

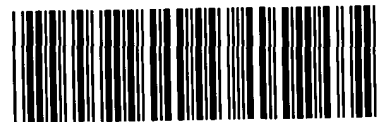
Company Registration Number:  
07573614 (England and Wales)

# YESOIDAY HATORAH SCHOOL

ANNUAL REPORT AND FINANCIAL

STATEMENTS 31 AUGUST 2018

THURSDAY



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# YESOIDAY HATORAH SCHOOL

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# **YESOIDAY HATORAH SCHOOL**

## **REFERENCE AND ADMINISTRATIVE DETAILS**

### **GOVERNORS / DIRECTORS**

I Steinberg (Chair)  
M Bamberger (Vice Chair)  
M Halpern  
I Jacobson  
D Langer  
Y Leitner  
B Olsberg  
D Sinitsky  
B J Yodaiken  
S Yodaiken

### **TRUSTEES**

D M Halpern  
M Halpern  
S Yodaiken

### **SENIOR LEADERSHIP EXECUTIVE**

- Principal/ Head Teacher
- Acting Deputy Head Teacher
- Assistant Deputy Head Teacher
- Assistant Deputy Head Teacher
- Chief Financial Officer

B J Yodaiken  
S Gitlin  
M Harris  
M M Yodaiken  
S Sills

### **PRINCIPAL & REGISTERED OFFICE**

Sedgley Park Road  
Prestwich  
Manchester  
M25 0JW

### **COMPANY REGISTRATION NUMBER**

07573614

### **INDEPENDENT AUDITOR**

HAS Ltd  
Chartered Accountants  
& Statutory Auditor  
Prince Albert House  
2b Mather Avenue  
Prestwich  
Manchester  
M25 0LA

### **BANKERS**

Lloyds TSB Bank Plc  
King Street  
Manchester  
PO Box 1000  
BX1 1LT

# **YESOIDAY HATORAH SCHOOL**

## **GOVERNORS' REPORT**

### **YEAR ENDED 31 AUGUST 2018**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ending 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

#### **Structure, Governance and Management**

##### **Constitution**

The academy 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 of the academy trust. The trustees of Yesoiday HaTorah Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Yesoiday HaTorah Academy.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page [1].

##### **Members' Liability**

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

##### **Trustees' Indemnities**

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. See note 12 for further details.

##### **Method of Recruitment and Appointment or Election of Trustees**

The Trustees may appoint at least 3 governors. They may appoint staff governors through such process as they may determine provided that the total number of governors (including the Principal) who are employees of the Academy Trust does not exceed one third of the total number of governors. There will be a minimum of 2 parent governors who shall be elected by parents of registered students at the Academy.

The governors may appoint up to 5 co-opted governors.

##### **Policies and Procedures Adopted for the Induction and Training of Trustees Organisational**

New governors receive an induction pack, attend full governing body meetings and subsequently populate committees, often according to interests and personal expertise, as well as being given the opportunity to view the workings of the Academy. Training opportunities are provided, and attendance encouraged.

##### **Structure**

A unified leadership structure operates to help improve the way the Academy is run. The structure consists of the Governors; the Senior Leadership Executive; the Middle Management; and Team Leaders. The aim of the management structure is to devolve responsibility and encourage decision making at all levels.

Governors are responsible for the strategic development of the Academy, monitoring the Academy by the use of regular meetings, analysis of budgets and management accounts, benchmarking and referring to key performance indicators, overall school effectiveness indicators, staff appointments and capital expenditure.

To ensure an efficient and effective committee structure with the Academy's School Development Plan at its core, there are governor committees responsible for Strategy, Finance, Standards/Curriculum, Admissions, Ethos, Policy and Health & Safety.

### Structure (continued)

The Senior Leadership Executive is the Principal/Head Teacher (accounting officer), Deputy Head and two Assistant Deputy Heads. These leaders direct the Academy at an executive level implementing the policies laid down by the governors and reporting back to them. The SLE, in conjunction with the governors are responsible for the authorisation of spending within agreed budgets and the appointment of staff, through the staffing committee. The full governing body oversees posts in the Senior Leadership Executive. Some spending control is devolved to the Middle Management and Team Leaders, with limits above which, the governors must countersign.

### Arrangements for setting pay and remuneration of key management personnel

The arrangements for setting pay and remuneration of key management personnel will be proposed by the finance committee and endorsed by the full governing body. The key management personnel must not be part of this process. Research, benchmarking and reference in line with the full job description and specification will be undertaken.

### Trade union facility time

There are no employees who were relevant union officials during the period and therefore no time was spent on facility time or trade union activities and no pay spent on facility time.

### Related Parties and other Connected Charities and Organisations

As part of its operation the Academy liaises with organisations such as the Local Authorities as well as with other education providers and trainers such as local schools.

The Academy is connected to The Jewish Day Primary School (526437) which provides financial support to the Academy.

## Objectives and Activities

### Main aims

- To instil in our pupils knowledge of the Torah, good character traits and a love of G-d, and for this to be reflected in all aspects of the curricula offered.
- To deliver an excellent curriculum in both *Kodesh* and national curriculum subjects, within a curriculum framework that also pays close attention to the personal development of pupils.
- To ensure that all pupils succeed and thrive in school by raising aspirations and meeting the needs of every child.
- The personal development aims of the Academy Trust are:
  1. To create and develop positive relationships.
  2. To create an environment which promotes growth.
  3. To foster self-esteem and confidence.
  4. To foster effective communication between children, teachers, parents and the wider community.
  5. To foster respect for all, including all of the protected characteristics as per the Equalities Act 2010.

Every child is taught according to his/her entitlement and ability academically, emotionally and socially. The children will learn and the staff will work in a happy and relaxed atmosphere, where parents and carers are welcomed as part of the school, all benefiting from mutual support and encouragement.

### **Aspirational and measurable outcomes**

- For all pupils to make consistently good or better progress across all year groups, and nearly all are at age-related expectations and many exceed.
- For all lessons to show a strong context for learning (i.e. at least graded-good or outstanding) that ensures all pupils are fully engaged and are applying basic skills appropriately.
- The Academy to be judged good or better in both Ofsted inspections and Section 48 inspections.

### **Key relationships**

We seek to promote local partnerships and through them draw on local resources, facilities, expertise and energy to provide high quality learning experiences and placing our schools at the heart of the community.

