

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

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INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

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INDEPENDENT JEWISH DAY SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2013

Governors	Mrs A T Levey, Chairman Mr P H Selby, Deputy Chairman Ms A R Lando (resigned 5 July 2013) Ms A L Hirst, Responsible Officer (appointed 31 October 2012) ¹ Mrs A Baruch Mr S J Dony Mr J J Grodzinski Mrs R S Keller (resigned 31 July 2013) Mrs E C Kornbluth Mr J Kornbluth ¹ Mrs L E Lanzkron Mrs T Marcus Mrs K Rosenfeld Ms S A Selby ¹ Mrs M Tapnack ¹ Mr J L Wosner Rabbi J Ebrahimoff, acting Head Teacher (appointed 5 July 2013)
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¹ Member of Finance Committee

Company registered number	07718480
Principal and registered office	46 Green Lane London NW4 2AH
Chief executive officer	Rabbi J Ebrahimoff
Independent auditors	Price Bailey LLP Chartered Accountants Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

INDEPENDENT JEWISH DAY SCHOOL
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2013

The Directors present their annual report together with the financial statements and auditors' report of the Charitable Company for the period ended 31 August 2013

Incorporation

The charitable company was incorporated on 26 July 2011 and the school converted to Academy status on 18th August 2011. The School is commonly known as the IJDS, and the term "Directors" is used interchangeably with "Governors".

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 Directors act as the Trustees for the charitable activities of Independent Jewish Day School and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Independent Jewish Day School.

Details of the Directors who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

Members' Liability

The Academy Trust's funding agreement does not specify any personal liability of the members of the charitable company.

Directors' Indemnities

There are no qualifying third party indemnity provisions to disclose.

Principal Activities

The goal of the Academy is to advance the education of Jewish children in particular, but without prejudice to the generality of the foregoing, by supporting the provision of education, secular and religious, at the school. Our aim is to work in partnership with parents and to equip our pupils with the confidence, skills and knowledge to reach the highest standards in all secular and Jewish studies. Throughout the curriculum we encourage all the children to strive for personal excellence and build a strong sense of values.

Method of Recruitment and Appointment or Election of governors

Directors are recruited through a process of selection and election. The process involves nomination of potential trustees from the membership base. Nominees are then elected at the next General Meeting of the Board of Directors. From time to time the Board of Directors invites new people to join.

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

Policies and Procedures Adopted for the Induction and Training of Directors

All new Directors are given an induction by the Chair and Vice Chair of the Board of Directors. The new Director is invited to join specific committees which either need more Directors or which are of particular interest to the new Director. The new Director is then assigned to specific committees with defined remit and responsibilities. Experienced Directors mentor the new Directors. The new Director is also kept informed of various training opportunities which are available, both generally on the role of a Director, and specifically in relation to the committees which the Director has joined. The Chair and Vice Chair have ongoing communication with the new Director and receive regular feedback as to the new Director's learning and development.

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**GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2013**

Organisational Structure

The Board of Directors is responsible for overall governance. It is also responsible for keeping financial records which disclose the financial position of the charity.

The Board of Directors considers recommendations from two sub-committees, the Personnel Sub-Committee and the Finance Sub-Committee, which are then adopted or rejected, following discussion.

The Personnel Sub-Committee looks at issues around personnel and human resources. Its main concerns are policies around recruitment, staff training and staff contracts. Its key decisions include the development of key policies relating to selection, recruitment, appointment of new staff, the disciplinary policy and process and all human resource matters. This Sub-Committee consists of the Chair and other Directors.

The Finance Sub-Committee oversees income and expenditure across all project areas. It looks at issues around financial controls. The Chair, a Deputy Chair, the Responsible Officer and other Directors sit on this Committee. Both sub-committees work closely together, making recommendations which are taken to the Board of Directors.

The Board of Directors delegates the day-to-day running of the school to the Head Teacher who shares this management responsibility with the Finance Director, also known as the School Business Manager (SBM). They have a Senior Leadership Team (SLT) and together they manage the school. The Directors are in regular communication with the Head Teacher, the SBM and members of the SLT.

Risk Management

The Directors and management team have identified the major risks to which the academy is exposed. These risks are regularly reviewed, and systems and procedures have been established to manage them. These risks can be divided into three main categories: financial controls, property maintenance and operational risks. The Academy uses risk assessment documents to evaluate its risks and the systems in place to manage them. The Board of Directors regularly assesses the major strategic and operational risks and confirm that systems have been established so that the necessary steps can be taken to reduce these risks. A comprehensive risk register lists in detail all the risks that the IJDS manages and the controls that are in place.

