

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

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INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|--|--|
| Members | Mr J J Grodzinski Mr J L Wosner Lady D J Kestenbaum |
| Trustees | Mr M Paluch, Chair Mrs D Leaf, Vice Chair Mrs L Sher Mr J J Grodzinski Mr J L Wosner Mrs M Tapnack Mrs T Berman Mrs G Friedman Mr S J Dony (resigned 16 September 2020) Mrs L E Lanzkron (resigned 15 October 2020) Mr A Pack (appointed 27 October 2020) Mrs A L Hirst Mr Lewis Mrs J Schajer Mrs M R Lauber Mr A Krausz (resigned 31 December 2019) Mrs S A Selby (resigned 22 September 2020) Lady D J Kestenbaum Mrs R Stafler Mr R Bloom |
| Company registered number | 07718480 |
| Company name | Independent Jewish Day School |
| Registered and principal office | 46 Green Lane Hendon London NW4 2AH |
| Chief Executive Officer | Mrs Jodi Schajer |
| Senior Leadership Team | Mrs Jodi Schajer, Headteacher Rabbi Jacob Singer, Head of Jewish Studies Lady Deborah Kestenbaum, Assistant Head Mrs Holli Hunter, Assistant Head Mrs Marion Tapnack, Business Manager Mrs Stacey Sinclair, Head of Senco |
| Independent Auditors | Price Bailey LLP Chartered Accountants Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford CM23 3BT |

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Bankers

National Westminster Bank
PO Box No 204
No 1 Hatton Garden
London
EC1P 1DU

Solicitors

Stone King
16 St John's Lane
London
EC1M 4BS

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Governors present their Annual Report together with the financial statements and Auditor's Report of the Independent Jewish Day School (IJDS) Academy Trust (the Trust, the Academy or the Charitable Company) for the year ended 31 August 2020. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates IJDS (the School) for pupils aged 4-11, serving the catchment area as described in our admissions criteria and had 234 pupils in the January 2020 school census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents. The Trustees of the Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable.

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details section on page 1.

Member's liability

The Trust's funding agreement (points 7 & 8) specifies that the personal liability of the Members of the Trust is limited to a maximum of a £10 contribution to the Trust's assets in case if it should be wound up.

Trustee and Officers' Indemnities

In accordance with normal commercial practice the Trust has opted into the Department for Education's risk protection agreement (RPA), to protect Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The RPA provides cover up to £10,000,000, details of which are disclosed in Note 9 to the accounts.

Method of recruitment and appointment or election of Trustees

Trustees are appointed for a fixed term of 4 years. The Headteacher is an ex officio member of the Governing Body. The Articles of Association make provision for 11 Foundation Governors, a minimum of 1 Staff Governor and a minimum of 2 Parent Governors. A minimum of 3 Trustees is required.

From time to time the Board of Directors invites new members to join. Normally this occurs when a resourceful new Director becomes an option or when the need for a new Director arises. Each nominee must be approved by the Members, as it is their remit to appoint Directors. Ultimately the Trustees can appoint and remove Directors. Parent Governors are elected through the parent body for a 4 year term.

All new Trustees receive information about their roles and responsibilities. They are also invited to meet with the Finance Director and Senior Leadership Team to understand more about the operations of the School. New Directors are given support in their role by incumbent Directors and staff members and encouraged to attend external training sessions.

Policies and Procedures adopted for the induction and training of Trustees

The Charitable Company is committed to providing adequate opportunities for Directors to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Trust provides an internal programme and links with a number of local training providers.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

All new Directors are given an induction by the Chair and Vice Chair of the Board. They also receive access to the "The Key for School Governors", an online subscription to extensive library of practical and immediately useful resources supports every member of the Board. The new Director is invited to join specific Committees which need more input, or are of particular interest. The new Director is then assigned to those specific Committees with defined remit and responsibilities according to the Terms of Reference. Experienced Directors mentor the new Directors. The new Director is given training opportunities on the role of a Director, and specifically in relation to the Committees which they have joined. The Chair and Vice Chair have ongoing communication with the new Director and receive regular feedback as to their learning and development.

Organisational Structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the funding agreement with the Department of Education.

The Governing Body, which meets formally on 3 occasions per year, is responsible for the strategic direction of the Trust. The Governing Body reviews progress towards educational ethos, objectives and results. They also approve major expenditure requests, set the budget for the following year, set the organisational staffing structure, set the performance objectives of the Headteacher and review them.

The Headteacher is the designated Accounting Officer of the Trust and has overall responsibility for the day to day financial management of the Charitable Company. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders. They are each responsible for managing their own departments within the constraints of their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Trust on a daily basis supported by a Senior Leadership Team. The Senior Leadership Team (SLT) meets weekly to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Governing Body as required for approval. Each member has specific responsibilities to assist the Headteacher to manage certain aspects of the Trust.

The governance structure is an item on the Trusts risk register and is reviewed by the Senior Leadership, the Trustees and the Internal Auditor.

Arrangements for setting pay and remuneration of key management personnel

The Trustees delegate significant authority and responsibility in the day-to-day running of the Trust to key management personnel.

Pay and remuneration of key management personnel is decided by the level of experience of each staff member in reference to the national pay scales for each role. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the appropriate sub-committee and ratified by the Board of Trustees.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

Some of the Directors are also Trustees of the Classics Charitable Trust. The latter allows the Trust to use the School premises on licence, rent free.

INDEPENDENT JEWISH DAY SCHOOL
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and aim of the Charitable Company is the operation of the IJDS Academy Trust to provide education and care for pupils of different abilities between the ages of 3 and 11.

