641
Depreciation - assets on finance lease	50,666	49,666
(Surplus)/deficit on disposal of fixed assets	(2,546)	45,168
Computer software amortisation	1,503	1,533
Operating lease payments	119,233	75,923
	<u>119,233</u>	<u>75,923</u>

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

11. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	11,000	11,000
Fees payable to the Charity's auditor in respect of:		
All taxation advisory services not included above	430	410
All non-audit services not included above	6,474	2,474
	<u>11,904</u>	<u>13,884</u>

12. Governors' remuneration and benefits

During the year, no Governor received any remuneration or other benefits (2021: £Nil).

During the year ended 31 August 2022, travel expenses, being the only expenses reimbursed to Governors, totalled £2,176. These were reimbursed or paid directly to 5 Governors (2021 - £Nil).

13. Staff costs

	2022 £	2021 £
Wages and salaries	5,514,233	5,295,948
Social security costs	550,889	503,888
Other pension costs	1,049,313	1,037,294
	<u>7,114,435</u>	<u>6,837,130</u>

Included in other pension costs is a credit of £Nil (2021: £20,000 credit) relating to the pension deficit actuarial adjustment.

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

	2022 No.	2021 No.
Teaching	108	108
Support	19	17
Welfare	26	29
Premises	38	37
	<u>191</u>	<u>191</u>

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

13. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £60,001 - £70,000	4	2
In the band £70,001 - £80,000	1	1
In the band £100,001 - £110,000	-	1
In the band £130,001 - £140,000	1	-

Pension contributions of £68,193 (2021: £60,529) were made to defined benefit and contribution schemes on behalf of these employees.

The total amount of employee remuneration and benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the School was £698,237 (2021: £633,779).

14. Intangible assets

	Computer software £
Cost	
At 1 September 2021	44,134
At 31 August 2022	44,134
Amortisation	
At 1 September 2021	36,177
Charge for the year	1,503
At 31 August 2022	37,680
Net book value	
At 31 August 2022	6,454
At 31 August 2021	7,957

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

15. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation						
At 1 September 2021	14,211,412	1,015,714	1,856,041	18,621	806,264	17,908,052
Additions	157,391	-	279,566	40,020	36,091	513,068
Disposals	-	-	(260)	-	-	(260)
At 31 August 2022	14,368,803	1,015,714	2,135,347	58,641	842,355	18,420,860
Depreciation						
At 1 September 2021	5,622,912	234,444	1,389,554	12,056	386,561	7,645,527
Charge for the year	436,462	50,786	94,599	4,463	135,601	721,911
On disposals	-	-	(56)	-	-	(56)
At 31 August 2022	6,059,374	285,230	1,484,097	16,519	522,162	8,367,382
Net book value						
At 31 August 2022	8,309,429	730,484	651,250	42,122	320,193	10,053,478
At 31 August 2021	8,588,500	781,270	466,487	6,565	419,703	10,262,525

Included in cost of freehold property is freehold land of £55,240 (2021: £55,240) which is not depreciated.

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

Fixed assets, included in the above, which are held under finance leases are as follows:

	2022 £	2021 £
Cost		
At 1 September	993,321	993,321
Additions	40,020	-
	<u>1,033,341</u>	<u>993,321</u>
Depreciation		
At 1 September	231,626	181,960
Charge for year	50,666	49,666
	<u>282,292</u>	<u>231,626</u>
Net book value		
At 31 August	<u><u>712,029</u></u>	<u><u>761,695</u></u>

16. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 September 2021	638,493
Additions	97,346
Disposals	(95,688)
Revaluations	(129,198)
At 31 August 2022	<u><u>510,953</u></u>
Net book value	
At 31 August 2022	510,953
At 31 August 2021	<u><u>638,493</u></u>

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

17. Stocks

	2022 £	2021 £
Stocks	55,045	70,268
	<u>55,045</u>	<u>70,268</u>

18. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	242,795	148,530
Other debtors	26,800	58
Prepayments and accrued income	549,769	437,769
	<u>819,364</u>	<u>586,357</u>

19. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts (see note 20)	146,492	114,036
Trade creditors	662,088	455,355
Other taxation and social security	271,211	248,066
Finance leases (see note 21)	135,639	122,829
Other creditors	146,642	151,772
Accruals and deferred income	1,712,219	1,328,303
	<u>3,074,291</u>	<u>2,420,361</u>

	2022 £	2021 £
Deferred income		
Deferred income at 1 September 2021	1,282,439	1,075,026
Resources deferred during the year	1,623,327	1,282,439
Amounts released from previous periods	(1,282,439)	(1,075,026)
	<u>1,623,327</u>	<u>1,282,439</u>

Deferred income at the balance sheet date is in relation to monies received for school fees and courses for periods from 1st September 2022.

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

20. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans (see note 20)	1,749,470	1,895,931
Finance leases (see note 21)	136,179	243,663
Other creditors	281,178	233,683
	<u>2,166,827</u>	<u>2,373,277</u>

21. Loans

An analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year on demand:		
Loans	146,492	114,036
Amounts falling between one and two years:		
Loans - 1-2 years	146,492	146,492
Amounts falling due between two and five years:		
Loans - 2-5 years	1,602,978	353,824
Amounts falling due in more than five years:		
Repayable by instalments:		
Loans more 5 years	-	1,395,615

The SONIA (previously LIBOR) bank loan is repayable over a period of 14 years on a quarterly basis with interest charged at 2.4% above SONIA. The remaining term of this loan is 2 years and 3 months. In December 2021 on the cessation of LIBOR, the loan transitioned to SONIA interest rates.

The Coronavirus Business Interruption Loans received in November 2020 are repayable over a period of 6 years. The first loan is repayable on a monthly basis starting 13 months after drawdown with interest charged at 2.59% above the Bank of England base rate. The second loan can be repaid without penalty at any time within the 6 year period with interest charged at 2.66% above the Bank of England base rate. The remaining term on these loans is 4 years and 3 months.

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

22. Leasing agreements

	Finance Leases 2022 £	Finance Leases 2021 £
Net obligations repayable:		
Within one year	135,639	122,829
Between one and five years	136,179	243,663
In more than five years	-	-
	<u>271,818</u>	<u>366,492</u>

The finance lease relates to a tractor and to the installation and purchase of a Biomass Boiler System. The term of the tractor lease is 5 years ending in April 2027. The term of the Biomass lease is 7 years ending in July 2024. The Biomass Boiler System is accredited by the OFGEM Non Domestic Renewable Heat Incentive Scheme.

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £	2021 £
Within one year	75,806	88,071
Between one and five years	64,414	107,028
	<u>140,220</u>	<u>195,099</u>

23. Secured debts

The following secured debts are included within creditors:

	2022 £	2021 £
Coronavirus Business Interruption Loans	1,785,088	1,850,000
SONIA Loan	110,874	159,967
Finance leases	271,818	366,492
	<u>2,167,780</u>	<u>2,376,459</u>

The SONIA loan is secured by way of a legal mortgage and fixed charge over the School's land.

The Coronavirus Business Interruption Loans are secured by way of a legal charge and debenture over the School land and buildings excluding the 'third' field.

The finance lease contract is secured over the tractor to which it relates.

The finance lease contract is secured over the Biomass Boiler System to which it relates.

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

24. Statement of funds

Statement of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Revenue reserve	7,201,041	10,559,705	(10,209,611)	14,628	-	7,565,763
Designated Funds	600,000	-	-	-	-	600,000
	<u>7,801,041</u>	<u>10,559,705</u>	<u>(10,209,611)</u>	<u>14,628</u>	<u>-</u>	<u>8,165,763</u>
Endowment funds						
Foundation endowment	<u>45,875</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,875</u>
Restricted funds						
Barnard Castle School Prize & Scholarship Fund	575,215	13,253	(3,824)	-	(129,198)	455,446
Hearnshaw Legacy	85,784	-	-	(14,628)	-	71,156
Science Centre Donation	83,959	-	(5,347)	-	-	78,612
	<u>744,958</u>	<u>13,253</u>	<u>(9,171)</u>	<u>(14,628)</u>	<u>(129,198)</u>	<u>605,214</u>
Total of funds	<u>8,591,874</u>	<u>10,572,958</u>	<u>(10,218,782)</u>	<u>-</u>	<u>(129,198)</u>	<u>8,816,852</u>

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

24. Statement of funds (continued)

Designated Funds contain legacies received by the School which will be used to invest in capital projects.

