

Company Registration Number: 07718480 (England & Wales)

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019



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

Members	Mr J J Grodzinski Mr J L Wosner Lady D J Kestenbaum
Trustees	Mrs L Sher Mr J J Grodzinski Mr J L Wosner Mrs M Tapnack Mrs T Berman Mrs R Stafler Lady D J Kestenbaum Mrs G Friedman (appointed 1 February 2019) Mr S J Dony Mrs L E Lanzkron Ms S A Selby Mr P H Selby (resigned 10 July 2019) Ms A L Hirst Mr R Bloom Mr Lewis (appointed 1 February 2019) Mrs J Schajer Mrs M R Lauber Mr A Krausz Mrs D Leaf, Vice-chairman Mr M Paluch, Chair
Company registered number	07718480
Company name	Independent Jewish Day School
Registered and principal office	46 Green Lane Hendon London NW4 2AH
Chief Executive Officer	Mrs Jodi Schajer
Senior Leadership Team	Mrs Jodi Schajer, Head Teacher Rabbi Jacob Singer, Head of Jewish Studies Lady Deborah Kestenbaum, Assistant Head Mrs Holli Hunter, Assistant Head Mrs Marion Tapnack, Business Manager Mrs Stacey Sinclair, Head of Senco
Independent Auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford CM23 3BT

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

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

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

**INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

The Governors present their Annual Report together with the financial statements and Auditors' Report of the Independent Jewish Day School (IJDS) Academy Trust (the Trust, the Academy or the Charitable Company) for the year ended 31 August 2019. The Annual Report serves the purpose of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates IJDS (the School) for pupils aged 4 – 11, serving the catchment area as described in our admissions criteria and had 229 pupils in the January 2019 school census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

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

Member's liability

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

Trustee and Officers' Indemnities

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

Method of recruitment and appointment or election of Trustees

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

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

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

Policies and Procedures adopted for the induction and training of Trustees

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

All new Directors are given an induction by the Chair and Vice Chair of the Board of Directors. They also receive a copy of the NGA Guide for new Directors. The new Director is invited to join specific committees which need more input from a Director, or are of particular interest to the new Director. The new Director is then assigned to those specific committees with defined remit and responsibilities according to the Terms of Reference. Experienced Directors mentor the new Directors. The new Director is given training opportunities on the role of a Director, and specifically in relation to the committees which 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.

Organisational Structure

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

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

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

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

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

Arrangements for setting pay and remuneration of key management personnel

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

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

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

Related Parties and other Connected Charities and Organisations

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

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

OBJECTIVES AND ACTIVITIES

Objects and Aims

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

Strategies and Activities

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

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

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

Public Benefit

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

STRATEGIC REPORT

Achievements and performance

The IJDS Academy scores highly in all areas of measurement in the primary school league tables in Barnet and in comparison to national achievement. In July 2019, 93% of all pupils met the expected standard in reading, writing and maths at Key Stage 2, with at least 30% achieving greater depth, significantly above the national average. At Key Stage One, 86% achieved expected in reading, 79% in writing and 90% in reading. Again significantly above national average. 93% of IJDS pupils passed the Year 1 phonics test and 81% of pupils achieved a good level of development in EYFS.

Key Performance Indicators

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2019 were 229. All classes were fully subscribed, and have a waiting list of interested families.

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

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

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

Going concern

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

FINANCIAL REVIEW

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the ESFA. For the year ended 31 August 2019, the Trust received £795,833 of GAG in addition to other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent all its restricted funds and had an unrestricted funds deficit carried forward of £50,488 and a deficit on Other Capital Donations in respect of outstanding building works. In addition, the academy receives income from the Independent Jewish Day School Foundation that is received in a form of voluntary contribution, in order to support the pupils' Jewish studies.

Reserves policy

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

The cash balance of the Trust has been healthy all year, ending the year with a balance of £341,868.