There are systems of financial controls in place to ensure healthy cash flow, detailed internal reporting and complete and timely submission of all necessary external returns. The Key Financial Performance Indicators are a tool for financial controls and mitigating these risks. Premises risks are assessed extensively. Premises risk controls include water, fire, electricity and PAT testing certificates. There is continuous maintenance of the building. To ensure that we comply with all statutory maintenance regulation, the academy employs professional testing services. The operational risks are regularly assessed and managed. The Academy is regularly inspected and approved for all Health and Safety standards and regulations. There are numerous systems in place to reduce the fire risks. These measures include fire alarms, fire drills each term, a written fire policy evacuation procedure and annual fire extinguisher checks. A final example is risks associated with school outings. To manage these risks the school has a risk management document specific for any and every outing. This assessment is completed and reviewed prior to any outing and often accompanied by a site visit.

Connected Organisations including Related Party Relationships

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

Objectives and Activities

Objects and Aims

Our aim is to equip our children with the confidence, skills and knowledge to reach the highest standards in Jewish and Secular Studies while working in partnership with parents. Our Jewish Studies curriculum is developed in-house and Secular Studies are informed by the National Curriculum and OFSTED providing breadth of study in all subjects.

Objectives, Strategies and Activities

Our objective is to develop in all pupils the enjoyment of and commitment to learning, as a means of encouraging their best possible progress and attainment. Every child will experience success from their accomplishments. This objective is met strategically throughout all levels of the curriculum. We develop their knowledge, skills and confidence in their capacity to learn and work independently and collaboratively. All children at the IJDS are encouraged to think for themselves, question

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2013

their learning and solve problems. It is our priority that every child will read Hebrew fluently and with understanding. Children are monitored closely and receive individual help to achieve this goal. Hebrew is the primary language of Jewish Studies teaching beginning with the nursery. Helping children understand a foreign language at such an early age equips them with knowledge and confidence that not only strengthens their ability to learn from Jewish traditional texts, but has foreign language applications as well. Homework is an integral part of the educational process and provides an essential link between home and school. At the IJDS homework is seen as an opportunity for children and parents to share in the learning process.

From Key Stage 1 children are set tasks in both Jewish and Secular Studies to extend and reinforce material covered in school.

Through the curriculum we also help pupils develop physical skills. We encourage them to pursue a healthy lifestyle and to keep themselves and others safe. Physical Education is taught in a style that encourages children to give their best both individually and as team members. We give children many sporting opportunities in which they can compete or simply participate to the best of their ability and enjoy the experience. IJDS football and netball teams compete against other schools, playing league games and friendly matches both at home and away. We look for opportunities to participate in inter-school sport activities. For example, this year all pupils got to participate in a Barnet swimming gala. In addition, we host an intra-school sports day and other ad-hoc year specific multi-sports games such as football and netball.

At the IJDS information technology is seen as an interdisciplinary tool. Resources have recently been updated and rather than having IT as a subject that is only taught in the IT suite at particular times, through the use of Tablets, ICT can now be fully incorporated into daily lessons.

Music has always played an important part in school life. All pupils have regular singing, composition and music appreciation classes. Regular musical assemblies and performances occur throughout the year to showcase the children's individual and collective musical strengths. The children also have the opportunity to learn a range of musical instruments in our fully equipped music room. This year the school hosted a musical festival that celebrated many forms of musical expression and exploration, such as drumming sessions for the pupils. The school participates in the Barnet Music Festival each year.

All our pupils are continuously encouraged to respond to their learning experiences and the world around them. The pupils are encouraged to come up with ideas to raise money for charity, and the staff support the children in bringing their ideas to fruition. In addition the IJDS is developing links with other multi-cultural schools in the local community through joint learning experiences.

Public Benefit

In setting our objectives and planning our activities the governors have given careful consideration to the Charity Commission's general guidance on public benefit. The aim of our charitable company is to offer the public benefit of advancing education for the pupils of the school. Pupils are admitted to the school on the basis of catchment area and a lottery. The catchment area is divided into two, based on a more defined proximity to the school. Places to the school are chosen by a lottery from each catchment area.

The activities that were carried out during the year were for the purpose of accomplishing our aim of giving education. The IJDS implemented and taught the National Curriculum. At the same time, the IJDS designed, implemented and taught a Jewish Studies curriculum integrated with the National Curriculum. These formal educational goals have been supported by physical education, Information Technology training and Music and Arts education among others. The pupils were taken on outings to museums, galleries and field centres to enhance their learning experiences. Our pupils, the beneficiaries of our public benefit, receive the full benefit of all of our activities in the form of receiving comprehensive, creative and confidence building education.

Furthermore, the public benefit from our activities extends to the wider society. The IJDS seeks out opportunities to form links with the local community. For example, at different points in the year, children from Years 3-6 visit residents of local homes for the elderly. The Head of Jewish Studies went to a local secondary school to talk about Jewish traditions with the aim of promoting understanding and tolerance amongst multi-cultural schools. The pupils organized a school fete to raise money for a public body. This year, the children chose to donate these funds to the relief campaign for the victims of Hurricane Haiyan.

Achievements and Performance

The published SATs results indicate the success of the school to achieve its objectives. The IJDS received outstanding Secular Studies results. Specifically, the IJDS was in the number one position in Barnet. The IJDS came top of the Barnet primary school league table published in April 2013 based on the % of high achieving pupils in summer 2012.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2013

Going Concern

After making appropriate enquiries, the Directors have 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.