The Foundation Endowment was formed when the School was established. This is considered to be an endowed fund which is held in the form of land.

The Barnard Castle School Prize & Scholarship Fund is used for funding scholarships and the purchase of prizes.

The Hearnshaw Legacy was a legacy received for the payment of a scholarship for an A Level science place.

The Science Centre fund was initially given to invest in science capital projects. However an opportunity arose in a prior year for two projects, the sports hall refurbishment and creation of the music performance space. The donor was approached and gave his permission for the money to be used in this manner. Depreciation relating to these assets is allocated to the fund annually.

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**NOTES TO THE FINANCIAL STATEMENTS
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24. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Revenue reserve	6,671,988	9,294,351	(9,739,500)	14,202	960,000	7,201,041
Designated Funds	600,000	-	-	-	-	600,000
	<u>7,271,988</u>	<u>9,294,351</u>	<u>(9,739,500)</u>	<u>14,202</u>	<u>960,000</u>	<u>7,801,041</u>
Endowment funds						
Foundation endowment	<u>45,875</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,875</u>
Restricted funds						
Barnard Castle School Prize & Scholarship Fund	479,328	(1,387)	(3,969)	-	101,243	575,215
Hearnshaw Legacy	99,986	-	-	(14,202)	-	85,784
Science Centre Donation	89,306	-	(5,347)	-	-	83,959
	<u>668,620</u>	<u>(1,387)</u>	<u>(9,316)</u>	<u>(14,202)</u>	<u>101,243</u>	<u>744,958</u>
Total of funds	<u><u>7,986,483</u></u>	<u><u>9,292,964</u></u>	<u><u>(9,748,816)</u></u>	<u><u>-</u></u>	<u><u>1,061,243</u></u>	<u><u>8,591,874</u></u>

BARNARD CASTLE SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
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25. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	9,933,902	73,701	45,875	10,053,478
Intangible fixed assets	6,454	-	-	6,454
Fixed asset investments	-	510,953	-	510,953
Current assets	3,466,525	20,560	-	3,487,085
Creditors due within one year	(3,074,291)	-	-	(3,074,291)
Creditors due in more than one year	(2,166,827)	-	-	(2,166,827)
Total	8,165,763	605,214	45,875	8,816,852

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total funds 2021 £
Tangible fixed assets	10,137,603	79,047	45,875	10,262,525
Intangible fixed assets	7,957	-	-	7,957
Fixed asset investments	-	638,493	-	638,493
Current assets	2,449,119	27,418	-	2,476,537
Creditors due within one year	(2,420,361)	-	-	(2,420,361)
Creditors due in more than one year	(2,373,277)	-	-	(2,373,277)
Total	7,801,041	744,958	45,875	8,591,874

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

26. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	224,978	(354,609)
Adjustments for:		
Depreciation charges	721,911	740,307
Amortisation charges	1,503	1,533
Losses/(gains) on investments	129,198	(101,243)
Dividends, interests and rents from investments	(3,064)	(1,544)
(Profit)/loss on the sale of fixed assets	(2,546)	45,168
Decrease in stocks	15,223	11,117
Increase in debtors	(233,007)	(53,745)
Increase/(decrease) in creditors	656,159	(459,552)
Dividend income	(13,253)	(12,815)
Pension Liability Adjustment	-	20,000
Net cash provided by/(used in) operating activities	1,497,102	(165,383)

27. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	2,612,676	1,819,912
Total cash and cash equivalents	2,612,676	1,819,912

28. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,819,912	792,764	2,612,676
Debt due within 1 year	(114,036)	(32,456)	(146,492)
Debt due after 1 year	(1,895,931)	146,461	(1,749,470)
Finance leases	(366,492)	94,674	(271,818)
	(556,547)	1,001,443	444,896

BARNARD CASTLE SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

29. Pension commitments

The Charity'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 Durham County Council. Both are multi-employer defined benefit schemes.

