

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 2023**

**BARNARD CASTLE SCHOOL**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**Governors**

Mrs C J Sunley, Chair  
Mr N J Bliss, Vice Chair  
Ms S A A Ali  
Mr I M Allison  
Dr J R Elphick, Vice Chair  
Mr N P Hodges, Old Barnardians Club<sup>1</sup>  
Mr P A Kelsall  
Ms K J Marshall  
Mr R I Moffatt  
Mr P D A Mothersill  
Ms C M Newnam (resigned 30 April 2023)  
Mr D C Osborne  
Dr J K Ramsingh (appointed 1 November 2022, resigned 14 October 2023)  
Mr E R Rendall  
Ms A E Rhodes (appointed 1 November 2022)  
Mr G M Richardson, Durham County Council<sup>1</sup>  
Mr D F Starr, Durham University<sup>1</sup>  
Ms D Vinsome

<sup>1</sup> 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

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS GOVERNORS AND ADVISERS**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**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



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**CHAIR'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

The chair presents her statement for the year.

It has been a very busy year with pupils embracing the many opportunities available to them providing innumerable highlights with outstanding performances academically, on the sporting field and within the numerous co-curricular activities on offer.

The dedication and hard work of the Staff was acknowledged and celebrated in the inspection in April 2023 by the ISI (Independent Schools Inspectorate). The Inspectors undertook a Focused Compliance and Educational Quality Inspection of both the Senior and Prep Schools and concluded that the School was deemed 'Excellent' for both 'Academic Achievement' and 'Personal Development' (the full report can be found on the School's website). They acknowledged the work that had gone into the curriculum and the School's focus on character education, with specific reference to the Apollo platform. The bespoke Apollo App is now firmly embedded into the curriculum allowing the pupils to set, view and reflect upon personal goals, record their experiences, and look back on their time as they move through the School.

Looking forward, there are a number of well-publicised financial challenges facing the independent education sector over the next few years and the Executive will continue to address these challenges to ensure that the School is well-placed to deal with them, in whatever manner they present themselves.

Finally, the Headmaster, Mr Tony Jackson, will be leaving the School at the end of the 2023/24 Academic Year and Mr David Cresswell will assume the Headship.



Mrs C J Sunley  
Chair of Governors  
Date:

**BARNARD CASTLE SCHOOL**  
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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**1 Structure, Governance and Management**

**1.1 School Status**

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 06596258) and with the Charity Commission (Charity Number 1125375).

**1.2 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 13<sup>th</sup> September 2019 when the current Articles of Association were adopted.

**1.3 Board of Trustees**

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.

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.

**1.4 Governor Training**

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 together with an individual skills assessment which provides the opportunity to analyse contribution and to identify any new requirements or additional training needs.

**1.5 Operational 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.

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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**1.6 Governor Meetings**

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 (Inc. 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.

**1.7 Pay Policy for Senior Staff**

The remuneration of the Headmaster is set by the Chair and Vice Chairs of the Board. Senior management salaries are set by the Headmaster and reviewed by the Finance & Estates Committee using a set of diverse criteria including, inter alia, benchmark reports provided by sector associations such as AGBIS, IAPS and the ISC, together with those of respected consultants within the sector.

**2 Objectives and Activities**

**2.1 Charitable Objects and Aims**

Barnard Castle School is an independent day and boarding school in the North 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 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.”***



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The cornerstone of 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 a high level of emotional intelligence, each pupil 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 above, we aim to enjoy our lives and make ourselves and those around us happy and proud.

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.

## **2.2 Independent Schools Inspectorate**

In April 2023, the ISI (Independent Schools Inspectorate) undertook a Focused Compliance and Educational Quality Inspection of both the Senior and Prep Schools.

In addition to meeting all compliance measures, the inspectors awarded the School the top rating of 'Excellent' for both 'Academic Achievement' and 'Personal Development'.

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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**2.3 Welfare**

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 speak openly and confidently 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 understand 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. As part of this, there is not only dedicated time for one-to-one sessions with their Tutors and opportunities to engage in peer-led discussions on contentious topics, but the School has also seen the immense benefit in providing a varied and inspirational visiting speaker programme.

**2.4 Curriculum**

The curriculum is broad and balanced, promoting academic rigour and the rewards of endeavour, the wonder of discovery and the richness that comes from an aptitude for life-long learning. Equally essential to the success of pupils at the School is the development of confidence, integrity, resilience and teamwork, which are learnt in a range of sports and from a wealth of cultural and co-curricular activities. The following sections provide a few examples of the many activities undertaken by the pupils and their achievements. Further information can be found on the School's website.

The newly created and bespoke Apollo App, exclusive to the School, is used by students across the full age range to record and reflect on their character development along their 'Barney Journey'. It allows them to set, view and reflect upon personal goals, record their experiences, and look back on their time as they move through the School.