### **Objects and Aims**

The School Improvement Plan has been carefully constructed to include aspects relating to safeguarding, numeracy, literacy, assessment, science, Kodesh, sports/P.E., SEN/D, Early Years Foundation Stage, SMSC, British values, behaviour and pupil voice. We have included samples of safeguarding, numeracy, literacy, assessment, Kodesh and science. The focus in safeguarding is on training and updating systems.

### **Objectives, Strategies and Activities**

The new Ofsted Framework 2019 is now at consultation stage. Following discussion with senior Education Department and Ofsted leaders, it is clear that curriculum will be the main future focus and therefore we will be further enhancing our curriculum work through cross curricular and enriched, in-depth activities to support this provision.

**Numeracy** – to continue consolidating the use of Maths No Problem scheme (Singapore Maths) and ensure that it is being used consistently across Years 1 – 4. This will be achieved through ongoing training by Maths No Problem and training during staff meetings. The success criterion will be that the children have a more secure understanding of the mathematics. There will be evidence of the children using dialogue within the classroom to explore mathematical concepts and deeper understanding, so that all results are outstanding.

### **Literacy**

**Writing** - To embed the writing journey through the introduction of "The Big Question" to be answered through an appropriate writing genre. Additionally, to develop the writing of short tasks that lead to longer final writing. Writing will be moderated across the school based on termly results and vocabulary standards will be raised. "The Big Question" will be introduced in a PAD training day and year groups will prepare medium term and long-term planners. The success of the above will be evident by all year groups (from Year 1 upwards) having a writing journey beginning "The Big Question" which has been answered through an appropriate writing genre. More regular planned writing tasks will be taking place and moderation taking place will be evidenced by there being a correlation between standards and evidence.

**Reading with Understanding** – To continue to raise standards in reading for meaning throughout the school with a specific focus of raising standards in Key Stage 1 reading (GDS & EXS). This will be achieved through teachers relating learning targets for reading to the National Curriculum based "I can" statements and content domains for Key Stage 1 and Key Stage 2. There will be regular weekly guided or shared reading sessions taking place, Year 2 upwards will use of Rising Stars New Curriculum Reading Comprehension Tests and other age-appropriate cross-curricular texts. Clear cross-curricular links will be established. Key Stage 1 and Key Stage 2 will have regular reading homework, with Key Stage 2 homework including an interactive task. Reading journals will be used consistently to evidence comprehension activities and reading will be celebrated through key events over the year, for example, World Book Day, Poetry Competition and Poetry week. Success of these strategies will be evidenced by the continuation of enhanced standards in reading comprehension throughout the school.

**Vocabulary Enhancement** – The target will be to embed the improved retention of age appropriate vocabulary. This will be achieved by the use of working word walls, good use of school resources, liaison with parents to reinforce vocabulary and staff training. Success of these strategies will be evidenced by the children showing confident, accurate use of vocabulary in reading comprehension of a variety of age appropriate texts and topic-based writing.

**Assessment** – During the year a holistic approach will be used within the whole school monitoring that seeks to minimise work load and maximise progress of children on their individual learning, including SEN/D children. This will be achieved by using data analysis, focussed learning walks, informal walks arounds, work scrutiny, evidence from pupils (pupil voice), pupil progress meetings, moderation process and learning display. This will be evidenced by demonstration of a systematic approach to all aspects of monitoring.

**Kodesh** – The school will continue with a robust performance management and mentoring schedule for all Kodesh staff. This will be achieved by holding termly meetings to negotiate objectives, ongoing observations and dialogue to maintain progress and a end of term review meetings. The success of the objective will be seen in the embedding of a robust performance review and mentoring cycle, leading to enhanced teaching practice.

**Science** – Within the science curriculum where possible science links within the English cross-curricular topics will be identified. Additionally, three "Sensational Science Days" will be held across the school year with clear links to the National Curriculum Learning targets. Medium-term planners will be used to highlight cross-curricular science links and themes (which will cover biology, chemistry and physics strands) and learning targets will be introduced to all staff. The implementation of these aims will be evidenced by there being one science day per term and cross curricular science links will be identified.

#### **Public Benefit**

In drafting this report the trustees have complied with the duty in the relevant sections of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties.

## **Achievements and Performance**

### **Primary Inspection Data Summary Report**

#### **KS2 progress**

Writing progress was in the top quintile (20%) for at least two years for all pupils, middle prior attainers and high prior attainers.

Progress in writing was significantly above average and in the highest 10%.

## **YESOIDAY HATORAH SCHOOL**

### **GOVERNORS' REPORT (continued)**

**YEAR ENDED 31 AUGUST 2018**

#### **KS2 attainment**

In 2018, reading and writing attainment of the expected standard was at or above national for prior attainment groups: middle, high.

In 2018, mathematics attainment of the expected standard was at or above national for the high prior attainment group.

In 2018, 70% of pupils achieved the expected standard in reading, writing and mathematics, 6 percentage points above the national proportion. This difference was not statistically significant.

#### **KS1 attainment**

There were no meaningful trends or differences for this measure.

#### **Phonics in 2018**

A very large majority of pupils (92%) met the phonics expected standard in year 1.

#### **Behaviour**

There were no permanent exclusions in the last three years. The national average in 2016/17 was 0.03%..

In 2016/17, the rate of total fixed term exclusions (0.12%) was below the national average for schools with a similar level of deprivation (0.27%). In 2016/17, there were no repeat exclusions. The national average rate for schools with a similar level of deprivation was 0.13%.

The number on roll was 734, a 5.3% increase on the previous year.

The attendance figure for the year was 96.31% with an absence percentage of 3.69%. Persistent absences is low and in such an event the school puts in place many strategies, such as phone consultations, meetings, home visits. □

#### **Key Performance Indicators**

**Outcomes** – All external outcomes above average including phonics, Key Stage 1 and Key Stage 2 (see above)

**Ofsted** – Very pleasing experience this week, December 2018, and outcomes.

**Attendance** – Above average (see above)

#### **Going Concern**

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy 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.



## YESOIDAY HATORAH SCHOOL

### GOVERNORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2018

#### Financial Review

Most of the Academics' income 87% is obtained from the Department for Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. The Academy also receives grants for fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice FRS 102 such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The Assets, Liabilities and Funds of the Governing body of Yesoiday HaTorah School were transferred to the Academy on 1st April 2011.