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. Membership is automatic for full-time teachers in schools. 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 make 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.

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £854,263 (2021: £825,077).

A copy of the valuation report and supporting documentation is on the Teachers' Pension 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 Charity has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Charity has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with assets held in separate government-administered funds. The total employer's contributions for the year ended 31 August 2022 totalled £195,052 (2021: £201,172).

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

29. Pension commitments (continued)

The Governors are of the view that the Charity should not recognise a pension scheme asset as it pre-determines the reduction in future pension contributions and commitments. The notes included in these accounts show the defined benefit obligation together with the fair value of the scheme assets which shows there are excess assets over obligations of £2,710,000 (2021: £370,000).

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 August 2022 %	At 31 August 2021 %
Discount rate	4.2	1.7
Future salary increases	3.9	3.7
Future pension increases	2.9	2.7
CPI inflation	2.9	2.7
Pension accounts revaluation rate	2.9	2.7

	At 31 August 2022 Years	At 31 August 2021 Years
Mortality rates (in years)		
- for a male aged 65 now	22.1	22.3
- at 65 for a male aged 45 now	23.2	23.3
- for a female aged 65 now	24.2	24.3
- at 65 for a female aged 45 now	25.7	25.8

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

	At 31 August 2022 £	At 31 August 2021 £
Equities	5,020,000	5,830,000
Property	770,000	640,000
Government bonds	1,040,000	1,590,000
Corporate bonds	400,000	1,780,000
Cash	130,000	450,000
Other	490,000	-
Multi Asset Credit	1,330,000	-
Total fair value of assets	9,180,000	10,290,000

The actual return on scheme assets was £1,000,000 (2021 - £1,720,000).

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

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

	2022 £	2021 £
Current service cost	160,000	170,000
Interest income	(170,000)	(140,000)
Interest cost	170,000	150,000
Total amount recognised in the Statement of Financial Activities	<u>160,000</u>	<u>180,000</u>

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

	2022 £	2021 £
Opening defined benefit obligation	9,920,000	9,610,000
Interest cost	170,000	150,000
Contributions by scheme participants	20,000	20,000
Actuarial (gains)/losses	(3,510,000)	250,000
Benefits paid	(270,000)	(280,000)
Current service cost	140,000	170,000
Closing defined benefit obligation	<u>6,470,000</u>	<u>9,920,000</u>

Movements in the fair value of the Charity's share of scheme assets were as follows:

	2022 £	2021 £
Opening fair value of scheme assets	9,920,000	8,670,000
Expected return on assets	170,000	140,000
Actuarial (losses)/gains	(3,510,000)	1,210,000
Contributions by employer	140,000	160,000
Contributions by scheme participants	20,000	20,000
Benefits paid	(270,000)	(280,000)
Closing fair value of scheme assets	<u>6,470,000</u>	<u>9,920,000</u>

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NOTES TO THE FINANCIAL STATEMENTS
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30. Related party transactions

P D A Mothersill is a Trustee of The Bowes Museum. During the year purchases of £85 (2021: £Nil) were made for Museum visits. Balance outstanding in trade creditors at year end was £Nil (2021: £Nil).

D C Osborne is a Director of Roman Ltd. During the year purchases of £Nil (2021: £1,600) were made for Covid-19 safety screens. Balance outstanding in trade creditors at year end was £Nil (2021: £Nil).

N P Hodges is a Director of The Witham Hall Ltd. During the year purchases of £422 (2021: £Nil) were made for workshops. Balance outstanding in trade creditors at year end was £Nil (2021: £Nil).

31. Company limited by guarantee

The School is a company limited by guarantee. The members of the School are the Governors named on page 1. In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per member of the School.