Strategies and Activities

During the year the School has worked towards achieving these aims by:

- ensuring that every child enjoys the same high-quality education in terms of resourcing, tuition and care;
- raising the standard of educational achievement of all pupils by measuring each pupil's progress;
- improving the effectiveness of the School by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended;
- complying with all appropriate statutory and curriculum requirements; and
- conducting the Trust's business in accordance with the highest standards of integrity.

At IJDS we aim to equip our children with the confidence, skills and knowledge to reach the highest standards in Jewish and Secular Studies. We work in partnership with parents. We aim to get the best for, and from, each child. We strive to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. For example: pupils work towards attending the ETGAR competition in year 5 where they can enjoy and display their general knowledge in Jewish Studies. Pupils at the IJDS have many sporting opportunities in which they can enjoy competing or simply participating, such as football and netball tournaments and a swimming gala. Information technology has been incorporated into each classroom via an iPad for every pupil in a class and interactive screens, to enable teachers to use varied learning techniques and engage every child. Regular musical assemblies and performances occur throughout the year to give students an opportunity to showcase their individual and collective musical strengths, and build confidence.

Public Benefit

In setting our objectives and planning our activities the Governors have given careful consideration to the Charity Commission's general guidance on public benefit. The aim of our Charitable Company is to offer the public benefit of advancing education for the pupils of the School. The Trustees believe that by working towards the objectives and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

STRATEGIC REPORT

Achievements and performance

The IJDS Academy scores highly in all areas of measurement in the primary school league tables in Barnet and in comparison to national achievement. In July 2019;

93% of all pupils met the expected standard in reading, writing and maths at Key Stage 2, with at least 30% achieving greater depth, significantly above the national average.

At Key Stage One, 86% achieved expected in reading, 79% in writing and 90% in reading. Again significantly above national average.

93% of IJDS pupils passed the Year 1 phonics test and 81% of pupils achieved a good level of development in EYFS.

Due to Coronavirus closures in July 2020, Statutory Assessments at KS1, KS2 and EYFS were suspended.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Performance indicators from February 2020, before school closures were put in place show that our pupils were on track to achieve high standards this academic year.

| | | | |
|----------------------|---------|---------|-------|
| KS2 | Reading | Writing | Maths |
| At least age related | 86% | 82% | 92% |
| exceeding | 14% | 7% | 20% |
| KS1 | Reading | Writing | Maths |
| At least age related | 70% | 70% | 83% |
| Exceeding | 30% | 13% | 23% |

Key Performance Indicators

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2020 were 234. All classes were fully subscribed, and have a waiting list of interested families.

Another key financial performance indicator is staffing costs as a percentage of total income. Also staffing costs as a percentage of total expenditure which is at 80%. Since staff costs are our primary cost, these are regularly monitored and forecast to year-end. The Board of Trustees is confident that staffing levels are closely monitored to agreed Full Time Equivalent and staffing structures all approved by the Board.

The funding allocation from the DfE and Local Authority for early years and statement children was closely monitored. The KPI of allocated income from these sources was carefully checked against incoming receipts.

The Finance and Premises Committee also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above KPI's were within the parameters set by the Board.

COVID-19

Following the government guidance on the 20th of March 2020, for the first time in its history the IJDS had to close its doors to all pupils.

In response to the COVID-19 challenges in the summer term of 2020, the School has:

- Developed on-line remote learning environment to continue and deliver the national curriculum;
- Performed a detailed risk assessment, which was approved by Public Health, ensuring safe reopening of the School;
- Provided on-premises provision for the children of critical workers;
- Gradually returned priority year groups into the School based on the Government guidance;
- Furloughed a limited number of non-teaching staff to minimise financial losses a result of a reduction in donations;
- Maintained regular communications with all children in the School;
- Installed additional washing facilities and toilets providing improved hygiene facilities;
- Formed a COVID-19 committee, represented by three senior Directors to provide regular support to the SLT;
- Ensured financial stability in the light of a potential reduction in donations.

Since the beginning of Sep 2020, the School re-opened its doors and all year groups are now back in School. The focus of the School is to ensure that it remains open and that all children receive their education in the classrooms. Those having to self-isolate are able to access their classes live through the Google classroom. The school followed the guidance for full opening published by the DfE and is taking great care in minimizing the spread of the virus within the School community.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Going concern

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

FINANCIAL REVIEW

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the EFA. For the year ended 31 August 2020, the Trust received £802,349 of GAG in addition to other funding. The principal source of funding remains unchanged as a result of COVID-19. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent all of its restricted funds and had a surplus of £69,074 from its unrestricted funds and a deficit on other capital donations in respect of outstanding building works.

Reserves policy

The Directors are aware of the requirement to balance current and future needs. The Directors always attempt to set a balanced budget with annual income balancing annual expenditure.

The cash balance of the Trust has been healthy all year, ending the year with a balance of £180,297.

It is the policy of the Trust to aim to ensure that the unrestricted funds are at a level that is approximately three months expenditure at a very reduced activity level. The reserves will also be used to enable the charity to continue operating when there is a temporary or partial cessation of funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund deficit of £193,000. This does not mean that an immediate liability for this amount crystallises. Rather, such a deficit generally impacts the cash flow from an increased employer pension contribution over a number of years.