It is the policy of the Trust to aim to ensure that the unrestricted funds are at a level that is approximately three months expenditure at a very reduced activity level. The reserves will also be used to enable the charity to continue operating when there is a temporary or partial cessation of funding. Having reviewed the unrestricted funds balance, there is currently a negative unrestricted fund balance. The trustees review the unrestricted funds balance on an ongoing basis, and aim to work towards having positive unrestricted funds balance to allow to manage any unforeseen expenditure.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund deficit of £192,000. This does not mean that an immediate liability for this amount crystallises. Rather, such a deficit generally impacts the cash flow from an increased employer pension contribution over a number of years.

Investment policy

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees maintain a risk register identifying the major risks to which the Trust is exposed and identifying actions and procedures to mitigate those risks. A formal review of the risk management process is undertaken on an annual basis. The internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Finance Committee meeting. The principal risks facing the Trust are outlined below; those facing the Trust at an operational level are addressed by its systems and by internal financial and other controls. The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the EFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

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

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

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

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

PLANS FOR FUTURE PERIODS

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

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

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

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

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FOR THE YEAR ENDED 31 AUGUST 2019**

The Directors continue to oversee premises improvements and aim to complete more refurbishments both inside the building and in the play areas.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The IJDS nor its Trustees are acting as custodian trustees.

PROVISION OF INFORMATION TO AUDITORS

So far, as the Trustees are aware:

- There is no relevant audit information of which the Charitable Company's Auditors are unaware, and
- The Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.
The Auditors, Price Bailey LLP, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

The Trustees' Report, incorporating a strategic report, was approved by the Board of Trustees, on 11th Dec 2019 and signed on its behalf by:


Mr M Paluch
(Chair of Trustees)

INDEPENDENT JEWISH DAY SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Trustees any material weaknesses or breakdowns in internal control.

Governance

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

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

Trustee	Meetings attended	Out of a possible
Mrs L Sher	3	3
Mr J J Grodzinski	3	3
Mr J L Wosner	1	3
Mrs M Tapnack	3	3
Mrs T Berman	3	3
Mrs R Stafler	3	3
Lady D J Kestenbaum	2	3
Mrs G Friedman	2	2
Mr S J Dony	3	3
Mrs L E Lanzkron	2	3
Ms S A Selby	2	3
Mr P H Selby	1	2
Ms A L Hirst	3	3
Mr R Bloom	3	3
Mr S Lewis	2	2
Mrs J Schajer	3	3
Mrs M R Lauber	2	3
Mr A Krausz	3	3
Mrs D Leaf, Vice-chairman	3	3
Mr M Paluch, Chair	3	3

During the year Mr. M Paluch, formerly vice chair of Trustees and member of the finance committee replaced Mrs. A Hirst as chair of Trustees. In addition, Mr. S Lewis, an experienced head teacher, was appointed as a Trustee and chairman of the education committee and Mrs. G Friedman, an experienced Jewish Studies teacher, was appointed as a Trustee and chairman of the Jewish Education Committee.

Trustees typically also serve on a number of other sub-committees, as listed below:

- Operation committee
- Education committee
- Finance committee
- Jewish education committee
- Premises committee
- Admission committee

Each committee is set to ensure to ensure that all aspects of the organisations objectives are met.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

In 2018-2019 the Trustees continue to review the Governance structure in relation to the roles and responsibilities of Members, Trustees and the School leadership team. This ongoing process is intended to:

- Enhance and improve the communication between the trustees to all stakeholders of the trust, with specific emphasis on greater dialogue member of the school leadership team and staff; Clearly define the layers of accountability for members, Trustees and the School Leadership Team;
- Improve the monitoring and evaluation procedures between Trustees and the School Leadership Team;
- Support the school leadership in appointing key members of the school leadership team;
- Monitor the financial performance of the academy and support the academy through ongoing fundraising activities
- Continue modernising the school premises

The trust is planning to conduct its next self-evaluation or external review of governance in 2019-2020.