- **Academic**

For both the GCSE and A-Level pupils, these examinations undertaken in Summer 2023 were their first experience of external academic examinations. Ofqual announced earlier in the Summer that "in 2023 we aim to return results that are in line with those of pre-pandemic years". Indeed, the expectations of GCSE results were modified in advance, but the pupils still achieved results which exceeded those in 2019.

The Sixth Form continues to grow, providing an individual programme of guided independence encouraging a productive and reflective approach to private study. In addition to a range of highly valued A Levels and internationally recognised Cambridge Pre-U courses, the pupils have the option to undertake the rigorous, research-based Extended Project Qualification. A successful results day saw each pupil able to continue down their chosen path.

This academic year saw the return of many wide-ranging educational trips and visits following the restrictions of the pandemic. Prep School pupils visited London and France and in Senior School, the much loved trips to Iceland and Greece returned.



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- **Activity Programme and House Activities**

An integral part of the character education at Barney is the Activity Programme and House Activities 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 as a core requirement for all pupils allowing them to develop their character and learn new skills.

- **Sport**

Sport continues to thrive with all pupils taking regular part in a diverse range of sporting activities. Pupils continue to benefit from the specialised coaching and extensive facilities. A significant number of pupils represented their county as well as competing on a local and national level. The U14 Girls squash team have had a very successful season becoming National School Squash champions. In rugby, a Sixth Form pupil has been selected for the England U18 Rugby camps, and in football, a pupil is now playing for Middlesbrough FC's Ladies first team and has been offered a scholarship to attend university in the USA. Summer 2023 also saw the return of the first sports tour to South Africa since 2019, when 75 tourists took part and played hockey, netball and rugby against a number of schools.

Over the first Exeat weekend in the Michaelmas Term, the School hosted 32 rugby teams and 12 hockey teams for the U10 and U12 hockey and rugby festivals.

Prep School pupils continue to impress in a range of sports. At the HMC Swimming in Leeds two pupils achieved first place, and in equestrian, a pupil represented England at show jumping. The Tag Rugby festival for Year 3s hosted by Prep School was attended by over 200 pupils.

The School has seen a huge increase in participation rates in cricket from years 3 to 13 and hosted a number of cricket events including the Year 3s Cricket Festival which involved over 200 local primary school pupils.

The resilience, courage, teamwork, camaraderie, humility, and dedication demonstrated by the pupils has been second to none.

- **Music and Drama**

Music continues to flourish in the School with the various School Choirs, Bands and Ensembles giving numerous performances internally as well as externally. Chapel Choir, which now boasts over 10% of the Senior School population, sang Evensong at York Minster and Durham Cathedral, and one pupil sang at the Royal Albert Hall as part of the National Youth Choir of Great Britain.

The hugely successful Whole School Musical was Les Miserables and involved a cast of 54 pupils from Years 7 – 13 including 39 soloists, supported by a tech crew of 15, manned entirely by pupils. Senior School pupils also provided their support to Prep School as Years 5&6 performed the musical "Robin and the Sherwood Hoodies" and Years 3&4 performed "The Bee Musical" to appreciative audiences of parents.

The partnership between the School and the Teesdale Operatic Society involved 13 BCS pupils and some staff in their production of School of Rock.

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**FOR THE YEAR ENDED 31 AUGUST 2023**

- **Combined Cadet Force (CCF)**

The CCF programme continues to prosper with a cadet strength of 140 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.

RAF cadets attended an Air Experience Flying Day at RAF Leeming and success was achieved in the Black Rat Cadet Challenge where the School were overall champions and at the RFCA Indoor Tri Climb competition.

- **Duke of Edinburgh Award**

The Duke of Edinburgh programme continues to be very popular with 131 pupils participating, of whom 59 completed expedition training, 6 completed their Gold Award and 30 achieved their Silver Award.

The Junior Duke Award, which was introduced into the Prep School in 2021, saw 58 pupils complete their award in the Michaelmas Term.

### **3 Public Benefit**

#### **3.1 Provision of Education**

The School's key public benefit is delivered through the provision of education for its pupils.

In addition to educating pupils privately and saving the public purse in excess of £4million, assuming a cost of £6,000 per pupil per annum, 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 2021/22 was £19m, including the provision of a £12m contribution to County Durham's GDP. The Governors believe that this assessment remains valid, and that the School's contribution to both the national and local economies will have increased as a result of the increase in student numbers, and other factors, such as the increased minimum wage and inflation.

#### **3.2 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, 33 pupils received means-tested assistance with fees this year (equivalent to 46 full places). Financial assistance and educational extension opportunities were also awarded to a number of pupils who successfully gained places on the Scholarship Programme (116 in the current year).