Investment policy

The Trust does not engage in any investment. Any surplus that the Trust maintains is held with the specific purpose of covering anticipated and unexpected, emergency expenditure. As such, any investment activity would not be appropriate.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees maintain a risk register identifying the major risks to which the Trust is exposed and identifying actions and procedures to mitigate those risks. A formal review of the risk management process is undertaken on an annual basis. The internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Finance Committee meeting. The principal risks facing the Trust are outlined below; those facing the Trust at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the EFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and this is relatively stable with contingencies in place to cover such items as sickness and maternity.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The Directors assess the other principal risks and uncertainties facing the Trust as follows:

- The Trust has considerable reliance on continued Government funding through the EFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.
- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.
- Staffing - the success of the Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as considering succession planning.
- Fraud and mismanagement of funds - The Trust has appointed a Responsible Officer to carry out checks on financial systems and records as authorised by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

PLANS FOR FUTURE PERIODS

The IJDS aims to continue in its path of excellent academic results. Scoring top of the Barnet league tables indicates the obtainment of the Trust's key objectives. We will sustain this level of academic success with our pedagogical methods. Our aim is to continue to be above national average and score highly within Barnet.

With the goal of enabling excellent teaching, the IJDS Trust will continue to equip each classroom with current interactive teaching technology and updating the learning spaces.

Specifically, the School has the goal to work on pupils' excellent attainment in SPAG, maths in KS1 and writing in KS2.

The School plans on utilizing space to have dedicated areas to address general emotional wellbeing and mental health, such as a sensory space.

The Directors continue to oversee premises improvements, during July and Aug 2020 the junior toilets have been upgraded and a new library was installed. The aim is to complete more refurbishments both inside the building and in the play areas.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Neither the IJDS nor its Trustees are acting as custodian trustees.

**INDEPENDENT JEWISH DAY SCHOOL
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

PROVISION OF INFORMATION TO AUDITORS

So far, as the Trustees are aware:

- There is no relevant audit information of which the Charitable Company's Auditors are unaware, and
- The Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 10 December 2020 and signed on its behalf by:

Mr M Paluch
Chair of Trustees

INDEPENDENT JEWISH DAY SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Independent Jewish Day School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

| Trustee | Meetings attended | Out of a possible |
|---|-------------------|-------------------|
| Mr M Paluch, Chair | 3 | 3 |
| Mrs D Leaf, Vice Chair | 3 | 3 |
| Mrs L Sher | 3 | 3 |
| Mr J J Grodzinski | 2 | 3 |
| Mr J L Wosner | 2 | 3 |
| Mrs M Tapnack | 3 | 3 |
| Mrs T Berman | 2 | 3 |
| Mrs G Freedman | 2 | 3 |
| Mr S J Dony (resigned 1 July 2020) | 2 | 2 |
| Mrs L E Lanzkron (resigned 15 October 2020) | 2 | 3 |
| Mr A Pack (appointed 27 October 2020) | 0 | 0 |
| Mrs J Schajer - Headteacher | 3 | 3 |
| Mr Lewis | 3 | 3 |
| Mr A Krausz (resigned 31 December 2019) | 1 | 1 |
| Mrs M R Lauber | 3 | 3 |
| Mrs S A Selby(resigned 22 September 2020) | 2 | 3 |
| Lady D J Kestenbaum | 2 | 3 |
| Mrs R Stafler | 3 | 3 |
| Mr R Bloom | 2 | 3 |

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

Review of Value for Money

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

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

INDEPENDENT JEWISH DAY SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Improving Educational Results:

We have ensured that resources are directed in order to meet the pupils' educational requirements by targeting resources in line with the School Improvement Plan (SIP) priorities, including:

The introduction of a new middle leadership structure for the School, to develop peer to peer support and coaching in order to enhance the quality of teaching and learning throughout the School.

The introduction and development of a new marking, assessment and learning environment policy to ensure that learning and progress is at the centre of everything.

To develop subject co-ordinators to ensure that the curriculum offer at IJDS is broad and balanced, providing challenge and consolidation for all pupils.

To ensure quality CPD for all staff with regards to being aware of new Ofsted framework and accountability measures, as well as to develop subject knowledge for all teachers.

The appointment of a Head of Jewish Studies to ensure that the School builds on its good foundations in Jewish Studies, leading to being a beacon school for supporting others with a similar religious ethos.

Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|---------------------------------------|-------------------|-------------------|
| Mr M Paluch | 3 | 3 |
| Mr R Bloom | 3 | 3 |
| Ms A L Hirst | 3 | 3 |
| Mr A Pack (appointed 27 October 2020) | 0 | 0 |
| Mrs M Tapnack | 3 | 3 |

Review of value for money

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

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer has delivered improved value for money during the year by improving Educational Results:

We have ensured that resources are directed in order to meet the pupils' educational requirements by targeting resources in line with the School Improvement Plan (SIP) priorities, including:

- The introduction of a new middle leadership structure for the School, to develop peer to peer support and coaching in order to enhance the quality of teaching and learning throughout the School.
- The introduction and development of a new marking, assessment and learning environment policy to ensure that learning and progress is at the centre of everything.
- To develop subject co-ordinators to ensure that the curriculum offer at IJDS is broad and balanced, providing challenge and consolidation for all pupils.
- To ensure quality CPD for all staff with regards to being aware of new Ofsted framework and accountability measures, as well as to develop subject knowledge for all teachers.
- The appointment of a Head of Jewish Studies to ensure that the School builds on its good foundations in Jewish Studies, leading to being a beacon school for supporting others with a similar religious ethos.