The Finance Committee is a sub-committee of the Board of Trustees. Its purpose is to address finance matters.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr M Paluch	3	3
Mr R Bloom	3	3
Ms L Hirst	3	3
Mr P H Selby	2	2
Mrs M Tapnack	3	3

INDEPENDENT JEWISH DAY SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

Improving Educational Results:

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

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

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 Independent Jewish Day School for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the Annual Report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the 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 Trust's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

Internal Scrutiny/Audit

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

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

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

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

Review of effectiveness

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

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

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

Approved by the Board of Trustees on *11th Dec 2019* and signed on their behalf by:

Michael Paluch
Mr M Paluch
Chairman

J. Schajer
Mrs J Schajer
Accounting Officer

INDEPENDENT JEWISH DAY SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Independent Jewish Day School I have considered my responsibility to notify the Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

J. Schajer

J Schajer
Accounting Officer

Date: 11th Dec 2019

INDEPENDENT JEWISH DAY SCHOOL
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

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:

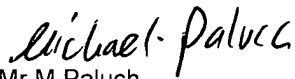
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 and signed on its behalf by:


Mr M Paluch
(Chair of Trustees)

11th Dec 2019

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

Opinion

We have audited the financial statements of Independent Jewish Day School (the 'Academy') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our Report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Trustees' Report including the Strategic Report, the Governance Statement and the Accounting Officer's Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our Report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

This Report is made solely to the 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 opinions we have formed.

Gary Miller (Senior Statutory Auditor)
for and on behalf of
Price Bailey LLP
Chartered Accountants
Statutory Auditors
Causeway House
1 Dane Street
Bishop's Stortford
CM23 3BT

17 December 2019

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 25 September 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, 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 2018 to 31 August 2019 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 ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Independent Jewish Day School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Independent Jewish Day School and ESFA, for our work, for this Report, or for the conclusion we have formed.

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

The Accounting Officer is responsible, under the requirements of Independent Jewish Day School's funding agreement with the Secretary of State for Education dated 17 August 2011 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Price Bailey LLP

Date: 17 December 2019

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
Income from:						
Donations and capital grants	3	702,873	68,000	234,618	1,005,491	1,144,118
Charitable activities		-	1,011,571	-	1,011,571	1,097,977
Total income		<u>702,873</u>	<u>1,079,571</u>	<u>234,618</u>	<u>2,017,062</u>	<u>2,242,095</u>
Expenditure on:						
Charitable activities		649,985	1,083,571	102,508	1,836,064	1,782,324
Total expenditure		<u>649,985</u>	<u>1,083,571</u>	<u>102,508</u>	<u>1,836,064</u>	<u>1,782,324</u>
Net movement in funds before other recognised gains/(losses)		<u>52,888</u>	<u>(4,000)</u>	<u>132,110</u>	<u>180,998</u>	<u>459,771</u>
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	21	-	(54,000)	-	(54,000)	34,000
Net movement in funds		<u>52,888</u>	<u>(58,000)</u>	<u>132,110</u>	<u>126,998</u>	<u>493,771</u>
Reconciliation of funds:						
Total funds brought forward		(50,488)	(134,000)	1,003,138	818,650	324,879
Net movement in funds		52,888	(58,000)	132,110	126,998	493,771
Total funds carried forward		<u>2,400</u>	<u>(192,000)</u>	<u>1,135,248</u>	<u>945,648</u>	<u>818,650</u>

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

The notes on pages 24 to 45 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	As restated 2018 £
Fixed assets			
Tangible assets	11	1,013,707	975,826
		<u>1,013,707</u>	<u>975,826</u>
Current assets			
Debtors	12	544,803	534,030
Cash at bank and in hand		341,868	102,666
		<u>886,671</u>	<u>636,696</u>
Creditors: amounts falling due within one year	13	(357,730)	(254,872)
Net current assets		<u>528,941</u>	<u>381,824</u>
Total assets less current liabilities		<u>1,542,648</u>	<u>1,357,650</u>
Creditors: amounts falling due after more than one year	14	(405,000)	(405,000)
Net assets excluding pension liability		<u>1,137,648</u>	<u>952,650</u>
Defined benefit pension scheme liability	21	(192,000)	(134,000)
Total net assets		<u><u>945,648</u></u>	<u><u>818,650</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	16	1,135,248	1,003,138
Restricted funds excluding pension liability	16	1,135,248	1,003,138
Pension reserve	16	(192,000)	(134,000)
Total restricted funds	16	<u>943,248</u>	<u>869,138</u>
Unrestricted income funds			
General funds	16	2,400	(50,488)
Total unrestricted income funds	16	<u>2,400</u>	<u>(50,488)</u>
Total funds		<u><u>945,648</u></u>	<u><u>818,650</u></u>

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 20 to 45 were approved by the Trustees, and authorised for issue ~~on~~ and are signed on 11th Dec 2019 their behalf, by:



Mr M Paluch
(Chair of Trustees)

The notes on pages 24 to 45 form part of these financial statements.