A fifth Ukrainian pupil was welcomed by the School at the start of the Academic Year. The School continues to support the Springboard Charity which aims to provide transformational bursaries to a number of looked after and vulnerable children by placing them in independent schools, with the second Springboarder starting in Year 7.



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**FOR THE YEAR ENDED 31 AUGUST 2023**

**3.3 Support of the Local Community**

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 sports facilities:**

- Barnard Castle Football Club
- Raby Castle Cricket Club
- Barnard Castle Cricket Club
- Middleton Cricket Club
- Glaxo Squash Club
- Glaxo Football Club
- Durham Palatinates Netball Club
- Classic Car Show
- North-East Netball Club
- Teesdale Operatic Society
- Durham County School Cross Country
- Pony Club Triathlon
- Durham County Cricket (various ages)
- Girls U11 County Cricket

**Professional development:**

- Hosting professional development opportunities for teachers and support staff from other schools.
- Governors and staff serve on the Governing Bodies of various maintained schools.
- The School provides a large number of examiners to the main examination boards and one of its Heads of Department advises Durham University on PGCE applicants.

**Hosting events:**

- The Festival Weekend where the School hosted 32 rugby teams and 12 hockey teams from both the state and independent sector allowing over 400 children the opportunity to safely return to sport.
- The Cricket Festival saw over 200 pupils from 8 different primary schools experiencing coaching and game play.
- Summer Activity Weeks open to the whole community.

**Use of the School's facilities:**

- Duke of Edinburgh's Award local assessors use the School as a meeting place for coordination and planning.
- The Rotary Club use the auditorium for charity lectures.
- Barnard Castle School Choral Society use the Chapel.
- The Chapel is available for use by the community and visitors are encouraged on Heritage Open Days.
- 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.
- The School's playing fields are used as landing zones for helicopters carrying members of the Royal Family and other dignitaries to local engagements.



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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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.

The Activity programme provides an opportunity for all pupils and staff to provide a service to the wider community with activities such as planting hedgerows, litter picking, and organising fund-raising events. Pupils raised over £5,000 for the charity Storehouse through non-uniform days and collections.

#### **4 Financial Review**

##### **4.1 Trading Performance**

The Financial Statements show an operating surplus of £395,473 for the year before pension adjustments (2022: surplus of £224,978). Included within these figures was a loss on investments of £3,427 (2022: loss of £129,198).

Costs were significantly higher than the previous year due to the high rates of inflation but were mitigated to an extent by the strong pupil numbers.

The net assets of the School at the balance sheet date were £9,212,325 (2022: £8,816,852). Fixed asset additions amounted to £1,193,077 in the year, of which £545,437 was spent on major improvements to the boys' boarding bathrooms, the sixth form centre and the catering facilities.

##### **4.2 Reserves and Investment 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 2023, the School held fund balances of £9,212,325 comprising £8,572,604 unrestricted funds, £593,846 restricted funds and £45,875 endowment funds.

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.

##### **4.3 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.

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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**4.4 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.

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.

**4.5 Future Plans**

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 for the next 5 to 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 recent Pandemic to ensure that the School operates within agreed, prudent financial parameters.

There are a number of well-publicised financial challenges facing the independent education sector over the next few years. The flexibility built into the Capital Plan is designed to ensure that there is a balance between continuing investment in the growth and development of the School and its long-term sustainability.

**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 15.12.23 and signed on their behalf by:



**Mrs C J Sunley**  
Chair



**BARNARD CASTLE SCHOOL**  
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**STATEMENT OF GOVERNORS' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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 on 15.12.23 and signed on its behalf by:



**Mrs C J Sunley**  
Chair

**BARNARD CASTLE SCHOOL**  
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**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 2023 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 2023 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.



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**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](http://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.

*Clive Owen LLP*

**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: *15 December 2022*



**BARNARD CASTLE SCHOOL**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income and endowments from:</b>						
Donations and legacies	3	384,990	-	-	384,990	15,937
Charitable activities:	6					
School fees		12,412,904	-	-	12,412,904	11,619,316
Other income		43,629	-	-	43,629	41,325
Cost of providing school buses		(6,001)	-	-	(6,001)	(42,691)
Remissions		(1,226,652)	-	-	(1,226,652)	(1,269,480)
Other trading activities	4	189,533	-	-	189,533	192,234
Investments	5	38,666	16,133	-	54,799	16,317
<b>Total</b>		<b>11,837,069</b>	<b>16,133</b>	<b>-</b>	<b>11,853,202</b>	<b>10,572,958</b>
<b>Expenditure on:</b>						
Raising funds	7	52,447	3,231	-	55,678	72,332
Charitable activities:	8					
Teaching and governance		6,529,900	-	-	6,529,900	5,863,418
Premises		2,717,647	-	-	2,717,647	2,362,515
Welfare		1,206,327	-	-	1,206,327	1,031,168
Other charitable activities		939,403	5,347	-	944,750	889,349
<b>Total</b>		<b>11,445,724</b>	<b>8,578</b>	<b>-</b>	<b>11,454,302</b>	<b>10,218,782</b>
<b>Net income before net losses on investments</b>		<b>391,345</b>	<b>7,555</b>	<b>-</b>	<b>398,900</b>	<b>354,176</b>
Net (losses)/gains on investments		-	(3,427)	-	(3,427)	(129,198)
<b>Net income/ (expenditure)</b>		<b>391,345</b>	<b>4,128</b>	<b>-</b>	<b>395,473</b>	<b>224,978</b>
Transfers between funds	23	15,496	(15,496)	-	-	-