Financial Review

The financial position of the Independent Jewish Day School Academy trust is secure. The income was used to achieve the aims of the Academy trust within the allocated budget. The cash flow is healthy such that the school can function optimally. The balance sheet represents a charitable company that is stable.

Due to the accounting rules for the Local Government Pension Scheme under FRS17, the Academy is recognising a significant pension fund deficit of £128,000. This does not mean that an immediate liability for this amount crystallises and that such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years. The Academy currently is making additional contributions towards the deficit (in excess of the normal contributory payments) and it is envisaged that should this amount be increased it will be met from its budgeted annual income. The recognition of this deficit has no direct impact on the free reserves of the academy trust.

The financial management policies used throughout the year were consistent with the Department for Education regulations for financing schools found in the Academies Financial Handbook. The governors assume overall financial responsibility of the school including ratifying and approving the school budget. The governing body also approves any expenditure on any major capital expenditure projects. Upon receipt of the allocation from the Department of Education the Finance Director and Finance Directors created a budget that was then approved by the remaining governors. The allocation of funding was split into three main categories including, employees, premises and supplies and services. Government funding is the IJDS Academy's principal source of funding, accounting for 64% of the annual revenue. The remaining 36% comes from donations to the IJDS.

All the expenses related directly to advancing the educational aims of the IJDS Academy Trust. The main expense of the school was staff salaries, accounting for 85% of total resources expended. These salaries were reviewed annually in line with legislation by the personnel and financial sub-committee. Similarly, these committees approved any staff appointments and salary decisions. They ensured that staff were correctly and fairly appointed, and reviewed performance targets for the Head Teacher and Deputy Head teachers. Payroll was prepared monthly and in-house. All monthly salary reports were checked by the deputy head, and paper and electronic copies were kept.

The School Business Manager ensured that all purchases and payments were carried out according to the Academy's written policies. Official orders were used for all purchases, where appropriate, and payment was made according to the purchase orders. Invoices were authorised by the necessary signatories and filed in alphabetical order. Accurate and current accounting records were maintained adhering to the IJDS's Internal Financial Control policies. The School business Manager also reviewed regular maintenance, and ensured that cyclical maintenance was carried out. All cheques required two signatures, from the business manager and the chair of governors and were never pre-signed. Bank statements were received monthly and reconciled with accounting records. The bank account was never in overdraft, although a prudent facility is in place in case the need should arise. Most importantly, the Finance Director advised the Board of Directors on spending priorities, implemented expenditure in line with the school budget, and submitted budget monitoring reports. These reports were on a quarterly basis and gave details of income, expenditure and commitments. The Responsible Officer visited the academy at least once a quarter to review a range of financial management examples. These checks included payroll amendments, purchase orders, unpaid and paid invoices, VAT tax returns and budget monitoring spreadsheets.

Key Financial Performance Indicators are used to conduct business reviews. A KPI of a projected end-of-term bank balance was used to analyse the cash balance at the end of term. This KPI enabled the Head Teacher, Finance Director and Board of Directors to ensure that the general activities and funding of the Academy trust occurred as planned. Classroom numbers were continuously monitored as a KPI. As the number of pupils affects funding, though major movement is unexpected, the number of students in each class was closely monitored. The Board of Directors is pleased to report that the classrooms were full and appropriately funded. Finally the funding allocation from the DfE and local authority for early years and statement children was closely monitored. The KPI of allocated income from these sources was carefully checked against incoming receipts.

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**GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2013**

Financial and Risk Management Objectives and Policies

The Financial Instruments that the IJDS Academy Trust dealt with during the period of these accounts were cash at bank, trade creditors and limited trade debtors. The Board of Directors does not deem this information material to the assessment of the trust's financial position. These items are detailed in the Balance sheet under current assets and creditors. The trust does have a deficit due to the Local Government defined benefit pension scheme. This is identified separately in the balance sheet as a long term liability. A more detailed discussion of this LGPS deficit appears in note 18 to the balance sheet.

Principal Risks and Uncertainties

The major risks to which the Academy Trust is exposed, as identified by the Board of Governors, have been reviewed and systems have been established to mitigate those risks. The risk register lists these risks and the IJDS' response to them. The principal uncertainty is the inheritance of an underfunded defined benefit contribution pension scheme from the London Borough of Barnet. This was transferred to us from Barnet, the local government, on 18 August 2011 when we became an Academy Trust. To be clear, this deficit does not result in an immediate cash flow problem nor is it a liability that must be settled immediately. The pension deficit disclosed does not mean that the equivalent amount is already committed and is no longer available to the trustees to further the charity's objectives. The actuarial evaluation resulting in the LGPS deficit results in an increase to the scheme contributions over a period of years.