During the year ended 31 August 2018, total expenditure of £3,404,593 was mainly covered by recurrent grant funding from the DfE together with other incoming resources. The excess of income over expenditure for the period before other recognised gains and losses (excluding surplus funds transferred, restricted fixed asset funds and restricted pension funds) was £133,549.

#### Reserves Policy

The Governors will review the reserve levels of the academy annually. This review will encompass the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that a prudent level of free reserves should be equivalent to £100,000 or 2%. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £346,094.

#### Investment Policy

The Governors' policy is to invest any surplus funds in zero risk short term deposits. No investment will be made where any risk factors are present.

#### Principal Risks and Uncertainties

The Governors have responsibility to assess the strategic risks to which the Academy is exposed and have a risk management register.

YESOIDAY HATORAH SCHOOL

GOVERNORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2018

Current Risk Analysis

Principle Risks	Likelihood	Impact	Mitigation
ESFA School Funding for increased NOR refused	Low	High	Previous application accepted. Evidence of strong support for the school through previous Capital bids. Evidence that management can embrace change while maintaining standards (evidenced in results). Unique nature of the academy's provision.
Split of Academy under a MAT into two single gender academies refused	Medium	High	Accommodation of natural growth in numbers and secure legal footing to ensure compliance with Equalities legislation. Supported by Department for Education.
NOR strategic forecast not Materialise	Low	High	Proven 50% increase in NOR in the last eight years. All evidence and data support predicted figures.
SAT/MAT Revenue Funding Predicted Budget Analysis – deficit position rejected	Medium	High	Revised Projected revenue funding shows a surplus build up with a delayed transfer to Riverside site at Sep 2023, therefore there is no deficit brought forward. Minimal income assumptions have been made regarding the per pupil level of funding or future funding opportunities. The Academy has 8 years of experience in running its budgets effectively (and many more prior to that at a VA School), has a robust finance team and currently has a DfE Efficiency Decile of 1 (most efficient).
Riverside Site: allowed use as a School	Low	Medium	Initial correspondence and meetings with Salford Local Authority are positive, and indicative that planning permission is not required. Full collaboration regarding any issues of concern (Highways/TPO etc).
Funding from EFSA/Bury	Medium	High	Bury formula funding not beneficial and National Funding Formula roll out delayed or countered by cuts to High Needs Funding. Already budgeted for perceived worst-case scenario. No notification until March.
Funding from Salford	Medium	High	A basic need has already been identified; follow up collaborative work with Salford to meet this need. Phased work at Riverside site may be delayed if funding not available
Conditions Improvement Fund Future Bids	Medium	High	Many aspects of the development fall into the CIF criteria – Asbestos/ roofs/fire systems etc, as well as expansion. Phased work may be delayed if funding not available from this source.

YESOIDAY HATORAH SCHOOL

GOVERNORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2018

Current Risk Analysis (continued)

Disruption to Education due to change	Low	Medium	Proven past record of major strategic planning and strong project management. Robust Senior Leadership and Management structure in place to handle change. Good communication and liaison with all stakeholders. Achievable time frame, monitoring and risk assessment. Consistent strong results proven.
Staffing - two sites	Low	Medium	The sites are 1.4miles apart (4 minutes by car) and thus not unreasonable relocation for staff. Proximity will accommodate the sharing of expertise staffing across both Academies when required. Some additional staffing will be required, and this is included in the projected budget figures. A travel impact report will be commissioned and stakeholder views sought.
Staffing – Succession	Low	Medium	Strong emphasis on staff training and building leaders for the future with proven track record. Investment in people a priority. Robust recruitment protocols in place and strong structure.  As Nationally anticipate potential difficulty in recruiting teachers with the workload expectation increasing.
Staffing – Recruitment and retention	Low	Medium	
Governance	Low	Medium	Experienced and dedicated Governing body in place with a range of skills both financial and educational. Skills audit tool used to anticipate areas of weakness to be addressed/filled as required.
Health & Safety, Safeguarding and Security	Low	High	Clearly stated, updated and enforced School Policy, with effective evaluation and reporting; resulting in a robust management of Health & Safety, Safeguarding and Security. Proven past record evident.
Pension Reserve Liability and increase in Employers Pension contribution rates	Medium	Medium	Contingency is factored in for annual pension increases (staff opting in and increase in contribution rates) Reserve figures notified by Teachers Pension

## **YESOIDAY HATORAH SCHOOL**

### **GOVERNORS' REPORT (continued)**

**YEAR ENDED 31 AUGUST 2018**

#### **Fundraising**

The Governors operate effective control over all schools fundraising in compliance with the trusts legal duties following the charities commission guide. In particular Governors:

- Act in the best interests of the school
- Manage resources responsibly, including protecting and safeguarding the school's reputation
- Act with reasonable care and skill

Governors can demonstrate the 6 principles of charity fundraising through strong supervision, protection of reputation, money and other assets, compliance with laws or regulations; identifying and following standards. Fundraising comes under the remit of the Finance Committee which meets at least once each term.

#### **Plans for Future Periods**

As evidenced in the school Business plan, Yesoiday HaTorah Academy plans to demerge and form a Multi Academy Trust. This is planned to take effect from September 2019 (or earlier if achievable) with a new site at Riverside becoming operational from September 2023 to house Yesoiday HaTorah Girls Academy, with Yesoiday HaTorah Boys Academy remaining at the Sedgley Park Site. The long term plan sees two schools of 630 pupils each and other Academy Trusts joining the MAT.

Develop the curriculum based on results and exemplar practice to fall in line with the new Ofsted protocol.

#### **Auditor**

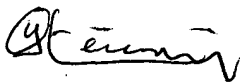
HAS Ltd has been appointed auditor for the period of these accounts and has indicated its willingness to continue in this office.