**BARNARD CASTLE SCHOOL**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Note					
<b>Net movement in funds before other recognised gains/(losses) brought forward</b>	406,841	(11,368)	-	395,473	224,978
<b>Net movement in funds</b>	<u>406,841</u>	<u>(11,368)</u>	<u>-</u>	<u>395,473</u>	<u>224,978</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward	8,165,763	605,214	45,875	8,816,852	8,591,874
Net movement in funds	406,841	(11,368)	-	395,473	224,978
<b>Total funds carried forward</b>	<u>8,572,604</u>	<u>593,846</u>	<u>45,875</u>	<u>9,212,325</u>	<u>8,816,852</u>

The notes on pages 23 to 48 form part of these financial statements.

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

**BALANCE SHEET**  
**AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Intangible assets	13	101,473	6,454
Tangible assets	14	10,380,529	10,053,478
Investments	15	511,996	510,953
		<u>10,993,998</u>	<u>10,570,885</u>
<b>Current assets</b>			
Stocks	16	56,371	55,045
Debtors	17	789,056	819,364
Cash at bank and in hand		2,479,629	2,612,676
		<u>3,325,056</u>	<u>3,487,085</u>
Creditors: amounts falling due within one year	18	(3,161,442)	(3,074,291)
<b>Net current assets</b>		<u>163,614</u>	<u>412,794</u>
<b>Total assets less current liabilities</b>		<u>11,157,612</u>	<u>10,983,679</u>
Creditors: amounts falling due after more than one year	19	(1,945,287)	(2,166,827)
<b>Net assets excluding pension asset</b>		<u>9,212,325</u>	<u>8,816,852</u>
<b>Total net assets</b>		<u><u>9,212,325</u></u>	<u><u>8,816,852</u></u>

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

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
<b>Charity funds</b>			
Endowment funds	23	45,875	45,875
Restricted funds	23	593,846	605,214
Unrestricted funds	23	8,572,604	8,165,763
<b>Total funds</b>		<u>9,212,325</u>	<u>8,816,852</u>

The financial statements were approved and authorised for issue by the Governors on 15.12.23 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 2023**

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	25	1,290,894	1,497,102
<b>Cash flows from investing activities</b>			
Proceeds from the disposal of tangible fixed assets		900	2,750
Purchase of intangible assets		(99,038)	-
Purchase of tangible fixed assets		(1,094,039)	(513,068)
Proceeds from sale of investments		45,511	95,688
Purchase of investments		(49,981)	(97,346)
Dividend income		16,133	13,253
Interest received		38,666	3,064
<b>Net cash used in investing activities</b>		(1,141,848)	(495,659)
<b>Cash flows from financing activities</b>			
Loan repayments in year		(49,085)	(49,094)
Capital repayments in year		(97,369)	(64,911)
Repayments of finance leases		(135,639)	(94,674)
<b>Net cash used in financing activities</b>		(282,093)	(208,679)
<b>Change in cash and cash equivalents in the year</b>		(133,047)	792,764
Cash and cash equivalents at the beginning of the year		2,612,676	1,819,912
<b>Cash and cash equivalents at the end of the year</b>	26	2,479,629	2,612,676

The notes on pages 23 to 48 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 2023**

**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 2023**

**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 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

**1.5 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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**1.6 Stocks**

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

**1.7 Taxation**

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



**BARNARD CASTLE SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**1. Accounting policies (continued)**

**1.8 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.

**1.9 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. Non-teaching staff are offered retirement benefits by The Pension Trust, a defined contribution scheme.

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 School exited from the Local Government Pension Scheme on 10 March 2023. In accordance with Section 28.22 of FRS 102, as there is no certainty the Charity will benefit, the asset is not recognised within these financial statements.

**1.10 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**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**1. Accounting policies (continued)**

**1.11 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.

**1.12 Operating leases**

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

**1.13 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 17. 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 18 and 19. 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.

**1.14 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**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**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 28, 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. The School has since exited from the Local Government Pension Scheme (see note 1.9).

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 considered doubtful debts. The total bad debt provision within the financial statements is £123,487 (2022: £140,098).