Reserves Policy

The trustees review annually the level of reserves that will enable the charity to cope with specific unforeseen events, contingencies and opportunities. It is the policy of the charity to aim to ensure that the unrestricted and designated funds are at a level that is approximately three months expenditure at a very reduced activity level. The reserves will also be used to enable the charity to continue operating when there is a temporary or partial cessation of funding. The Board of Directors has agreed to fund any excess expenses in the running of the school that funding from the DfE does not cover. Need is analysed each term. Any DfE restricted funding is treated accordingly, and unrestricted funds are used within the period.

A surplus or deficit position of the pension scheme would generally result in a cash flow effect for the academy trust in the form of an increase or decrease in employers' pension contributions over a period of years. The academy trust will revisit its current business plans and budgets and ascertain the need to change its budget in lieu of the actuarial FRS 17 pension contribution costs determination. On the basis that increased pension contributions should generally come from the academy trust's budgeted annual income, there should be no actual cash flow deficit on the charitable fund, or direct impact on the free reserves of the academy due to recognising the pension deficit and follows no impact on the general activities of the Academy Trust. The level of free reserves held at 31 August 2013 was £56,095, which constitutes the unrestricted reserve.

Investment Policy

As there are no unrestricted reserves the IJDS Academy Trust does not engage in investment.

Plans for Future Periods

The IJDS Academy Trust aims to continue in its path of excellent academic results. Scoring top of the Barnet league tables indicates the obtainment of the Academy's key objectives. We will sustain this level of academic success with our pedagogical models. The positive feedback from the excellent results rewards and continues to motivate teachers, pupils, parents and positions the IJDS for another excellent year ahead.

The school has received great feedback from the pupils' community involvement and aims to continue with these projects. As such, plans for activities with other community schools and visits to homes for the elderly are already scheduled.

Over the summer, the Directors oversaw significant changes to the building itself which has greatly enhanced the working and learning environment of the school and the facilities on offer. Specifically, the school hall has been enlarged, IT systems upgraded, new areas created for small group or individual learning and new storage areas for the classrooms. Going forward, the Directors wish to create a new Science room, and build new classrooms and learning areas in what was formally the loft, furthermore there is a need to upgrade the heating and plumbing systems and have plans for a full refurbishment program which will take place over the coming few years.

There are plans to further enhance and promote the sporting activities of the school, for example, by introducing guided active play sessions during school breaks. Plans are already in place for sporting events with other community schools and additional extra-curricular sporting opportunities.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2013

Finally, the Academy Trust aims to develop its environmentally friendly initiatives. It aims to adhere to the Sustainable Development Policy of the government initiative.

Funds held as Custodian Trustee on behalf of others

The IJDS Academy Trust or its governors are not acting as custodian trustees.

Provision of Information to Auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the Board of Trustees on 20 December 2013 and signed on its behalf by



Mrs A T Levey
Chair of Governors

INDEPENDENT JEWISH DAY SCHOOL
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Governors' Report and in the Governors' Responsibilities Statement. The board of governors has formally met 3 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governor	Meetings attended	Out of a possible
Mrs A T Levey	3	3
Mr P H Selby	3	3
Ms A R Lando	1	2
Ms A L Hirst	3	3
Mrs A Baruch	3	3
Mr S J Dony	3	3
Mr J J Grodzinski	3	3
Mrs R S Keller	2	3
Mrs E C Kornbluth	0	3
Mr J Kornbluth	0	3
Mrs L E Lanzkron	3	3
Mrs T Marcus	2	3
Mrs K Rosenfeld	2	3
Ms S A Selby	3	3
Mrs M Tapnack	3	3
Mr J L Wosner	0	3
Rabbi J Ebrahimoff, acting Head Teacher	0	0

The Finance Committee is a sub-committee of the main board of governors. Its purpose is to address financial matters.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mr P H Selby	3	3
Ms A Hirst	3	3
Mr J Kornbluth	0	3
Mrs M Tapnack	3	3

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 ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Independent Jewish Day School for the year 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements.

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GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

The board of governors has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

THE RISK AND CONTROL FRAMEWORK

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

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

The board of governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Ayalah Hirst, a Governor, as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a termly basis, the RO reports to the board of governors on the operation of the systems of control and on the discharge of the board of governors' financial responsibilities.

Ayalah Hirst delivered her schedule of works as planned and no material control issues were identified.

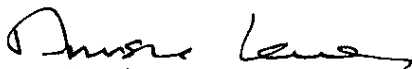
REVIEW OF EFFECTIVENESS

As Accounting Officer, the Head Teacher 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 Responsible Officer,
- the work of the external auditors,
- the financial management and governance self-assessment process,
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of governors on 20/12/2013 and signed on their behalf, by


20/12/13
Mrs A T Levey
Chair of Governors


20/12/2013
Rabbi J Ebrahimoff
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Independent Jewish Day School I have considered my responsibility to notify the academy board of governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2012)

I confirm that I and the academy board of governors are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook (2012)

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date

J. Ebrahimoff

Rabbi J Ebrahimoff
Accounting Officer

J. E

20.12.13.