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware

the trustees have taken all 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. Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 17 December 2018 and signed on the board's behalf by:

Signed



**I Steinberg**  
Chair

## YESOIDAY HATORAH SCHOOL

### GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2018

#### Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Yesoiday HaTorah Academy Trust 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 principal 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 Yesoiday HaTorah Academy Trust 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 full board of trustees has formally met 5 times during the year. There were the three termly full governor's meetings and two Extra-ordinary full governor's meetings. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
M Bamberger (vice chair)	4	5
M Halpern	5	5
I Jacobson	4	5
D Langer	2	5
Y Leitner	4	5
B Olsberg	3	5
D Sinitsky	5	5
Y Steinberg (chair)	5	5
B J Yodaiken (principal)	5	5
S Yodaiken	3	5

Following over 30 years in the roles Mr M Halpern and Mr S Yodaiken stepped down as chair and vice chair respectively. Governors, parents, past and current pupils expressed their deeply felt appreciation for the tremendous efforts of both Mr Halpern and Mr Yodaiken during this time. They both remain Members and Trustees.

Mr Y Steinberg was elected chair of governors at the Autumn Term Governors Meeting 2017; and Mr M Bamberger was elected vice chair of governors at the Autumn Term Governors Meeting 2017.

This change of governance has been successful through a comprehensive programme of induction, open forums with management staff, liaison with parents and teachers, consultation and training, and a commitment of time. The board have proved themselves able to challenge and plan strategically through the Academies bid to become a MAT.

The board has been evaluated as strong on the strategic, financial, safeguarding and educational platforms, and effective in Health & Safety and HR.

The finance committee is a sub-committee of the main board of trustees. Incorporating the audit committee responsibility, its purpose is to ensure compliance with its financial systems and operational controls and to ensure that risks are being adequately identified and managed.

## YESOIDAY HATORAH SCHOOL

### GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2018

Strategic forecasting for the next ten years incorporating a bid to becoming a MAT and splitting the site has been a particular and ongoing challenge during the year. The finance committee has successfully achieved a surplus in year balance and reduced the brought forward deficit accordingly. Mr B Olsberg (chartered accountant) was appointed to check the trust's internal controls and report back to the committee.

Trustee	Meetings attended	Out of a possible
M Bamberger	5	6
M Halpern	1	1
I Jacobson	6	6
B Olsberg	4	6
D Sinitsky	6	6
Y Steinberg	5	5
S Yodaiken	1	6

#### Review of Value for Money

As accounting officer the principal 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:

- Improvement of the schools DfE efficiency decile rating to 1 (most efficient) a measure that looks at the use of funding to get good educational outcomes for pupils compared with similar schools). Only 15% salary cost (KPI being 25%) expenditure on non teaching staff, thereby allowing greater focus on teaching staff 84% (KPI being 75%)
- Specific and targeted use of teaching support staff across KS2 bringing about efficiencies in staffing without detrimental effect on pupil progress. [reference Making Best Use of Teaching Assistants EEF]
- Fastidious procurement procedures in place in order to keep to the scaled back resources and premises budgets.

#### 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 Yesoiday HaTorah Academy Trust for the period ending 31 August 2018 and up to the date of approval of the annual report and financial statements

## YESOIDAY HATORAH SCHOOL

### GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2018

#### 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 period 1 September 2017 to 31 August 2018 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 Sub Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided

- not to appoint an internal auditor. However the trustees have appointed Mr B Olsberg, a trustee, to carry out a programme of internal checks

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On a termly basis, the reviewer reports to the board of trustees, through the finance committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

**YESOIDAY HATORAH SCHOOL**

**GOVERNANCE STATEMENT**

**YEAR ENDED 31 AUGUST 2018**

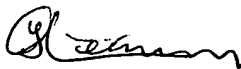
**Review of effectiveness**

As accounting officer the principal 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 reviewer
- the work of the external auditor
- 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 any weakness and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 17 December 2018 and signed on its behalf by:



Signed

**I Steinberg**  
Chair



Signed

**B J Yodaiken**  
Accounting Officer



# **YESOIDAY HATORAH SCHOOL**

## **STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

### **YEAR ENDED 31 AUGUST 2018**

As accounting officer of Yesoiday HaTorah Academy Trust I have considered my responsibility to notify the academy trust 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 trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2018.

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.

**Signed**



**B J Yodaiken**  
Accounting officer

17 December 2018

## YESOIDAY HATORAH SCHOOL

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

#### YEAR ENDED 31 AUGUST 2018

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 & 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 year. 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 in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The 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 17 December 2018 and signed on its behalf by:

Signed



**I Steinberg**  
Trustee

## **YESOIDAY HATORAH SCHOOL**

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO YESOIDAY HATORAH SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

**YEAR ENDED 31 AUGUST 2018**

In accordance with the terms of our engagement letter dated 3 November 2015 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Yesoiday HaTorah Academy Trust during the period 1 September 2017 to 31 August 2018 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 Yesoiday HaTorah Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Yesoiday HaTorah Academy Trust 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 Yesoiday HaTorah Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of Yesoiday HaTorah Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Yesoiday HaTorah Academy Trust's funding agreement with the Secretary of State for Education dated 29 August 2012 and the Academies Financial Handbook, extant from 1 September 2017, 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 2017 to 2018. 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 period [insert the start date of the period for which the financial statements have been prepared] to 31 August 2018 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 2017 to 2018 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.

## YESOIDAY HATORAH SCHOOL

### INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO YESOIDAY HATORAH SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY

YEAR ENDED 31 AUGUST 2018

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.

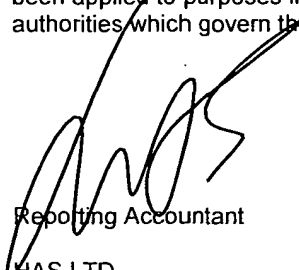
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- testing of internal controls as well as substantive testing on expenditure

#### Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

HAS LTD

17 December 2018

# YESOIDAY HATORAH SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YESOIDAY HATORAH SCHOOL

YEAR ENDED 31 AUGUST 2018

We have audited the financial statements of Yesoiday HaTorah School for the year ended 31 August 2018 which comprise Statement of Financial Activities, the Balance Sheet and the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

As explained more fully in the Governors' Responsibilities Statement set out on page 8, the governors (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### Respective responsibilities of governors and auditor

The governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland).

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2018 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.
- have been prepared in accordance with the requirements of the Charities SORP FRS 102 and the Academies Accounts Direction 2017 to 2018 issued by EFA.