**BARNARD CASTLE SCHOOL**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**3. Income from donations and legacies**

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	68,145	68,145	8,064
Legacies	316,845	316,845	7,873
<b>Total 2023</b>	<b>384,990</b>	<b>384,990</b>	<b>15,937</b>
Total 2022	15,937	15,937	

**4. Income from other trading activities**

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings and event income	189,533	189,533	192,234
<b>Total 2023</b>	<b>189,533</b>	<b>189,533</b>	<b>192,234</b>
Total 2022	192,234	192,234	

**5. Investment income**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income from listed investments	-	16,133	16,133	13,253
Deposit account interest	38,666	-	38,666	3,064
<b>Total 2023</b>	<b>38,666</b>	<b>16,133</b>	<b>54,799</b>	<b>16,317</b>
Total 2022	3,064	13,253	16,317	

**BARNARD CASTLE SCHOOL**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**6. Income from charitable activities**

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
School fees	12,412,904	12,412,904	11,619,316
Other income	43,629	43,629	41,325
Cost of providing school buses	(6,001)	(6,001)	(42,691)
Remissions	(1,226,652)	(1,226,652)	(1,269,480)
<b>Total 2023</b>	<u>11,223,880</u>	<u>11,223,880</u>	<u>10,348,470</u>
Total 2022	<u>10,348,470</u>	<u>10,348,470</u>	

**BARNARD CASTLE SCHOOL**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**7. Raising funds - expenditure**

**Other trading activities**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings and event costs	52,447	-	52,447	68,508
Investment management fees	-	3,231	3,231	3,824
	<u>52,447</u>	<u>3,231</u>	<u>55,678</u>	<u>72,332</u>
Total 2022	<u>68,508</u>	<u>3,824</u>	<u>72,332</u>	

**8. Analysis of charitable expenditure by activities**

	Direct costs 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Teaching and Governance	6,256,203	273,697	6,529,900	5,863,418
Premises	1,949,242	770,111	2,719,353	2,362,515
Welfare	1,206,327	-	1,206,327	1,031,168
Other	865,430	77,614	943,044	889,349
	<u>10,277,202</u>	<u>1,121,422</u>	<u>11,398,624</u>	<u>10,146,450</u>
Total 2022	<u>9,266,922</u>	<u>879,528</u>	<u>10,146,450</u>	

In 2023 of the total charitable expenditure of £11,396,918 (2022: £10,146,450), £11,391,571 (2022: £10,141,103) was to unrestricted funds, £5,347 (2022: £5,347) was to restricted funds and £Nil (2022: £Nil) was to endowment funds.

**BARNARD CASTLE SCHOOL**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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

**Analysis of direct costs**

	Teaching and Governance 2023 £	Premises 2023 £	Welfare 2023 £	Other 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	5,605,160	901,654	672,722	550,966	7,730,502	7,114,435
Teaching resources	279,568	-	-	-	279,568	220,321
Premises and grounds	-	97,251	-	-	97,251	102,856
Rates	-	140,962	-	-	140,962	73,633
Insurance	18,644	91,456	-	-	110,100	99,168
Light, heat and water	-	301,292	-	-	301,292	273,841
Other teaching costs	232,726	-	-	-	232,726	155,488
Travel	120,105	-	(340)	-	119,765	88,722
Catering	-	-	514,814	-	514,814	495,353
Laundry	-	-	3,762	-	3,762	7,224
Nursing	-	-	15,369	-	15,369	12,853
Cleaning	-	82,350	-	-	82,350	79,577
Maintenance	-	334,277	-	-	334,277	247,218
Marketing and development	-	-	-	114,079	114,079	80,850
IT costs	-	-	-	106,648	106,648	108,476
Administration	-	-	-	94,907	94,907	88,861
Recruitment	-	-	-	23,884	23,884	22,408
Bad debts	-	-	-	(25,054)	(25,054)	(4,362)
	<u>6,256,203</u>	<u>1,949,242</u>	<u>1,206,327</u>	<u>865,430</u>	<u>10,277,202</u>	<u>9,266,922</u>
Total 2022	<u>5,776,201</u>	<u>1,641,647</u>	<u>1,031,168</u>	<u>817,906</u>	<u>9,266,922</u>	



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

**Analysis of support costs**

	Governance 2023 £	Premises 2023 £	Other 2023 £	Total funds 2023 £	Total funds 2022 £
Depreciation and amortisation	-	770,617	-	770,617	723,414
Surplus on disposal of assets	-	(506)	-	(506)	(2,546)
Bank charges	-	-	14,210	14,210	14,680
Bank interest	-	-	52,444	52,444	39,486
Leasing interest	-	-	10,271	10,271	17,277
Interest paid to HMRC	-	-	689	689	-
Governance costs	273,697	-	-	273,697	87,217
	<u>273,697</u>	<u>770,111</u>	<u>77,614</u>	<u>1,121,422</u>	<u>879,528</u>
Total 2022	<u>87,217</u>	<u>720,868</u>	<u>71,443</u>	<u>879,528</u>	