INDEPENDENT JEWISH DAY SCHOOL
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GOVERNORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2013

The Governors (who act as governors of Independent Jewish Day School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

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

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles of the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the board of governors on 20/12/13 and signed on its behalf by



Mrs A T Levey
Chair of Governors

INDEPENDENT JEWISH DAY SCHOOL
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INDEPENDENT JEWISH DAY SCHOOL

We have audited the financial statements of Independent Jewish Day School for the year ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

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

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 Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Governors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INDEPENDENT JEWISH DAY SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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


Mr Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

Date 23/2/13

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 8 August 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Independent Jewish Day School during the year 1 September 2012 to 31 August 2013 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

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

**RESPECTIVE RESPONSIBILITIES OF INDEPENDENT JEWISH DAY SCHOOL'S ACCOUNTING OFFICER AND THE
REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Independent Jewish Day School's funding agreement with the Secretary of State for Education dated 17 August 2011, and the Academies Financial Handbook extant from 1 September 2012, 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 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2012 to 31 August 2013 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 2013 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter

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

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

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

The work undertaken to draw to our conclusion includes

- Consideration and corroboration of the evidence supporting the accounting officers' statement on regularity, propriety and compliance
- Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity
- Discussions with and representations from the Accounting Officer and other Key management personnel
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
INDEPENDENT JEWISH DAY SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

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 year 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them



Price Bailey LLP

Chartered Accountants

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

Date 22/12/13

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2013

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £	Total funds 2012 £
INCOMING RESOURCES						
Incoming resources from generated funds						
Assets transferred on conversion	2	-	-	-	-	(54,282)
Voluntary income	2	566,215	-	69,429	635,644	146,556
Incoming resources from charitable activities	3	-	924,430	-	924,430	993,330
TOTAL INCOMING RESOURCES		<u>566,215</u>	<u>924,430</u>	<u>69,429</u>	<u>1,560,074</u>	<u>1,085,604</u>
RESOURCES EXPENDED						
Charitable activities	5	510,120	940,915	27,160	1,478,195	1,058,646
Governance costs	4	-	22,423	-	22,423	17,805
TOTAL RESOURCES EXPENDED	6	<u>510,120</u>	<u>963,338</u>	<u>27,160</u>	<u>1,500,618</u>	<u>1,076,451</u>
NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE TRANSFERS		56,095	(38,908)	42,269	59,456	9,153
Transfers between Funds	14	-	(31,295)	31,295	-	-
NET INCOME FOR THE YEAR		<u>56,095</u>	<u>(70,203)</u>	<u>73,564</u>	<u>59,456</u>	<u>9,153</u>
Actuarial gains and losses on defined benefit pension schemes		-	(10,000)	-	(10,000)	(32,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		<u>56,095</u>	<u>(80,203)</u>	<u>73,564</u>	<u>49,456</u>	<u>(22,847)</u>
Total funds at 1 September 2012		-	(47,797)	24,950	(22,847)	-
TOTAL FUNDS AT 31 AUGUST 2013		<u><u>56,095</u></u>	<u><u>(128,000)</u></u>	<u><u>98,514</u></u>	<u><u>26,609</u></u>	<u><u>(22,847)</u></u>

All activities relate to continuing operations

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

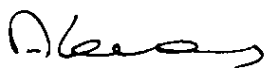
The notes on pages 19 to 33 form part of these financial statements

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

BALANCE SHEET
AS AT 31 AUGUST 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	11		98,514		56,245
CURRENT ASSETS					
Debtors	12	110,346		23,180	
Cash at bank		96,808		94,793	
		<u>207,154</u>		<u>117,973</u>	
CREDITORS amounts falling due within one year	13	(151,059)		(83,065)	
NET CURRENT ASSETS			56,095		34,908
TOTAL ASSETS LESS CURRENT LIABILITIES			154,609		91,153
Defined benefit pension scheme liability	18	(128,000)		(114,000)	
NET ASSETS/(LIABILITIES) INCLUDING PENSION SCHEME LIABILITIES			<u>26,609</u>		<u>(22,847)</u>
FUNDS OF THE ACADEMY					
Restricted funds					
Restricted funds	14	-		66,203	
Restricted fixed asset funds	14	98,514		24,950	
		<u>98,514</u>		<u>91,153</u>	
Restricted funds excluding pension liability				(114,000)	
Pension reserve		(128,000)			
		<u>(128,000)</u>		<u>(114,000)</u>	
Total restricted funds			(29,486)		(22,847)
Unrestricted funds	14		56,095		-
TOTAL FUNDS/(DEFICIT)			<u>26,609</u>		<u>(22,847)</u>

The financial statements were approved by the Governors, and authorised for issue, on
20/12/13 and are signed on their behalf, by



Mrs A T Levey
Chair of Governors

The notes on pages 19 to 33 form part of these financial statements

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2013

	Note	2013 £	2012 £
Net cash flow from operating activities	16	52,983	135,649
Capital expenditure and financial investment - fixed asset purchases		(50,968)	(40,856)
INCREASE IN CASH IN THE YEAR		<u>2,015</u>	<u>94,793</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2013

	2013 £	2012 £
Increase in cash in the year	<u>2,015</u>	<u>94,793</u>
MOVEMENT IN NET FUNDS IN THE YEAR	<u>2,015</u>	<u>94,793</u>
Net funds at 1 September 2012	94,793	-
NET FUNDS AT 31 AUGUST 2013	<u>96,808</u>	<u>94,793</u>

The notes on pages 19 to 33 form part of these financial statements

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 issued by the EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 Department for Education.