INDEPENDENT JEWISH DAY SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in IJDS for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the Annual Report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint a parent volunteer, a qualified accountant and trained auditors as the Internal Auditor.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. Three times a year, he reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Internal audit is included in the remit of the Finance Committee, according to the IJDS Terms of Reference. The Internal Auditor worked with the Business Manager and performed a series of checks to the financial systems and controls. These checks included, but were not limited to, procurement, payroll, pension, risk assessment and budgeting.

These reviews enabled the Internal Auditor to verify that financial systems and controls are in place and adhered to. The Internal Auditor submitted a written report at the end of each term summarizing the work that was carried out and assuring the Trustees that the Academy Trust has a sound system of financial controls.

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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 10 December 2020 and signed on their behalf by:

Mr M Paluch
Chair of Trustees

Mrs J Schajer
Accounting Officer

INDEPENDENT JEWISH DAY SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Independent Jewish Day School I have considered my responsibility to notify the Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2019.

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

Mrs J Schajer
Accounting Officer
Date: 10 December 2020

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 10 December 2020 and signed on its behalf by:

Mr M Paluch
Chair of Trustees

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
INDEPENDENT JEWISH DAY SCHOOL**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our Report. We are independent of the Trust 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
INDEPENDENT JEWISH DAY SCHOOL (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Trustees' Report (incorporating the Strategic Report and the Directors' Report), the Governance Statement and the Accounting Officer's Statement. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

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

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

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
INDEPENDENT JEWISH DAY SCHOOL (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (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 Trustees 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 Trustees are responsible for assessing the Trust'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 Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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.

Use of our report

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

Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

Causeway House

1 Dane Street

Bishop's Stortford

CM23 3BT

10 December 2020

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
INDEPENDENT JEWISH DAY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 5 September 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Independent Jewish Day School during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Independent Jewish Day School's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Independent Jewish Day School's funding agreement with the Secretary of State for Education dated 23 December 2016 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance.
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Trust complies with the framework of authorities.
- Evaluation of the general control environment of the Trust, extending the procedures required for financial statements to include regularity, propriety and compliance.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant
Price Bailey LLP
Chartered Accountants
Statutory Auditors

Date: 10 December 2020

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

| | Note | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Restricted fixed asset funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|---|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 3 | 437,997 | 68,000 | 129,621 | 635,618 | 1,005,491 |
| Charitable activities | | 33,154 | 1,185,574 | - | 1,218,728 | 1,011,571 |
| Total income | | <u>471,151</u> | <u>1,253,574</u> | <u>129,621</u> | <u>1,854,346</u> | <u>2,017,062</u> |
| Expenditure on: | | | | | | |
| Charitable activities | | 406,853 | 1,258,574 | 143,606 | 1,809,033 | 1,836,064 |
| Total expenditure | | <u>406,853</u> | <u>1,258,574</u> | <u>143,606</u> | <u>1,809,033</u> | <u>1,836,064</u> |
| Net movement in funds before other recognised gains/(losses) | | <u>64,298</u> | <u>(5,000)</u> | <u>(13,985)</u> | <u>45,313</u> | <u>180,998</u> |
| Other recognised gains/(losses): | | | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | 21 | - | 4,000 | - | 4,000 | (54,000) |
| Net movement in funds | | <u>64,298</u> | <u>(1,000)</u> | <u>(13,985)</u> | <u>49,313</u> | <u>126,998</u> |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 2,400 | (192,000) | 1,135,248 | 945,648 | 818,650 |
| Net movement in funds | | 64,298 | (1,000) | (13,985) | 49,313 | 126,998 |
| Total funds carried forward | | <u>66,698</u> | <u>(193,000)</u> | <u>1,121,263</u> | <u>994,961</u> | <u>945,648</u> |

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

The notes on pages 24 to 46 form part of these financial statements.

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07718480

BALANCE SHEET
AS AT 31 AUGUST 2020

| | Note | 2020 £ | 2019 £ |
|---|------|-----------|-----------|
| Fixed assets | | | |
| Tangible assets | 11 | 1,118,887 | 1,013,707 |
| Current assets | | | |
| Debtors | 12 | 490,166 | 544,803 |
| Cash at bank and in hand | | 180,297 | 341,868 |
| | | 670,463 | 886,671 |
| Creditors: amounts falling due within one year | 13 | (196,389) | (357,730) |
| Net current assets | | 474,074 | 528,941 |
| Total assets less current liabilities | | 1,592,961 | 1,542,648 |
| Creditors: amounts falling due after more than one year | 14 | (405,000) | (405,000) |
| Net assets excluding pension liability | | 1,187,961 | 1,137,648 |
| Defined benefit pension scheme liability | 21 | (193,000) | (192,000) |
| Total net assets | | 994,961 | 945,648 |
| Funds of the Academy | | | |
| Restricted funds: | | | |
| Fixed asset funds | 15 | 1,121,263 | 1,135,248 |
| Restricted funds excluding pension liability | 15 | 1,121,263 | 1,135,248 |
| Pension reserve | 15 | (193,000) | (192,000) |
| Total restricted funds | 15 | 928,263 | 943,248 |
| Unrestricted income funds | 15 | 66,698 | 2,400 |
| Total funds | | 994,961 | 945,648 |

The financial statements on pages 21 to 46 were approved by the Trustees, and authorised for issue on 10 December 2020 and are signed on their behalf, by:

Mr M Paluch

Chair of Trustees

The notes on pages 24 to 46 form part of these financial statements.