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	18	379,591	415,518
Cash flows from investing activities	19	(140,389)	(705,573)
Change in cash and cash equivalents in the year		239,202	(290,055)
Cash and cash equivalents at the beginning of the year		102,666	392,721
Cash and cash equivalents at the end of the year	20	<u>341,868</u>	<u>102,666</u>

The notes on pages 24 to 45 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 2019

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Independent Jewish Day School meets the definition of a public benefit entity under FRS 102.

1.2 Company status

The Academy is a Company limited by guarantee. The Members of the Company are named on page 1. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per Member.

The Academy's registered office is 46 Green Lane, Hendon, London, NW4 2AH.

1.3 Going concern

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

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.4 Income

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

- **Legacies**

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

- **Grants**

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

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

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

- **Donations**

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

1.5 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.6 Government grants

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

1.7 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long term leasehold property	- 10 years
Furniture and equipment	- 5 years
Computer equipment	- 5 years

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.11 Financial instruments

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 13 and 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Operating leases

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

1.13 Pensions

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.

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

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

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

**INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.14 Fund accounting

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 2019. 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.

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
Donations	702,873	-	702,873	601,021
Capital grants	-	68,000	68,000	-
Grants	-	-	-	782
Government grants	-	234,618	234,618	542,315
	<u>702,873</u>	<u>302,618</u>	<u>1,005,491</u>	<u>1,144,118</u>
Total 2018	<u>601,803</u>	<u>542,315</u>	<u>1,144,118</u>	

In 2018, income from donations was £601,021, all of which was unrestricted.

In 2018, income from donation in kind was £68,000, all of which was restricted.

In 2018, income from grants was £782, all of which was unrestricted.

In 2018, income from capital grants was £542,315, all of which was included in the restricted fixed asset fund.

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

4. Funding for the Academy's direct costs

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	795,833	795,833	813,096
Other DfE /ESFA grants	-	49,236	49,236	67,140
	-	845,069	845,069	880,236
Other government grants				
Local Authority grants	-	149,650	149,650	200,753
	-	149,650	149,650	200,753
Other funding				
Catering income	-	16,852	16,852	16,988
	-	16,852	16,852	16,988
	-	1,011,571	1,011,571	1,097,977
Total 2018	6,453	1,091,524	1,097,977	

In 2018, funding from the General Annual Grant (GAG) was £813,096, all of which was restricted.

In 2018, funding from other DfE/EFSE grants was £67,140 in total, of which £60,687 was restricted and £6,453 was unrestricted.

In 2018, funding from local authority grants was £200,753, all of which was restricted.

In 2018, catering income was £16,988, all of which was restricted.

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

5. Expenditure

	Staff costs	Premises	Other costs	Total funds	Total funds 2018
	£	£	£	£	£
Education:					
Direct costs	873,710	-	65,602	939,312	1,042,371
Support costs	446,959	357,203	92,590	896,752	807,953
	<u>1,320,669</u>	<u>357,203</u>	<u>158,192</u>	<u>1,836,064</u>	<u>1,850,324</u>
Total 2018	<u>1,401,301</u>	<u>222,738</u>	<u>226,285</u>	<u>1,850,324</u>	

In 2018, of total expenditure £643,927 was to unrestricted funds, £1,166,524 was to restricted funds and £39,873 was to restricted fixed asset funds.