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of 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.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the academy 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 and it is measurable.

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy 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 the academy's policies.

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

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

1 ACCOUNTING POLICIES (continued)

1.4 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.

Charitable activities are costs incurred in the academy's educational operations.

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

Resources expended are inclusive of any irrecoverable VAT.

1.5 Going concern

The Governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £300 are capitalised.

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 are 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's depreciation policy.

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

Leasehold improvements	-	10% straight line
Fixtures and fittings	-	10% - 20% straight line
Computer equipment	-	20% straight line

1.7 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

1. ACCOUNTING POLICIES (continued)

1.9 Pensions

The academy operates a defined contribution pension scheme and the pension charge represents the amounts payable by the academy to the fund in respect of the year

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS") These are defined benefit schemes and the assets are held separately from those of the academy

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method As stated in note 18, the TPS is a multi-employer scheme and the academy 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

The LGPS is a funded scheme and the assets are held separately from those of the academy in separate trustee-administered funds Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 the 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 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

2. VOLUNTARY INCOME

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Assets transferred on conversion	-	-	-	(54,282)
Donations	566,215	69,429	635,644	146,556
Voluntary income	566,215	69,429	635,644	92,274

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
DfE/EFA grants				
General Annual Grant (GAG)	-	830,172	830,172	857,097
	-	830,172	830,172	857,097
Other government grants				
Local Authority Income	-	94,258	94,258	136,233
	-	94,258	94,258	136,233
	-	924,430	924,430	993,330

4. GOVERNANCE COSTS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
Auditors' remuneration - audit costs	-	8,775	8,775	3,000
Auditors' remuneration - non audit costs	-	7,000	7,000	7,000
Legal & professional	-	6,648	6,648	7,805
	-	22,423	22,423	17,805

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

5. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £	Total funds 2012 £
DIRECT COSTS				
Wages and salaries	510,120	462,604	972,724	631,068
National insurance	-	82,980	82,980	51,518
Pension cost	-	61,059	61,059	51,034
Educational supplies	-	30,184	30,184	44,129
Staff development	-	4,960	4,960	4,711
Educational consultancy	-	6,258	6,258	15,481
I T costs	-	11,397	11,397	-
	<u>510,120</u>	<u>659,442</u>	<u>1,169,562</u>	<u>797,941</u>
SUPPORT COSTS				
Wages and salaries	-	135,613	135,613	94,263
National insurance	-	9,349	9,349	7,736
Pension cost	-	4,278	4,278	8,221
Depreciation	-	8,699	8,699	9,561
FRS 17 adjustments to LGPS	-	4,000	4,000	3,000
Recruitment and support	-	-	-	7,788
Maintenance of premises and equipment	-	64,720	64,720	61,872
Cleaning	-	22,081	22,081	27,973
Occupancy	-	22,434	22,434	-
Insurance	-	12,256	12,256	14,680
Security and transport	-	22,808	22,808	23,066
Other costs	-	-	-	2,097
Printing, postage and stationery	-	1,644	1,644	-
Bank interest and charges	-	751	751	448
	<u>-</u>	<u>308,633</u>	<u>308,633</u>	<u>260,705</u>
	<u>510,120</u>	<u>968,075</u>	<u>1,478,195</u>	<u>1,058,646</u>

6 ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2013 £	Premises 2013 £	Other costs 2013 £	Total 2013 £	Total 2012 £
Provision of education - direct costs	1,116,763	-	52,799	1,169,562	800,941
Provision of education - support costs	149,240	131,076	28,317	308,633	257,705
Charitable activities	<u>1,266,003</u>	<u>131,076</u>	<u>81,116</u>	<u>1,478,195</u>	<u>1,058,646</u>
Governance	<u>-</u>	<u>-</u>	<u>22,423</u>	<u>22,423</u>	<u>17,805</u>
	<u>1,266,003</u>	<u>131,076</u>	<u>103,539</u>	<u>1,500,618</u>	<u>1,076,451</u>

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

7 NET INCOMING RESOURCES / (RESOURCES EXPENDED)

This is stated after charging

	2013 £	2012 £
Depreciation of tangible fixed assets - owned by the charity	8,699	9,561
Auditors' remuneration	8,775	3,000
Auditors' remuneration - non-audit	7,000	7,000
	<u> </u>	<u> </u>