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

| | Note | 2020 £ | 2019 £ |
|---|--------|----------------|----------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 17 | 87,215 | 379,591 |
| Cash flows from investing activities | 18 | (248,786) | (140,389) |
| Change in cash and cash equivalents in the year | | (161,571) | 239,202 |
| Cash and cash equivalents at the beginning of the year | | 341,868 | 102,666 |
| Cash and cash equivalents at the end of the year | 19, 20 | <u>180,297</u> | <u>341,868</u> |

The notes on pages 24 to 46 from part of these financial statements

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Trust's functional and presentational currency is Pounds Sterling.

The financial statements have been restated to reallocate the Right to Occupy fund to a creditor on the Balance Sheet. This creditor has been split in to amounts payable within 1 year and over 1 year.

1.2 Going concern

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

Following the year end the Academy has been affected to a limited extent by restrictions imposed by the UK Government in response to the COVID-19 pandemic.

The Academy derives the majority of its income from local and national Government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Academy can continue operating for a period of at least 12 months following the date of this Report. The financial statements do not contain any adjustments that would be required if the Academy were not able to continue as a going concern.

1.3 Fund accounting

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

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

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

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.4 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

1.5 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.7 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following basis:

| | | |
|------------------------------|---|-------------------|
| Long term leasehold property | - | 2% straight line |
| Furniture and equipment | - | 10% Straight line |
| Computer equipment | - | 20% straight line |

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 13 and 14. 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.

1.12 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 Pensions

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

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

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

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

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Trustees make 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.

3. Income from donations and capital grants

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Restricted fixed asset funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|-------------------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Donations | 437,997 | - | 119,701 | 557,698 | 702,873 |
| Capital grants | - | 68,000 | - | 68,000 | 68,000 |
| Government grants | - | - | 9,920 | 9,920 | 234,618 |
| | <u>437,997</u> | <u>68,000</u> | <u>129,621</u> | <u>635,618</u> | <u>1,005,491</u> |
| Total 2019 | <u>702,873</u> | <u>68,000</u> | <u>234,618</u> | <u>1,005,491</u> | |

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. Funding for the Academy's Educational Operations

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|--------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| DfE/ESFA grants | | | | |
| General Annual Grant (GAG) | - | 802,350 | 802,350 | 795,833 |
| Other Dfe /EFA grants | 33,154 | 121,776 | 154,930 | 49,236 |
| | 33,154 | 924,126 | 957,280 | 845,069 |
| Other government grants | | | | |
| Local Authority grants | - | 164,216 | 164,216 | 149,650 |
| | - | 164,216 | 164,216 | 149,650 |
| Other funding | | | | |
| HMRC JRS | - | 49,298 | 49,298 | - |
| Catering income | - | 47,934 | 47,934 | 16,852 |
| | - | 97,232 | 97,232 | 16,852 |
| Total 2020 | 33,154 | 1,185,574 | 1,218,728 | 1,011,571 |
| Total 2019 | - | 1,011,571 | 1,011,571 | |

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

5. Expenditure

| | Staff Costs 2020 £ | Premises 2020 £ | Other 2020 £ | Total 2020 £ | Total 2019 £ |
|-------------------------|--------------------------|-----------------------|--------------------|--------------------|--------------------|
| Direct costs | 876,570 | - | 36,615 | 913,185 | 942,312 |
| Allocated support costs | 402,667 | 381,862 | 111,319 | 895,848 | 893,752 |
| | <u>1,279,237</u> | <u>381,862</u> | <u>147,934</u> | <u>1,809,033</u> | <u>1,836,064</u> |
| Total 2019 | <u>-</u> | <u>-</u> | <u>1,836,064</u> | <u>1,836,064</u> | |

In 2019, total expenditure of £649,985 was to unrestricted funds, £1,083,571 to restricted funds and £102,508 to restricted fixed asset funds.

6. Charitable activities

| | 2020 £ | 2019 £ |
|--|------------------|------------------|
| Direct costs - educational operations | 913,185 | 939,312 |
| Support costs - educational operations | 895,848 | 896,752 |
| | <u>1,809,033</u> | <u>1,836,064</u> |
| | 2020 £ | 2019 £ |
| Staff costs | 402,667 | 446,959 |
| Depreciation | 143,606 | 102,508 |
| Premises costs | 238,256 | 254,695 |
| Other costs | 82,889 | 92,590 |
| Governance costs | 28,430 | - |
| | <u>895,848</u> | <u>896,752</u> |

Included within governance costs are legal costs totalling £Nil (2019 - £Nil).

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NOTES TO THE FINANCIAL STATEMENTS
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7. Net income/(expenditure)

Net income/(expenditure) for the year includes:

| | 2020 £ | 2019 £ |
|---------------------------------------|-----------|-----------|
| Operating lease rentals | 2,172 | 2,172 |
| Depreciation of tangible fixed assets | 143,606 | 102,508 |
| Fees paid to Auditors for: | | |
| Audit | 6,250 | 6,025 |
| Other services | 4,820 | 3,162 |
| | 151,648 | 114,867 |

8. Staff

a. Staff costs

Staff costs during the year were as follows:

| | 2020 £ | 2019 £ |
|-----------------------|-----------|-----------|
| Wages and salaries | 1,072,503 | 1,126,574 |
| Social security costs | 91,361 | 93,255 |
| Pension costs | 115,373 | 93,323 |
| | 1,279,237 | 1,313,152 |

b. Staff numbers

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

| | 2020 No. | 2019 No. |
|----------------------------|-------------|-------------|
| Teachers | 16 | 14 |
| Administration and support | 25 | 34 |
| Management | 4 | 7 |
| | 45 | 55 |

In the current year only staff that do not have day to day teaching responsibilities have been included within the management staff figure but the senior leadership team average number of staff has remained unchanged from the prior year 7 (2019 - 7).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. Staff (continued)

c. Higher paid staff

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

| | 2020 No. | 2019 No. |
|-------------------------------|-------------------|-------------------|
| In the band £70,001 - £80,000 | 1 | 1 |
| | <u> </u> | <u> </u> |

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £377,785 (2019 £308,708).