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

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

	2023 £	2022 £
Auditors' remuneration	16,200	11,000
Depreciation - owned assets	712,930	671,245
Depreciation - assets on finance lease	53,668	50,666
(Surplus) on disposal of fixed assets	(506)	(2,546)
Computer software amortisation	4,019	1,503
Operating lease payments	75,806	119,233
	<u>75,806</u>	<u>119,233</u>

**10. Auditors' remuneration**

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	16,200	11,000
Fees payable to the Charity's auditor in respect of:		
All taxation advisory services not included above	475	430
All non-audit services not included above	6,019	6,474
	<u>6,019</u>	<u>6,474</u>

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FOR THE YEAR ENDED 31 AUGUST 2023**

**11. Governors' remuneration and benefits**

During the year, no Governor received any remuneration or other benefits (2022: £Nil).

During the year ended 31 August 2023, travel expenses, being the only expenses reimbursed to Governors, totalled £2,348. These were reimbursed or paid directly to 4 Governors (2022 - £2,176 to 5 Governors).

**12. Staff costs**

	2023 £	2022 £
Wages and salaries	6,072,294	5,514,233
Social security costs	600,322	550,889
Other pension costs	1,057,886	1,049,313
	<u>7,730,502</u>	<u>7,114,435</u>

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

	2023 No.	2022 No.
Teaching	111	108
Support	22	19
Welfare	32	26
Premises	39	38
	<u>204</u>	<u>191</u>

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	4	4
In the band £70,001 - £80,000	1	1
In the band £130,001 - £140,000	-	1
In the band £140,001 - £150,000	1	-

Pension contributions of £100,326 (2022: £68,193) 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 £731,430 (2022: £698,237).

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**13. Intangible assets**

	Computer software £
<b>Cost</b>	
At 1 September 2022	44,134
Additions	99,038
At 31 August 2023	<u>143,172</u>
<b>Amortisation</b>	
At 1 September 2022	37,680
Charge for the year	4,019
At 31 August 2023	<u>41,699</u>
<b>Net book value</b>	
At 31 August 2023	<u><u>101,473</u></u>
At 31 August 2022	<u><u>6,454</u></u>



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**14. Tangible fixed assets**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
<b>Cost or valuation</b>						
At 1 September 2022	14,368,803	1,015,714	2,135,347	58,641	842,355	18,420,860
Additions	943,362	-	125,387	8,000	17,290	1,094,039
Disposals	-	-	-	(2,100)	-	(2,100)
At 31 August 2023	15,312,165	1,015,714	2,260,734	64,541	859,645	19,512,799
<b>Depreciation</b>						
At 1 September 2022	6,059,374	285,230	1,484,097	16,519	522,162	8,367,382
Charge for the year	456,930	50,785	118,994	8,499	131,386	766,594
On disposals	-	-	-	(1,706)	-	(1,706)
At 31 August 2023	6,516,304	336,015	1,603,091	23,312	653,548	9,132,270
<b>Net book value</b>						
At 31 August 2023	8,795,861	679,699	657,643	41,229	206,097	10,380,529
At 31 August 2022	8,309,429	730,484	651,250	42,122	320,193	10,053,478

Included in cost of freehold property is freehold land of £55,240 (2022: £55,240) which is not depreciated.

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**NOTES TO THE FINANCIAL STATEMENTS  
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Fixed assets, included in the above, which are held under finance leases are as follows:

	2023 £	2022 £
<b>Cost</b>		
At 1 September	1,033,341	993,321
Additions	-	40,020
	<u>1,033,341</u>	<u>1,033,341</u>
<b>Depreciation</b>		
At 1 September	282,292	231,626
Charge for year	53,668	50,666
	<u>335,960</u>	<u>282,292</u>
<b>Net book value</b>		
At 31 August	<u>697,381</u>	<u>712,029</u>

**15. Fixed asset investments**

	Listed investments £
<b>Cost or valuation</b>	
At 1 September 2022	510,953
Additions	49,981
Disposals	(45,511)
Revaluations	(3,427)
At 31 August 2023	<u>511,996</u>
<b>Net book value</b>	
At 31 August 2023	511,996
At 31 August 2022	<u>510,953</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**16. Stocks**

	2023 £	2022 £
Stocks	56,371	55,045

**17. Debtors**

	2023 £	2022 £
<b>Due within one year</b>		
Trade debtors	265,292	242,795
Other debtors	6,153	26,800
Prepayments and accrued income	517,611	549,769
	<u>789,056</u>	<u>819,364</u>