### Opinion on other matter prescribed by the Companies Act 2006

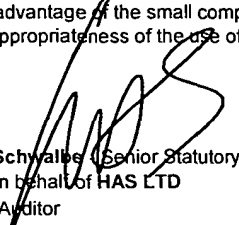
In our opinion the information given in the Governors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Other Areas

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Governors' Annual Report; or
- the appropriateness of the use of the going concern basis of accounting is called into question.

Signed

  
Howard Schvalbe (Senior Statutory Auditor)  
For and on behalf of HAS LTD  
Statutory Auditor  
2b Mather Avenue  
Prestwich  
M25 0LA

17 December 2018

# YESOIDAY HATORAH SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2018 £	Total 2017 £
<b>Incoming and endowments from:</b>						
. Donations and capital grants	3	137,432	205,500	0	342,932	336,550
<b>Charitable activities:</b>						
. Funding for the academy trust's educational operations	6	0	2,897,843	13,167	2,911,009	2,764,559
Other trading activities	4	5,749	293,367	0	299,117	296,287
Investments	5	84	0	0	84	183
<b>Total</b>		<u>143,266</u>	<u>3,396,710</u>	<u>13,167</u>	<u>3,553,142</u>	<u>3,397,577</u>
<b>Expenditure on:</b>						
Raising funds		0	0	0	0	0
<b>Charitable activities:</b>						
. Academy trust educational operations	8	0	3,382,491	13,167	3,395,658	3,405,884
Other	9	0	8,935	0	8,935	8,000
<b>Total</b>	7	<u>0</u>	<u>3,391,426</u>	<u>13,167</u>	<u>3,404,593</u>	<u>3,413,884</u>
<b>Transfers between funds</b>	17	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net income/(expenditure) for the year</b>		143,266	5,284	(1)	148,549	(16,307)
<b>Other recognised gains and losses</b>						
Actuarial (losses) gains on defined benefit pension schemes	17, 26	<u>0</u>	<u>(15,000)</u>	<u>0</u>	<u>(15,000)</u>	<u>66,000</u>
<b>Net movement in funds</b>		143,266	(9,716)	(1)	133,549	49,693
<b>Reconciliation of funds</b>						
Total funds brought forward	17	202,828	(385,952)	4,602,005	4,418,881	4,369,188
<b>Total funds carried forward</b>		<u>346,094</u>	<u>(395,668)</u>	<u>4,602,005</u>	<u>4,552,431</u>	<u>4,418,881</u>

All of the academy's activities derive from acquisitions in the current financial period.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities

# YESOIDAY HATORAH SCHOOL

## BALANCE SHEET

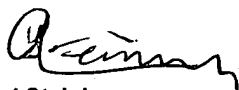
Company Number  
07573614

AS AT 31 AUGUST 2018

	Notes	2018 £	2018 £	2017 £	2017 £
<b>Fixed assets</b>					
Tangible assets	13		4,627,917		4,532,545
<b>Current assets</b>					
Stock	14	8,517		12,347	
Debtors	15	131,693		235,658	
Cash at bank and in hand		<u>152,321</u>		<u>64,948</u>	
		292,531		312,953	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	16	<u>(237,017)</u>		<u>(310,618)</u>	
<b>Net current assets / (liabilities)</b>			<u>55,514</u>		<u>2,336</u>
Total assets less current liabilities			4,683,431		4,534,881
<b>Net assets excluding pension liability</b>			4,683,431		4,534,881
Defined benefit pension scheme liability	26		<u>(131,000)</u>		<u>(116,000)</u>
<b>Net assets including pension liability</b>			<u>4,552,431</u>		<u>4,418,881</u>
<b>Funds of the academy:</b>					
<b>Restricted income funds</b>					
Fixed asset fund	17		4,602,005		4,602,005
General fund	17		(264,667)		(269,952)
Pension reserve	17		<u>(131,000)</u>		<u>(116,000)</u>
<b>Total restricted funds</b>			<u>4,206,338</u>		<u>4,216,053</u>
<b>Unrestricted income funds</b>					
General fund	17		<u>346,094</u>		<u>202,828</u>
<b>Total unrestricted funds</b>			<u>346,094</u>		<u>202,828</u>
<b>Total funds</b>			<u>4,552,431</u>		<u>4,418,881</u>

The financial statements on pages 11 to 35 were approved by the governors, and authorised for issue on 17 December 2018 and are signed on their behalf by:

Signed



I Steinberg  
Chair

# YESOIDAY HATORAH SCHOOL

## CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2018

	Notes	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash provided by / (used in) operating activities	21	275,219	21,916
<b>Cash flows from financing activities</b>	22	0	0
<b>Cash flows from investing activities</b>	23	(187,846)	(162,071)
<b>Change in cash and cash equivalents in the reporting period</b>	24	<u>87,373</u>	<u>(140,156)</u>
<b>Cash and cash equivalents at 1 September 2017</b>		64,948	205,104
<b>Cash and cash equivalents at 31 August 2018</b>		<u>152,321</u>	<u>64,948</u>



# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 1. Statement of Accounting Policies

#### Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

#### Going Concern

These financial statements have been prepared on a going concern basis, which the Governors consider to be appropriate as a result of projections prepared, which indicate the Academy will be able to operate within the facilities currently available.

#### Incoming Resources

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

#### Grants receivable

Fixed asset 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. The general annual grant ('the GAG') from the EFA, which is intended to meet recurrent costs, is credited directly to the Statement of Financial Activities. Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received the income is accrued.

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.

#### Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt.

#### Donations

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

#### Other income

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

#### Donated goods and facilities

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 1. Statement of Accounting Policies (continued)

#### Donated Services and gifts in kind

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with academy trust's policies.

Certain fixed assets were transferred from the governors on conversion to an academy on 1 April 2011 and are recognised on the following bases:

- School land and buildings are regarded as specialist properties and have been recognised at current market value. The ownership of the land and buildings is vested with custodian trustees who have allowed access to the land and buildings on a rent free basis by way of a lease.
- Sundry assets relating to furniture & equipment as well as IT equipment.

#### Resources Expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### Costs of generating funds

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

#### Charitable activities

These are costs incurred on the academy trust's educational operations.