9. Trustees' remuneration and expenses

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

| | | 2020 £ | 2019 £ |
|-------------------------------|----------------------------|----------------------|----------------------|
| Mrs J Schajer (Head Teacher) | Remuneration | £85,000 - £90,000 | £80,000 - £85,000 |
| | Pension contributions paid | £15,000 - £20,000 | £15,000 - £20,000 |
| Mrs M Tapnack (Staff Trustee) | Remuneration | 25,000 - 30,000 | 20,000 - 25,000 |
| | Pension contributions paid | £Nil | £Nil |
| | Salary sacrifice | 35,000 - 40,000 | 35,000 - 40,000 |
| Mrs D Kestenbaum | Remuneration | 25,000 - 30,000 | |
| | Pension contributions paid | 5,000 - 10,000 | |

During the year ended 31 August 2020, expenses totalling £106 were reimbursed or paid directly to 1 Trustee (2019 - £573 to 1 Trustee). These expenses related to travel and subsistence costs.

10. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost and totalled £4,122 in the current year (2019 - £4,520).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. Tangible fixed assets

| | Long-term leasehold property £ | Furniture and equipment £ | Computer equipment £ | Total £ |
|--------------------------|---|---------------------------------|----------------------------|------------------|
| Cost or valuation | | | | |
| At 1 September 2019 | 1,128,381 | 47,541 | 102,556 | 1,278,478 |
| Additions | 229,020 | 8,579 | 11,187 | 248,786 |
| At 31 August 2020 | <u>1,357,401</u> | <u>56,120</u> | <u>113,743</u> | <u>1,527,264</u> |
| Depreciation | | | | |
| At 1 September 2019 | 124,728 | 46,894 | 93,149 | 264,771 |
| Charge for the year | 135,740 | 2,146 | 5,720 | 143,606 |
| At 31 August 2020 | <u>260,468</u> | <u>49,040</u> | <u>98,869</u> | <u>408,377</u> |
| Net book value | | | | |
| At 31 August 2020 | <u>1,096,933</u> | <u>7,080</u> | <u>14,874</u> | <u>1,118,887</u> |
| At 31 August 2019 | <u>1,003,653</u> | <u>647</u> | <u>9,407</u> | <u>1,013,707</u> |

12. Debtors

| | 2020 £ | 2019 £ |
|-------------------------------------|----------------|----------------|
| Due after more than one year | | |
| Other debtors | 405,000 | 405,000 |
| | <u>405,000</u> | <u>405,000</u> |
| Due within one year | | |
| Other debtors | 71,713 | 68,000 |
| Prepayments and accrued income | - | 64,960 |
| VAT repayable | 13,453 | 6,843 |
| | <u>490,166</u> | <u>544,803</u> |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

13. Creditors: Amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | 41,030 | 35,275 |
| Other taxation and social security | 23,287 | 24,956 |
| Other creditors | 83,722 | 80,961 |
| Accruals and deferred income | 48,350 | 216,538 |
| | <u>196,389</u> | <u>357,730</u> |

The deferred income in the year is in relation to the free infant school meals grant that the Academy receive in July 2020 which was in relation to the 20/21 academic school year.

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

| | 2020 £ | 2019 £ |
|-------------------|----------------|----------------|
| Donations in kind | <u>405,000</u> | <u>405,000</u> |

The creditor falling due after more than one year represents the liability of the donation in kind by The Classics Trust for the right to use the school. This is offset by a debtor falling due after more than one year for the same amount.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. Statement of funds

| | As restated Balance at 1 September 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2020 £ |
|---------------------------------|---|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| Unrestricted funds | 2,400 | 471,151 | (406,853) | - | - | 66,698 |
| Restricted general funds | | | | | | |
| GAG | - | 802,350 | (802,350) | - | - | - |
| Other DfE/ESFA grants | - | 63,445 | (63,445) | - | - | - |
| Pupil Premium Funding | - | 3,979 | (3,979) | - | - | - |
| Restricted FEYP | - | 110,376 | (110,376) | - | - | - |
| Restricted SEN | - | 53,840 | (53,840) | - | - | - |
| Restricted Other | - | 49,298 | (49,298) | - | - | - |
| EFA lunch income | - | 54,352 | (54,352) | - | - | - |
| Restricted Lunch fund | - | 47,934 | (47,934) | - | - | - |
| Donation in kind | - | 68,000 | (68,000) | - | - | - |
| Pension reserve | (192,000) | - | (5,000) | - | 4,000 | (193,000) |
| | <u>(192,000)</u> | <u>1,253,574</u> | <u>(1,258,574)</u> | <u>-</u> | <u>4,000</u> | <u>(193,000)</u> |