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

	2023 £	2022 £
Bank loans (see note 20)	146,085	146,492
Trade creditors	546,402	662,088
Other taxation and social security	286,386	271,211
Finance leases (see note 21)	119,796	135,639
Other creditors	244,703	146,642
Accruals and deferred income	1,818,070	1,712,219
	<u>3,161,442</u>	<u>3,074,291</u>

  

	2023 £	2022 £
<b>Deferred income</b>		
Deferred income at 1 September 2022	1,623,327	1,282,439
Resources deferred during the year	1,687,355	1,623,327
Amounts released from previous periods	(1,623,327)	(1,282,439)
	<u>1,687,355</u>	<u>1,623,327</u>

Deferred income at the balance sheet date is in relation to monies received for school fees and courses for periods from 1st September 2023.



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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. Creditors: Amounts falling due after more than one year**

	2023 £	2022 £
Bank loans (see note 20)	1,603,423	1,749,470
Finance leases (see note 21)	16,383	136,179
Other creditors	325,481	281,178
	<u>1,945,287</u>	<u>2,166,827</u>

**20. Loans**

An analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year on demand: Loans	146,085	146,492
Amounts falling between one and two years: Loans - 1-2 years	110,440	146,492
Amounts falling due between two and five years: Loans - 2-5 years	1,492,983	1,602,978
Amounts falling due in more than five years:  Repayable by instalments: Loans more 5 years	  - <u>-</u>	  - <u>-</u>

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 1 year and 3 months. In December 2021 on the cessation of LIBOR, the loan transitioned to SONIA interest rates.

The two 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 which started 13 months after drawdown with fixed interest charged at 2.59% for 5 years with the 6th year at 2.34% above the Bank base rate. The second loan can be repaid without penalty at any time within the 6 year period with fixed interest charged at 2.66% for 5 years with the 6th year at 2.34% above the Bank base rate. The remaining term on these loans is 3 years and 3 months.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**21. Leasing agreements**

	Finance Leases 2023 £	Finance Leases 2022 £
<b>Net obligations repayable:</b>		
Within one year	119,796	135,639
Between one and five years	16,383	136,179
In more than five years	-	-
	<u>136,179</u>	<u>271,818</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:

	2023 £	2022 £
Within one year	74,018	75,806
Between one and five years	114,124	64,414
	<u>188,142</u>	<u>140,220</u>

**22. Secured debts**

The following secured debts are included within creditors:

	2023 £	2022 £
Coronavirus Business Interruption Loans	1,687,719	1,785,088
SONIA Loan	61,789	110,874
Finance leases	136,179	271,818
	<u>1,885,687</u>	<u>2,167,780</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 2023**

**23. Statement of funds**

**Statement of funds - current year**

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
<b>Unrestricted funds</b>						
Revenue reserve	7,565,763	11,837,069	(11,445,724)	15,496	-	7,972,604
Designated Funds	600,000	-	-	-	-	600,000
	<u>8,165,763</u>	<u>11,837,069</u>	<u>(11,445,724)</u>	<u>15,496</u>	<u>-</u>	<u>8,572,604</u>
<b>Endowment funds</b>						
Foundation endowment	<u>45,875</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,875</u>
<b>Restricted funds</b>						
Barnard Castle School Prize & Scholarship Fund	455,446	16,133	(3,231)	-	(3,427)	464,921
Hearnshaw Legacy	71,156	-	-	(15,496)	-	55,660
Science Centre Donation	78,612	-	(5,347)	-	-	73,265
	<u>605,214</u>	<u>16,133</u>	<u>(8,578)</u>	<u>(15,496)</u>	<u>(3,427)</u>	<u>593,846</u>
<b>Total of funds</b>	<u><u>8,816,852</u></u>	<u><u>11,853,202</u></u>	<u><u>(11,454,302)</u></u>	<u><u>-</u></u>	<u><u>(3,427)</u></u>	<u><u>9,212,325</u></u>



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**23. 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  
FOR THE YEAR ENDED 31 AUGUST 2023**

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

**Statement of funds - prior year**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>						
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>
<b>Endowment funds</b>						
Foundation endowment	<u>45,875</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,875</u>
<b>Restricted funds</b>						
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>
<b>Total of funds</b>	<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 2023**

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

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

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Tangible fixed assets	10,266,301	68,353	45,875	10,380,529
Intangible fixed assets	101,473	-	-	101,473
Fixed asset investments	-	511,996	-	511,996
Current assets	3,311,559	13,497	-	3,325,056
Creditors due within one year	(3,161,442)	-	-	(3,161,442)
Creditors due in more than one year	(1,945,287)	-	-	(1,945,287)
<b>Total</b>	<b>8,572,604</b>	<b>593,846</b>	<b>45,875</b>	<b>9,212,325</b>