6. Charitable activities

	2019 £	2018 £
Direct costs - educational operations	939,312	1,011,760
Support costs - educational operations	896,752	838,564
	<u>1,836,064</u>	<u>1,850,324</u>
	2019 £	2018 £
Support costs	446,959	444,735
Depreciation	102,508	39,873
Premises costs	254,695	222,738
Other costs	92,590	106,039
Governance costs	-	25,179
	<u>896,752</u>	<u>838,564</u>

INDEPENDENT JEWISH DAY SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

7. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	2,172	2,621
Depreciation of tangible fixed assets	102,508	39,873
Fees paid to Auditors for:		
Audit	6,025	5,820
Other services	3,162	4,435
	<u> </u>	<u> </u>

8. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	1,126,574	1,183,639
Social security costs	93,255	102,152
Pension costs	93,323	115,510
	<u> </u>	<u> </u>
	<u>1,313,152</u>	<u>1,401,301</u>

b. Staff numbers

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

	2019 No.	2018 No.
Teachers	15	14
Administration and support	29	34
Management	5	7
	<u> </u>	<u> </u>
	<u>49</u>	<u>55</u>

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8. Staff costs (continued)

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £70,001 - £80,000	1	-

d. Key management personnel

The key management personnel of the Academy comprise of Trustees and the Senior Leadership Team as listed on page 1. The total of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £272,708 (2018 - £217,969). Of this total, £21,172 relates to employers national insurance contributions and £26,622 relates to pension contributions.

9. Trustees' remuneration and expenses

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

		2019 £	2018 £
Mrs M Tapnack (Staff Trustee)	Remuneration	20,000 - 25,000	25,000 - 30,000
	Pension contributions paid	£nil	£nil
	Salary sacrifice	35,000 - 40,000	30,000 - 35,000
		80,000 - 85,000	15,000 - 20,000
Mrs J Schajer (Head Teacher)	Remuneration	80,000 - 85,000	15,000 - 20,000
	Pension contributions paid	10,000 - 15,000	0 - 5,000

During the year ended 31 August 2019, no Trustee expenses have been incurred (2018 - £NIL).

10. Trustees' and Officers' insurance

The Academy has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK Government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides unlimited cover. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

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11. Tangible fixed assets

	Short-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2018	996,816	117,883	118,213	1,232,912
Additions	131,565	971	7,853	140,389
Disposals	-	(71,313)	(23,510)	(94,823)
At 31 August 2019	1,128,381	47,541	102,556	1,278,478
Depreciation				
At 1 September 2018	33,680	116,178	107,228	257,086
Charge for the year	91,048	2,029	9,431	102,508
On disposals	-	(71,313)	(23,510)	(94,823)
At 31 August 2019	124,728	46,894	93,149	264,771
Net book value				
At 31 August 2019	1,003,653	647	9,407	1,013,707
At 31 August 2018	963,136	1,705	10,985	975,826

12. Debtors

	2019 £	2018 £
Due after more than one year		
Other debtors	405,000	405,000
	405,000	405,000
Due within one year		
Other debtors	68,000	68,000
Prepayments and accrued income	64,960	52,889
VAT recoverable	6,843	8,141
	544,803	534,030

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13. Creditors: Amounts falling due within one year

	2019	As restated 2018
	£	£
Trade creditors	35,275	46,235
Other taxation and social security	24,956	23,421
Pension fund loan payable	12,961	11,198
Other creditors	68,000	68,000
Accruals and deferred income	216,538	106,018
	<u>357,730</u>	<u>254,872</u>

The deferred income in the year is in relation to the fee infant school meals grant that the Academy received in July 2019 which was in relation to the 19/20 academic year.

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

	2019	2018
	£	£
Other creditors	405,000	405,000
	<u>405,000</u>	<u>405,000</u>

15. Prior year adjustment

A prior year adjustment has been made to reflect the new guidance in section 7.7 in the ESFA Academies Accounts Direction 2018-19. The right to occupy liability reflects the future notional rental expense as a creditor rather than the previous treatment as a restricted fund. This amounted to £473,000.