INDEPENDENT JEWISH DAY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. Statement of funds (continued)

| | Balance at 1 September 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2020 £ |
|-------------------------------------|--|-------------------------|---------------------------|--------------------------|-------------------------|--------------------------------------|
| Restricted fixed asset funds | | | | | | |
| Other capital donations | (68,217) | 119,701 | - | (49,108) | - | 2,376 |
| DFC | - | 9,920 | - | (9,920) | - | - |
| CIF Funding | 189,758 | - | - | (189,758) | - | - |
| Restricted fixed asset fund | 1,013,707 | - | (143,606) | 248,786 | - | 1,118,887 |
| | <u>1,135,248</u> | <u>129,621</u> | <u>(143,606)</u> | <u>-</u> | <u>-</u> | <u>1,121,263</u> |
| Total Restricted funds | <u>943,248</u> | <u>1,383,195</u> | <u>(1,402,180)</u> | <u>-</u> | <u>4,000</u> | <u>928,263</u> |
| Total funds | <u><u>945,648</u></u> | <u><u>1,854,346</u></u> | <u><u>(1,809,033)</u></u> | <u><u>-</u></u> | <u><u>4,000</u></u> | <u><u>994,961</u></u> |

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

Unrestricted funds

This represents income received that does not have any restrictions any may be used towards meeting any of the charitable objectives of the Academy.

General Annual Grant (GAG)

This represents funding from the ESFA to cover the costs of recurrent expenditure.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020

SEN

This represents funding from the Local Authority and it is used towards the education of pupils with special educational needs and disabilities.

Pupil Premium

This represents funding to help raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

Other Government grants

This represents various small grants from local and national Government bodies for the provision of specific services to the pupils of the Schools.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. Statement of funds (continued)

Restricted other donations

This represents small donations received in the year for specific purposes.

Free early years provision funding (FEYP)

This represents funding provided for the provision of free early years education

Devolved Formula Capital (DFC) fund

The Trust is to use the DFC allocation to maintain and improve its building and facilities.

Pension reserve

The fund represents the Trust's share of the deficit on the LGPS transferred to the Trust on conversion from a state controlled school.

Donation in kind

This fund represents the rent free occupation of the land and buildings from the Classics Charitable Trust

Condition Improvement Fund (CIF)

This represents capital grants received for the purpose of specific projects.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. Statement of funds (continued)

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

| | Balance at 1 September 2018 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2019 £ |
|---------------------------------|--|-------------|------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| Unrestricted funds | (50,488) | 702,873 | (649,985) | - | - | 2,400 |
| Restricted general funds | | | | | | |
| GAG | - | 795,833 | (795,833) | - | - | - |
| Donation in kind | - | 68,000 | (68,000) | - | - | - |
| Other Dfe/ESFA grants | - | 17,700 | (17,700) | - | - | - |
| Restricted FEYP | - | 98,893 | (98,893) | - | - | - |
| Pupil Premium funding | - | 3,960 | (3,960) | - | - | - |
| Restricted SEN | - | 50,757 | (50,757) | - | - | - |
| ESFA/restricted lunch income | - | 44,428 | (44,428) | - | - | - |
| Pension reserve | (134,000) | - | (4,000) | - | (54,000) | (192,000) |
| | (134,000) | 1,079,571 | (1,083,571) | - | (54,000) | (192,000) |

INDEPENDENT JEWISH DAY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. Statement of funds (continued)

| | Balance at 1 September 2018 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2019 £ |
|-------------------------------------|--|-------------------------|---------------------------|--------------------------|-------------------------|--------------------------------------|
| Restricted fixed asset funds | | | | | | |
| Restricted fixed asset funds | 975,826 | - | (102,508) | 140,389 | - | 1,013,707 |
| Other capital donations | (68,217) | - | - | - | - | (68,217) |
| Capital improvement fund (CIF) | 95,529 | 210,449 | - | (116,220) | - | 189,758 |
| | <u>1,003,138</u> | <u>210,449</u> | <u>(102,508)</u> | <u>24,169</u> | <u>-</u> | <u>1,135,248</u> |
| Total Restricted funds | <u>869,138</u> | <u>1,290,020</u> | <u>(1,186,079)</u> | <u>24,169</u> | <u>(54,000)</u> | <u>943,248</u> |
| Total funds | <u><u>818,650</u></u> | <u><u>1,992,893</u></u> | <u><u>(1,836,064)</u></u> | <u><u>24,169</u></u> | <u><u>(54,000)</u></u> | <u><u>945,648</u></u> |

16. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Restricted fixed asset funds 2020 £ | Total funds 2020 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 1,118,887 | 1,118,887 |
| Debtors due after more than one year | - | 405,000 | - | 405,000 |
| Current assets | 66,698 | 196,389 | 2,376 | 265,463 |
| Creditors due within one year | - | (196,389) | - | (196,389) |
| Creditors due in more than one year | - | (405,000) | - | (405,000) |
| Provisions for liabilities and charges | - | (193,000) | - | (193,000) |
| Total | <u><u>66,698</u></u> | <u><u>(193,000)</u></u> | <u><u>1,121,263</u></u> | <u><u>994,961</u></u> |

INDEPENDENT JEWISH DAY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
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16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Restricted fixed asset funds 2019 £ | Total funds 2019 £ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 1,013,707 | 1,013,707 |
| Debtors due after more than one year | - | 405,000 | - | 405,000 |
| Current assets | 132,652 | 227,478 | 121,541 | 481,671 |
| Creditors due within one year | (130,252) | (227,478) | - | (357,730) |
| Creditors due in more than one year | - | (405,000) | - | (405,000) |
| Provisions for liabilities and charges | - | (192,000) | - | (192,000) |
| Total | <u>2,400</u> | <u>(192,000)</u> | <u>1,135,248</u> | <u>945,648</u> |