**Analysis of net assets between funds - prior 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)
<b>Total</b>	<b>8,165,763</b>	<b>605,214</b>	<b>45,875</b>	<b>8,816,852</b>



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	395,473	224,978
<b>Adjustments for:</b>		
Depreciation charges	766,594	721,911
Amortisation charges	4,019	1,503
Losses on investments	3,427	129,198
Bank interest received	(38,666)	(3,064)
Profit on the sale of fixed assets	(506)	(2,546)
(Increase)/decrease in stocks	(1,326)	15,223
Decrease/(increase) in debtors	30,308	(233,007)
Increase in creditors	147,704	656,159
Dividend income	(16,133)	(13,253)
<b>Net cash provided by operating activities</b>	<u>1,290,894</u>	<u>1,497,102</u>

**26. Analysis of cash and cash equivalents**

	2023 £	2022 £
Cash at bank and in hand	2,479,629	2,612,676
<b>Total cash and cash equivalents</b>	<u>2,479,629</u>	<u>2,612,676</u>

**27. Analysis of changes in net debt**

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	2,612,676	(133,047)	2,479,629
Debt due within 1 year	(146,492)	407	(146,085)
Debt due after 1 year	(1,749,470)	146,047	(1,603,423)
Finance leases	(271,818)	135,639	(136,179)
	<u>444,896</u>	<u>149,046</u>	<u>593,942</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**28. 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.

The Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Durham County Council. Both are multi-employer defined benefit schemes. The Charity exited the LGPS scheme on 10 March 2023. Subsequent contributions are made to a defined contribution scheme on behalf of its employees, the cost of these contributions being charged to the Charity's Statement of Financial Activities.

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. Membership is automatic for teachers in schools. All teachers have the option to optout 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 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy), to be effective from 1 April 2024, an increase of 5% on the rate previously applied.
- There are 2.105m scheme members, 31% of which are male and 69% female.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262m and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222.2m, giving a notional past service deficit of £39.8m.

The employer's pension costs paid to the TPS in the year amounted to £863,526 (2022: £854,263).

A copy of the valuation report and supporting documentation is on the Teachers' Pension website (<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.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 2023 totalled £89,357 (2022: £195,052), these being up to the point the Charity exited the scheme on 10 March 2023.

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

At the time of exit on 10 March 2023 and in relation to previous years, the Governors are of the view that the Charity should not recognise a pension scheme asset as it predetermines 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.

At the date of the exit from the scheme on 10 March 2023 the company acting for the Administering Authority for the LGPS has confirmed that the fair value of the scheme liabilities amounted to £7.15m, against the fair value of the scheme assets of £8.83m. Whilst it has been confirmed that there is not a deficit on the scheme it is not possible to establish whether (at the date of the approval of the financial statements) any credit will be given to the Charity in due course.

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

	At 31 August 2022 %
Discount rate	4.2
Future salary increases	3.9
Future pension increases	2.9
CPI inflation	2.9
Pension accounts revaluation rate	2.9
	<hr/>
	At 31 August 2022 Years
Mortality rates (in years)	
- for a male aged 65 now	22.1
- at 65 for a male aged 45 now	23.2
- for a female aged 65 now	24.2
- at 65 for a female aged 45 now	25.7
	<hr/>



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**28. Pension commitments (continued)**

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

	At 31 August 2022 £
Equities	5,020,000
Property	770,000
Government bonds	1,040,000
Corporate bonds	400,000
Cash	130,000
Other	490,000
Multi Asset Credit	1,330,000
<b>Total fair value of assets</b>	<u>9,180,000</u>

The actual return on scheme assets was £N/A (2022 - £1,000,000).

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

	2023 £	2022 £
Current service cost	89,357	160,000
Interest income	(132,000)	(170,000)
Interest cost	132,000	170,000
<b>Total amount recognised in the Statement of Financial Activities</b>	<u>89,357</u>	<u>160,000</u>

Movements in the present value of the defined benefit obligation in the previous period when the Charity was within the LGPS were as follows:

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

**BARNARD CASTLE SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**28. Pension commitments (continued)**

Movements in the fair value of the Charity's share of scheme assets obligation in the previous period when the Charity was within the LGPS were as follows:

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

**29. Related party transactions**

During the year Governors made donations of £1,840 towards school activities, and £100 was paid to Governors as well wishes gifts.

P D A Mothersill is a Trustee of The Bowes Museum. During the year purchases of £742 (2022: £85) were made for Museum visits and room hire. Balance outstanding in trade creditors at year end was £Nil (2022: £Nil).

N P Hodges is a Director of The Witham Hall Ltd. During the year purchases of £884 (2022: £422) were made for workshops. Balance outstanding in trade creditors at year end was £Nil (2022: £Nil).

**30. 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.