8. GOVERNORS' REMUNERATION AND EXPENSES

The Head Teacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy in respect of their role as Governors. The value of Governors' remuneration fell within the following bands:

	2013 £	2012 £
Mrs M Tapnack	45,000-50,000	40,000-45,000
Mrs R Keller	20,000-25,000	20,000-25,000
Ms A R Lando (resigned 5 July 2013)	50,000-55,000	65,000-70,000

During the year, no Governors received any reimbursement of expenses (2012 - £nil)

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

9 STAFF COSTS

Staff costs were as follows

	2013 £	2012 £
Wages and salaries	1,108,337	725,331
Social security costs	92,329	59,254
Other pension costs (Note 18)	65,337	59,255
	<u>1,266,003</u>	<u>843,840</u>

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

	2013 No	2012 No
Teachers	19	14
Administration and support	17	14
Management	4	4
	<u>40</u>	<u>32</u>

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

	2013 No	2012 No
In the band £ 60,001 - £ 70,000	<u>2</u>	<u>1</u>

1 of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2013 pension contributions for this staff member amounted to £7,388 (2012 - £9,099)

10 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 cover up to £1,000,000 on any one claim.

The cost of this insurance is included in the total insurance cost.

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

11. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2012	-	49,050	16,756	65,806
Additions	18,412	32,556	-	50,968
At 31 August 2013	18,412	81,606	16,756	116,774
Depreciation				
At 1 September 2012	-	6,210	3,351	9,561
Charge for the year	-	6,078	2,621	8,699
At 31 August 2013	-	12,288	5,972	18,260
Net book value				
At 31 August 2013	18,412	69,318	10,784	98,514
At 31 August 2012	-	42,840	13,405	56,245

12. DEBTORS

	2013 £	2012 £
Other debtors	29,658	18,143
Prepayments and accrued income	80,688	5,037
	<u>110,346</u>	<u>23,180</u>

13. CREDITORS
Amounts falling due within one year

	2013 £	2012 £
Trade creditors	40,741	13,362
Other taxation and social security	23,364	23,703
Other creditors	7,297	36,000
Accruals and deferred income	79,657	10,000
	<u>151,059</u>	<u>83,065</u>

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013**

14. STATEMENT OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
Unrestricted funds						
General funds	-	566,215	(510,120)	-	-	56,095
Restricted funds						
General Annual Grant (GAG)	66,203	828,820	(863,728)	(31,295)	-	-
Free early years provision funding (FEYP)	-	78,166	(78,166)	-	-	-
Special education needs (SEN)	-	16,092	(16,092)	-	-	-
Other restricted	-	1,352	(1,352)	-	-	-
Pension reserve	(114,000)	-	(4,000)	-	(10,000)	(128,000)
	(47,797)	924,430	(963,338)	(31,295)	(10,000)	(128,000)
Restricted fixed asset funds						
Restricted fixed asset funds	24,950	50,968	(8,699)	31,295	-	98,514
Other capital donations	-	18,461	(18,461)	-	-	-
	24,950	69,429	(27,160)	31,295	-	98,514
Total restricted funds	(22,847)	993,859	(990,498)	-	(10,000)	(29,486)
Total of funds	(22,847)	1,560,074	(1,500,618)	-	(10,000)	26,609

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

General Annual Grant (GAG)

This represents funding from the EFA to cover the costs of recurrent expenditure

The transfer from GAG relates to the contribution from GAG funding towards the maintenance of capital assets during the year

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013

Free early years provision funding (FEYP)

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

Special educational needs (SEN)

This represents allocated funding for children with statements

Other Restricted

This represents other small donations from individuals and businesses for the provision of specific services associated with the furtherance of the academy trust's charitable objectives

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2013

14 STATEMENT OF FUNDS (continued)

Pension Reserve

This fund represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the academy on conversion from a State Maintained School

Restricted fixed asset funds

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

SUMMARY OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
General funds	-	566,215	(510,120)	-	-	56,095
Restricted funds	(47,797)	924,430	(963,338)	(31,295)	(10,000)	(128,000)
Restricted fixed asset funds	24,950	69,429	(27,160)	31,295	-	98,514
	<u>(22,847)</u>	<u>1,560,074</u>	<u>(1,500,618)</u>	<u>-</u>	<u>(10,000)</u>	<u>26,609</u>

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £	Total funds 2012 £
Tangible fixed assets	-	-	98,514	98,514	56,245
Current assets	56,095	151,059	-	207,154	117,973
Creditors due within one year	-	(151,059)	-	(151,059)	(83,065)
Provisions for liabilities and charges	-	(128,000)	-	(128,000)	(114,000)
	<u>56,095</u>	<u>(128,000)</u>	<u>98,514</u>	<u>26,609</u>	<u>(22,847)</u>

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16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Net incoming resources before revaluations	59,456	9,153
Assets received on conversion	-	58,050
Depreciation of tangible fixed assets	8,699	9,561
Increase in debtors	(87,165)	(23,180)
Increase in creditors	67,993	83,065
FRS 17 adjustments	4,000	(1,000)
Net cash inflow from operations	52,983	135,649

17. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2012 £	Cash flow £	Other non-cash changes £	31 August 2013 £
Cash at bank and in hand	94,793	2,015	-	96,808
Net funds	94,793	2,015	-	96,808

18. PENSION COMMITMENTS

The academy operates a defined contribution (money purchase) pension scheme. The assets of the scheme are held separately from those of the academy in an independently administered fund. The pension cost charge represents contributions payable by the academy to the fund and amounted to £9,948 (2012 £6,267). No amounts were payable to the fund at the balance sheet date (2012 £nil).