17. Reconciliation of net income to net cash flow from operating activities

| | 2020 £ | 2019 £ |
|--|---------------|----------------|
| Net income for the period (as per Statement of Financial Activities) | 45,313 | 180,998 |
| Adjustments for: | | |
| Depreciation | 143,606 | 102,508 |
| Decrease/(increase) in debtors | 54,637 | (10,773) |
| (Decrease)/increase in creditors | (161,341) | 102,858 |
| Pension adjustment | 5,000 | 4,000 |
| Net cash provided by operating activities | <u>87,215</u> | <u>379,591</u> |

18. Cash flows from investing activities

| | 2020 £ | 2019 £ |
|--|------------------|------------------|
| Purchase of tangible fixed assets | (248,786) | (140,389) |
| Net cash used in investing activities | <u>(248,786)</u> | <u>(140,389)</u> |

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NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of cash and cash equivalents

| | 2020 £ | 2019 £ |
|--|----------------|----------------|
| Cash in hand | 180,297 | 341,868 |
| Total cash and cash equivalents | 180,297 | 341,868 |

20. Analysis of changes in net debt

| | At 1 September 2019 £ | Cash flows £ | At 31 August 2020 £ |
|--------------------------|--------------------------------|-----------------|---------------------------|
| Cash at bank and in hand | 341,868 | (161,571) | 180,297 |
| | 341,868 | (161,571) | 180,297 |

21. Pension commitments

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

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

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

Teachers' Pension Scheme

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

21. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £78,526 (2019 - £65,791).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £2,402 (2019 - £2,531), of which employer's contributions totalled £1,991 (2019 - £2,111) and employees' contributions totalled £ 411 (2019 - £420). The agreed contribution rates for future years are 23.5 per cent for employers and 6.5 per cent for employees.

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

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

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

Principal actuarial assumptions

| | 2020 % | 2019 % |
|--|-----------|-----------|
| Rate of increase in salaries | 1.9 | 2.6 |
| Rate of increase for pensions in payment/inflation | 2.20 | 2.30 |
| Discount rate for scheme liabilities | 1.7 | 1.9 |

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

| | 2020 Years | 2019 Years |
|----------------------|---------------|---------------|
| Retiring today | | |
| Males | 21.7 | 21.0 |
| Females | 24.0 | 23.3 |
| Retiring in 20 years | | |
| Males | 22.9 | 22.3 |
| Females | 25.7 | 25.1 |

As at the 31st August the Trust had a pension liability of £193,000 (2019 - £192,000). The sensitivity analysis detailed below would increase/(decrease) the closing defined benefit obligation in the following way;

Sensitivity Analysis

| | 2020 £000 | 2019 £000 |
|--|--------------|--------------|
| Discount rate +0.1% | (8,784) | (10,248) |
| Discount rate -0.1% | 8,784 | 10,248 |
| Mortality assumption - 1 year increase | 2,928 | 5,124 |
| Mortality assumption - 1 year decrease | (2,928) | (5,124) |
| CPI rate +0.1% | 8,784 | 9,516 |
| CPI rate -0.1% | (8,784) | (9,516) |

Share of scheme assets

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21. Pension commitments (continued)

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

| | 2020 £ | 2019 £ |
|-------------------------------------|----------------|----------------|
| Equities | 97,000 | 97,000 |
| Corporate bonds | 52,000 | 56,000 |
| Property | 9,000 | 5,000 |
| Cash and other liquid assets | 15,000 | 16,000 |
| Total market value of assets | <u>173,000</u> | <u>174,000</u> |

The actual return on scheme assets was £Nil (2019 - £10,000).

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

| | 2020 £ | 2019 £ |
|---|--------------|--------------|
| Current service cost | 3,000 | (3,000) |
| Interest income | - | 10,000 |
| Interest cost | 4,000 | (3,000) |
| Total amount recognised in the Statement of Financial Activities | <u>7,000</u> | <u>4,000</u> |

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

| | 2020 £ | 2019 £ |
|--------------------------|----------------|----------------|
| At 1 September | 366,000 | 296,000 |
| Estimated benefits paid | (3,000) | - |
| Current service cost | 3,000 | - |
| Interest cost | 7,000 | 11,000 |
| Actuarial (gains)/losses | (7,000) | 59,000 |
| At 31 August | <u>366,000</u> | <u>366,000</u> |

INDEPENDENT JEWISH DAY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

21. Pension commitments (continued)

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

| | 2020 £ | 2019 £ |
|--------------------------|----------------|----------------|
| At 1 September | 174,000 | 162,000 |
| Interest income | 3,000 | 5,000 |
| Actuarial (losses)/gains | (3,000) | 5,000 |
| Employer contributions | 2,000 | 2,000 |
| Benefits paid | (3,000) | - |
| At 31 August | <u>173,000</u> | <u>174,000</u> |

22. Operating lease commitments

At 31 August 2020 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2020 £ | 2019 £ |
|--|--------------|--------------|
| Not later than 1 year | 2,172 | 2,172 |
| Later than 1 year and not later than 5 years | 2,172 | 4,344 |
| | <u>4,344</u> | <u>6,516</u> |

23. Members' liability

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

INDEPENDENT JEWISH DAY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

24. Related party transactions

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

A donation in kind has been recognised in the year from The Classics Charitable Trust for the right to use the school building totalling £68,000 (2019 - £68,000)

In the year The Independent Jewish Day School Foundation donated £605,632 (2019 - £719,725) which was for general running costs of the academy as well as restricted lunch income and capital expenditure income. Mr J Wosner, Mr J Grodzinski and Lady Kestenbaum are Trustees of the independent Jewish Day School Foundation and also Members of the School.

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 9.