#### Governance Costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

#### 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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

#### Other income

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

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 AUGUST 2018

#### 1. Statement of Accounting Policies (continued)

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a reducing balance basis over its expected useful lives, as follows:

Freehold land & buildings	- 2% pa
Long leasehold land & buildings	- 2% pa
Fixtures, fittings and equipment	- 15% pa
IT equipment	- 33.3% pa

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

#### 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 trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

#### Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

#### Accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability.

Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### Critical areas of judgement

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

#### Leased Assets

Rentals under operating leases are charged on straight line basis over the lease term.  
Stationery and catering stocks are valued at the lower of cost and net realisable value.

#### Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### Pensions Benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the academy trust.

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 trust 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 quinquennial valuations using a prospective benefit method. As stated in Note 26, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 1. Statement of Accounting Policies (continued)

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

#### Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

#### Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in the notes. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value. None are included in this model but if relevant the suggested disclosure could be as follows, with valuation in line with the SORP [paragraphs 10.44 to 10.49].

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. 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.

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 2. General Annual Grant (GAG)

#### a. Results and Carry Forward for the Year

	2018 £	2017 £
GAG brought forward from previous year	0	0
GAG allocation for current year	2,495,988	2,423,036
<b>Total GAG available to spend</b>	<b>2,495,988</b>	<b>2,423,036</b>
Recurrent expenditure from GAG	(3,327,211)	(3,336,612)
	(3,327,211)	(3,336,612)
<b>GAG carried forward to next year</b>	<b>(831,223)</b>	<b>(913,576)</b>
Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	(299,519)	(290,764)
<b>GAG to surrender to DfE</b>	<b>0</b>	<b>0</b>
(12% rule breached if result is positive)	no breach	no breach

#### b. Use of GAG brought forward from previous year for recurrent purposes

(Of the amount carried forward each year, a maximum of 2% of GAG can be used for recurrent purposes. Any balance, up to a maximum of 12%, can only be used for capital purposes)

Recurrent expenditure from GAG in current year	(3,327,211)	(3,336,612)
GAG allocation for current year	(2,495,988)	(2,423,036)
GAG allocation for previous year x 2%	0	0
<b>GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current year</b>	<b>0</b>	<b>0</b>
(2% rule breached if result is positive)	no breach	no breach

### 3. Donations and Capital Grants

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Capital Grants	0	0	0	0
Private Sponsorship	0	0	0	0
Other Donations	137,432	205,500	342,932	336,550
	<b>137,432</b>	<b>205,500</b>	<b>342,932</b>	<b>336,550</b>

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 4. Other Trading Activities

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Catering Income		201,720	201,720	193,747
Other Income	5,749	91,647	97,396	102,539
	<u>5,749</u>	<u>293,367</u>	<u>299,117</u>	<u>296,287</u>

### 5. Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Short term deposits	84	0	84	183
	<u>84</u>	<u>0</u>	<u>84</u>	<u>183</u>

### 6. Funding for Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
<b>DfE / EFA revenue grants</b>				
. General Annual Grant (GAG) (Note 2)	0	2,495,988	2,495,988	2,423,036
. Start Up Grants	0	0	0	0
. Other DfE / EFA grants	0	17,860	17,860	24,260
. Capital grants	0	13,167	13,167	12,790
	<u>0</u>	<u>2,527,015</u>	<u>2,527,015</u>	<u>2,460,086</u>
<b>Other Government grants</b>				
. Local authority grants	0	206,332	206,332	129,635
. Special educational projects	0	177,663	177,663	174,838
	<u>0</u>	<u>383,994</u>	<u>383,994</u>	<u>304,472</u>
	<u>0</u>	<u>2,911,009</u>	<u>2,911,009</u>	<u>2,764,559</u>

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 7. Expenditure

	Non Pay Expenditure			Total	
	Staff Costs	Premises	Other Costs	2018	2017
	£			£	£
Expenditure on raising funds	0	0	0	0	0
Academy's educational operations					
- Direct costs	2,096,884	0	294,143	2,391,026	2,423,803
- Allocated support costs	257,136	232,527	514,969	1,004,632	982,081
	<u>2,354,020</u>	<u>232,527</u>	<u>809,112</u>	<u>3,395,658</u>	<u>3,405,884</u>
Governance costs including allocated support costs	0	0	8,935	8,935	8,000
	<u>2,354,020</u>	<u>232,527</u>	<u>818,047</u>	<u>3,404,593</u>	<u>3,413,884</u>

Incoming/outgoing resources for the year include:

	2018	2017
	£	£
Operating leases	11,783	13,785
Depreciation	105,725	133,319
Fees payable to auditor for:		
- audit	6,935	6,000
- other services	2,000	2,000
Profit/(loss) on disposal of fixed assets	<u>0</u>	<u>0</u>

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 8. Charitable Activities

	Restricted Funds £	Total 2018 £	Total 2017 £
<b>Direct costs</b>			
Teaching and educational support staff costs	2,096,884	2,096,884	2,124,780
Depreciation	99,364	99,364	97,797
Educational supplies	149,083	149,083	154,761
Examination fees	0	0	0
Staff development	8,669	8,669	13,441
Educational consultancy	14,217	14,217	13,596
Other direct costs	22,810	22,810	19,429
	<u>2,391,026</u>	<u>2,391,026</u>	<u>2,423,803</u>
<b>Analysis of support costs</b>			
Support staff costs	319,032	319,032	304,486
Depreciation	6,361	6,361	35,522
Recruitment and support	11,234	11,234	3,032
Maintenance of premises and equipment	55,280	55,280	69,272
Capital maintenance fund expenditure	13,167	13,167	0
School buildings development costs	0	0	0
Cleaning	123,597	123,597	103,529
Rent & rates	24,400	24,400	29,786
Insurance	16,083	16,083	15,538
Security and occupational	142,799	142,799	143,018
Catering	189,125	189,125	180,341
Bank interest and charges	0	0	0
Other support costs	103,554	103,554	97,557
	<u>1,004,632</u>	<u>1,004,632</u>	<u>982,081</u>
	<u>3,395,658</u>	<u>3,395,658</u>	<u>3,405,884</u>

### 9. Governance costs

	Restricted Funds £	Total 2018 £	Total 2017 £
Legal and professional fees	0	0	0
Auditor's remuneration			
Audit of financial statements	6,935	6,935	6,000
Other services	2,000	2,000	2,000
Governors' reimbursed expenses	0	0	0
	<u>8,935</u>	<u>8,935</u>	<u>8,000</u>



# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 10. Staff costs

	Total 2018 £	Total 2017 £
Staff costs during the period were:		
Wages and salaries	2,094,690	2,087,613
Social security costs	150,786	150,594
Operating costs of defined benefit pension schemes	254,935	244,744
	<u>2,500,411</u>	<u>2,482,951</u>
Supply teacher costs	10,699	10,632
Compensation payments	0	30,000
	<u>2,511,111</u>	<u>2,523,582</u>

The average number of persons (including senior management team) employed by the academy during the year expressed as full time equivalents was as follows:

	2018 No.	2017 No.
<b>Charitable Activities</b>		
Teaching	68	70
Administration and support	19	19
Management	4	4
	<u>91</u>	<u>93</u>

The number of employees whose emoluments fell within the following bands was:

	2018 No.	2017 No.
£60,001 - £70,000	<u>1</u>	<u>1</u>

Forty two of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2018, pension contributions for these staff amounted to £165,153 (2017: £175,039). Thirty nine employees participated in the Local Government Pension Scheme, pension contributions amounted to £89,782 (2017: £69,707).

### 11. Governors' remuneration and expenses

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as governors. Other governors did not receive any payments or expenses from the academy in respect of their role as governors. The value of governors' remuneration was as follows:

Principal:	£71,053 (2017: £69,652)
Other staff Governor:	£29,361 (2017: £28,782)

During the year ended 31 August 2018, travel and subsistence expenses totalling £nil (2017: £325) were reimbursed to 1 staff governor (2017: 1).

Other related party transactions involving the trustees are set out in note 27.

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 12. Governors' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides unlimited cover on any one claim and the cost for the year ended 31 August 2018 was £15,976 (2017: £15,296).

### 13. TANGIBLE FIXED ASSETS

	Leasehold Land & Buildings £	Furniture & Equipment £	Computer Equipment £	Total £
<b>COST</b>				
At 1 September 2017	4,733,609	361,869	69,838	5,165,316
Additions	179,472	2,184	19,441	201,097
Disposals	0	0	0	0
<b>At 31 August 2018</b>	<b>4,913,081</b>	<b>364,053</b>	<b>89,279</b>	<b>5,366,413</b>
<b>DEPRECIATION</b>				
At 1 September 2017	421,964	160,577	50,230	632,771
Charge for the year	89,823	6,361	9,541	105,725
Disposals	0	0	0	0
<b>At 31 August 2018</b>	<b>511,787</b>	<b>166,938</b>	<b>59,771</b>	<b>738,496</b>
<b>NET BOOK VALUE</b>				
<b>At 31 August 2018</b>	<b>4,401,294</b>	<b>197,115</b>	<b>29,508</b>	<b>4,627,917</b>
At 1 September 2017	4,311,645	201,292	19,608	4,532,545

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 14. STOCK

	2018	2017
	£	£
School supplies	8,517	12,347
	<u>8,517</u>	<u>12,347</u>

### 15. DEBTORS

	2018	2017
	£	£
Trade debtors	0	0
Other debtors	104,008	226,363
Prepayments and accrued income	27,685	9,295
	<u>131,693</u>	<u>235,658</u>

### 16. CREDITORS: Amounts falling due within one year

	2018	2017
	£	£
Trade creditors	79,763	154,394
PAYE and NIC creditor	29,844	41,264
Other taxation and social security	0	0
Other creditors	81,773	106,309
Accruals and deferred income	45,637	8,650
	<u>237,017</u>	<u>310,618</u>

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 17. Funds

	Balance at 01-Sep 2017 £	Incoming Resources £	Resources Expended £	Gains, Losses & Transfers £	Balance at 31-Aug 2018 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(3,447,021)	2,495,988	(3,327,211)	0	(4,278,244)
Other DfE/EFA grants	4,300,067	695,222	(64,215)	0	4,931,074
Pension reserve	(116,000)		0	(15,000)	(131,000)
	<u>737,045</u>	<u>3,191,210</u>	<u>(3,391,426)</u>	<u>(15,000)</u>	<u>521,830</u>
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grants	2,481,677	13,167	(13,167)	0	2,481,677
Capital expenditure from GAG	0	0	0	0	0
Private sector capital sponsorship	997,330	205,500	0	0	1,202,830
	<u>3,479,008</u>	<u>218,667</u>	<u>(13,167)</u>	<u>0</u>	<u>3,684,507</u>
<b>Total restricted funds</b>	<u><u>4,216,053</u></u>	<u><u>3,409,877</u></u>	<u><u>(3,404,593)</u></u>	<u><u>(15,000)</u></u>	<u><u>4,206,338</u></u>
<b>Unrestricted funds</b>					
Unrestricted funds	202,828	143,266	0	0	346,094
<b>Total unrestricted funds</b>	<u><u>202,828</u></u>	<u><u>143,266</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>346,094</u></u>
<b>Total funds</b>	<u><u>4,418,881</u></u>	<u><u>3,553,142</u></u>	<u><u>(3,404,593)</u></u>	<u><u>(15,000)</u></u>	<u><u>4,552,431</u></u>

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

#### Restricted general fund

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

#### Restricted fixed asset funds

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

#### Unrestricted funds

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

### 18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted General Funds £	Fixed Asset Funds £	Total Funds £
Tangible fixed assets	0	226,623	4,401,294	4,627,917
Current assets	346,094	(491,290)	200,711	55,514
Pension scheme liability	0	(131,000)	0	(131,000)
<b>Total net assets</b>	<u><u>346,094</u></u>	<u><u>(395,667)</u></u>	<u><u>4,602,005</u></u>	<u><u>4,552,431</u></u>

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 19 Capital commitments

	Total 2018 £	Total 2017 £
Contracted for, but not provided in the financial statements	<u>0</u>	<u>90,000</u>

### 20. Financial commitments

#### *Operating leases*

At 31 August 2018 the academy had annual commitments under non-cancellable operating leases as follows:

	Total 2018 £	Total 2017 £
<u>Land and buildings</u>		
Expiring within one year	0	0
Expiring within two and five years inclusive	0	0
Expiring in over five years	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
<u>Other</u>		
Expiring within one year	0	3,440
Expiring within two and five years inclusive	17,167	12,872
Expiring in over five years	0	0
	<u>17,167</u>	<u>16,312</u>