In addition to the above the academy's employees belong to two other pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the London Borough of Barnet. 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 March 2010.

Contributions amounting to £7,297 were payable to the scheme at 31 August 2013 (2012 - £nil) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

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18. PENSION COMMITMENTS (continued)

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. 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 under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation 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.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations 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 and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

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. Importantly, pension benefits built up before 1 April 2015 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 just outside of the 10 year protection.

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 2014-15. The

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18 PENSION COMMITMENTS (continued)

increases were to be phased in from April 2012 on a 40 80 100% basis

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.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2013 was £14,000 (2012 - £25,000), of which employer's contributions totalled £11,000 (2012 - £20,000) and employees' contributions totalled £3,000 (2012 - £5,000). The agreed contribution rates for future years are 23.5% for employers and an average of 6.5% for employees.

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

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

The amounts recognised in the Balance Sheet are as follows:

	2013 £	2012 £
Present value of funded obligations	(203,000)	(171,000)
Fair value of scheme assets	75,000	57,000
	<u>(128,000)</u>	<u>(114,000)</u>
Net liability		

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

	2013 £	2012 £
Current service cost	(11,000)	(16,000)
Interest on obligation	(7,000)	(6,000)
Expected return on scheme assets	3,000	3,000
	<u>(15,000)</u>	<u>(19,000)</u>
Total		
	<u>4,000</u>	<u>4,000</u>
Actual return on scheme assets		

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18. PENSION COMMITMENTS (continued)

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

	2013 £	2012 £
Opening defined benefit obligation	171,000	-
Current service cost	11,000	16,000
Interest cost	7,000	6,000
Contributions by scheme participants	3,000	5,000
Actuarial Losses	11,000	32,000
Present value of defined benefit obligation on conversion	-	112,000
	<hr/>	<hr/>
Closing defined benefit obligation	203,000	171,000
	<hr/>	<hr/>

Movements in the fair value of the academy's share of scheme assets

	2013 £	2012 £
Opening fair value of scheme assets	57,000	-
Expected return on assets	3,000	3,000
Actuarial gains and (losses)	1,000	-
Contributions by employer	11,000	20,000
Contributions by employees	3,000	5,000
Fair value of scheme assets on conversion	-	29,000
	<hr/>	<hr/>
	75,000	57,000
	<hr/>	<hr/>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £42,000 loss (2012 - £32,000 loss)

The academy expects to contribute £11,000 to its Defined Benefit Pension Scheme in 2014

The major categories of scheme assets as a percentage of total scheme assets are as follows

	2013	2012
Equities	67 00 %	54 00 %
Gilts	- %	8 00 %
Other bonds	32 00 %	32 00 %
Property	- %	6 00 %
Cash	1 00 %	- %

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

	2013	2012
Discount rate for scheme liabilities	4 70 %	3 90 %
Expected return on scheme assets at 31 August	6 20 %	5 20 %
Rate of increase in salaries	5 10 %	4 10 %
Rate of increase for pensions in payment / inflation	2 90 %	1 90 %
Inflation assumption (CPI)	2 90 %	1 90 %

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**NOTES TO THE FINANCIAL STATEMENTS
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18. PENSION COMMITMENTS (continued)

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

	2013	2012
Retiring today		
Males	20.1	20.0
Females	24.1	24.0
Retiring in 20 years		
Males	22.1	22.0
Females	26.0	25.9

Amounts for the current and previous period are as follows

Defined benefit pension schemes

	2013 £	2012 £
Defined benefit obligation	(203,000)	(171,000)
Scheme assets	75,000	57,000
Deficit	(128,000)	(114,000)
Experience adjustments on scheme assets	1,000	-

19. OPERATING LEASE COMMITMENTS

At 31 August 2013 the academy had annual commitments under non-cancellable operating leases as follows

	2013 £	2012 £
Expiry date		
Within 1 year	-	1,220
Between 2 and 5 years	681	681

20. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which a governor has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

There were no transactions during the year.

The premises that the Academy uses to fulfil its charitable objectives is owned by The Classics Charitable Trust. The Academy has not entered into a long term lease and does not pay rent for the use of the land and buildings. A gift in kind in relation to this arrangement has not been recognised in the Statement of Financial Activities as the governors do not consider that the benefit can be reasonably quantified or measured.