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

<b>21. Reconciliation of net income to net cash inflow from operating activities</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Net income for the reporting period (as per the SOFA)	148,549	(16,307)
Adjusted for:		
Depreciation (note 13)	105,725	133,319
Capital grants from DfE and other capital income	(13,166)	(12,790)
Cash transferred on conversion to an academy trust	0	0
Assets transferred on conversion to an academy trust	0	0
Interest receivable (note 5)	(84)	(183)
Other adjustments	0	0
Defined benefit pension scheme cost less contributions payable (note 26)	0	0
Defined benefit pension scheme finance cost (note 26)	0	0
(Increase)/decrease in stocks	3,830	(1,661)
(Increase)/decrease in debtors	103,966	(117,431)
Increase/(decrease) in creditors	(73,600)	36,968
<b>Net cash provided by / (used in) operating activities</b>	<b>275,219</b>	<b>21,916</b>
<b>22. Cash flows from Financing Activities</b>		
Repayments of borrowing	0	0
Cash inflows from new borrowing	0	0
<b>Net cash provided by / (used in) financing activities</b>	<b>0</b>	<b>0</b>
<b>23. Cash flows from Investing Activities</b>		
Dividends, interest and rents from investments	84	183
Purchase of tangible fixed assets	(201,097)	(175,044)
Capital grants from DfE/EFA	13,167	12,790
Capital funding received from sponsors and others	0	0
Proceeds from sale of tangible fixed assets	0	0
<b>Net cash provided by / (used in) investing activities</b>	<b>(187,846)</b>	<b>(162,071)</b>
<b>24. Analysis of cash and cash equivalents</b>	<b>At 1</b>	<b>At 31</b>
	<b>September</b>	<b>August</b>
	<b>2017</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Cash in hand and at bank	64,948	152,321
<b>Total cash and cash equivalents</b>	<b>64,948</b>	<b>152,321</b>
	<b>Cash flows</b>	
	<b>£</b>	
	87,373	
	87,373	

# **YESOIDAY HATORAH SCHOOL**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2018**

### **25. 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.

## YESOIDAY HATORAH SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

#### 26. Pension and other obligations

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 Greater Manchester Pension Fund. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 August 2018. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year. No contributions were payable to the schemes at 31 August 2018 and are included within creditors.

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

##### Teachers' Pension Scheme

###### Introduction

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

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

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

###### Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

The Public Service Pensions Bill provides for future scheme valuations to be conducted in accordance with Treasury directions. The actuarial valuation report in summer 2014 takes effect from September 2014.

###### Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2014 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of normal pension age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.



## YESOIDAY HATORAH SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

#### 26. Pension and other obligations (continued)

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2015-16. The increases have been phased in since April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2016. Communications are being rolled out and the reformatted scheme will commence on 1 April 2016.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and 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.

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 26. Pension and similar obligations (continued)

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2018 was £118,417 of which employer's contributions totalled £89,782 and employees' contributions totalled £28,635.

The agreed contribution rates for future years are 17 per cent for employers and 3.25 - 6.5 per cent for employees.

Principal Actuarial Assumptions	At 31 August 2018	At 31 August 2017
Rate of increase in salaries	3.20%	3.20%
Rate of increase for pensions in payment / inflation	3.20%	3.20%
Discount rate for scheme liabilities	2.80%	2.50%
Inflation assumption (CPI)	2.40%	2.40%
Commutation of pensions to lump sums		

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

	At 31 August 2018	At 31 August 2017
<i>Retiring today</i>		
Males	21.5	21.5
Females	24.1	24
<i>Retiring in 20 years</i>		
Males	23.7	23.7
Females	26.2	26.2

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 26. Pension and similar obligations (continued)

#### Local Government Pension Scheme (Continued)

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2018	Fair value at 31 August 2018 £(000)	Expected return at 31 August 2017	Fair value at 31 August 2017 £(000)
Equities	3.70%	753	3.70%	691
Bonds	3.70%	177	3.20%	165
Property	3.70%	78	3.70%	59
Cash	3.70%	100	3.70%	38
<b>Total market value of assets</b>		<b>1,108</b>		<b>953</b>
Present value of scheme liabilities				
- Funded		(1,239)		(1,069)
<b>Surplus/(deficit) in the scheme</b>		<b>(131)</b>		<b>(116)</b>

The above asset values are at bid value as required under FRS 17.

The actual return on scheme assets was £18,000 (2017: £18,000).

The actuarial gains and losses for the current period are recognised in the SOFA.

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 26. Pension and similar obligations (continued)

#### Local Government Pension Scheme (Continued)

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

	2018 £(000)	2017 £(000)
At 1 September 2017	1,069	829
Current service cost	215	156
Interest cost	30	18
Employee contributions	29	21
Actuarial (gain)/loss	0	0
Benefits paid	(19)	(31)
Past Service cost	0	0
Changes in demographic assumptions	0	2
Changes in financial assumptions	(85)	(61)
Other experience	0	135
Curtailments and settlements	0	0
At 31 August 2018	<u>1,239</u>	<u>1,069</u>

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

At 1 September 2017	953	647
Expected return on assets	25	14
Actuarial gain/(loss)	0	0
Employer contributions	90	72
Employee contributions	29	21
Return on assets	30	230
Benefits paid	(19)	(31)
At 31 August 2018	<u>1,108</u>	<u>953</u>

The estimated value of employer contributions for the year ended 31 August 2019 is £90,000

# YESOIDAY HATORAH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2018

### 26. Pension and similar obligations (continued)

#### Local Government Pension Scheme (Continued)

The five-year history of experience adjustments is as follows:

	2018 £'000	2017 £'000	2016 £'000	2015 £'000	2014 £'000	2013 £'000
Present value of defined benefit obligations	(1,239)	(1,069)	(829)	(546)	(464)	(397)
Fair value of share of scheme assets	1,108	953	647	488	436	389
Deficit in the scheme	(131)	(116)	(182)	(58)	(28)	(8)
Experience adjustments on share of scheme assets						
Amount £'000*	0	0	(14)	(14)	(2)	36
Experience adjustments on scheme liabilities:						
Amount £'000*	0	135	2	2	38	0

# **YESOIDAY HATORAH SCHOOL**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2018**

### **27. Related Party Transactions**

No transactions with related parties, disclosable under Financial Reporting Standard 8 and the Charities SORP (FRS 102), were entered into during the period.