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16. Statement of funds

	As Restated Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds - all funds	(50,488)	702,873	(649,985)	-	-	2,400
Restricted general funds						
Total restricted GAG	-	795,833	(795,833)	-	-	-
Donation in kind	-	68,000	(68,000)	-	-	-
Other DfE/ESFA grants	-	17,700	(17,700)	-	-	-
Pupil Premium funding	-	3,960	(3,960)	-	-	-
Restricted FEYP	-	98,893	(98,893)	-	-	-
Restricted SEN	-	50,757	(50,757)	-	-	-
ESFA lunch income	-	44,428	(44,428)	-	-	-
Pension reserve	(134,000)	-	(4,000)	-	(54,000)	(192,000)
	<u>(134,000)</u>	<u>1,079,571</u>	<u>(1,083,571)</u>	<u>-</u>	<u>(54,000)</u>	<u>(192,000)</u>
Restricted fixed asset funds						
Restricted FA fund	975,826	-	(102,508)	140,389	-	1,013,707
Conditional Improvement Funding	95,529	210,449	-	(116,220)	-	189,758
Other capital donations	(68,217)	-	-	-	-	(68,217)
DFC	-	24,169	-	(24,169)	-	-
	<u>1,003,138</u>	<u>234,618</u>	<u>(102,508)</u>	<u>-</u>	<u>-</u>	<u>1,135,248</u>
Total Restricted funds	<u>869,138</u>	<u>1,314,189</u>	<u>(1,186,079)</u>	<u>-</u>	<u>(54,000)</u>	<u>943,248</u>
Total funds	<u>818,650</u>	<u>2,017,062</u>	<u>(1,836,064)</u>	<u>-</u>	<u>(54,000)</u>	<u>945,648</u>

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16. Statement of funds (continued)

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 2019.

Pupil Premium

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

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.

Educational Trips

This represents contributions made by parents to the running of educational visits for the pupils of the Academy and the associated costs of running the trips.

CIF Funding

This represents funds received by the academy for improvements for specific purposes in accordance with the terms of the grant.

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. The transfer from this fund to unrestricted funds represented certain property maintenance costs paid for out of unrestricted funds for which capital grants were received.

Donation in kind

This income and expenditure represents the rent free occupation of the land and buildings from the Classics Charitable Trust.

Restricted donations

This fund represents donations received from the Classics Charitable Trust for spending on capital works and building expansion projects for the school.

Other Capital Donations

This represents funds transferred from the Governors fund accounts and Capital funds received in relation to CIF and DFC.

Other restricted funds

These are other amounts received, upon which, the donor or source has placed restrictions.

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16. Statement of funds (continued)

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

	As Restated Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	As Restated Balance at 31 August 2018 £
Unrestricted funds						
Unrestricted funds	19,580	608,256	(643,927)	(34,397)	-	(50,488)
Restricted general funds						
Total restricted GAG	-	813,096	(813,096)	-	-	-
Donation in kind	-	68,000	(68,000)	-	-	-
Pension reserve	(161,000)	-	(7,000)	-	34,000	(134,000)
Other DfE/EFA grants	-	35,475	(35,475)	-	-	-
Pupil Premium funding	-	5,554	(5,554)	-	-	-
Restricted FEYP	-	129,412	(129,412)	-	-	-
Restricted SEN	-	55,074	(55,074)	-	-	-
ESFA/restricted lunch income	-	52,913	(52,913)	-	-	-
	(161,000)	1,159,524	(1,166,524)	-	34,000	(134,000)

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

	As Restated Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Restricted fixed asset funds						
Restricted fixed asset funds	310,126	-	(39,873)	705,573	-	975,826
Other capital donations	156,173	446,786	-	(671,176)	-	(68,217)
Capital improvement fund (CIF)	-	95,529	-	-	-	95,529
	<u>466,299</u>	<u>542,315</u>	<u>(39,873)</u>	<u>34,397</u>	<u>-</u>	<u>1,003,138</u>
Total Restricted funds	<u>305,299</u>	<u>1,701,839</u>	<u>(1,206,397)</u>	<u>34,397</u>	<u>34,000</u>	<u>869,138</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

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

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17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	As Restated Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	975,826	975,826
Debtors due after more than one year	-	405,000	-	405,000
Current assets	68,167	68,000	95,529	231,696
Creditors due within one year	(118,655)	(68,000)	(68,217)	(254,872)
Creditors due in more than one year	-	(405,000)	-	(405,000)
Provisions for liabilities and charges	-	(134,000)	-	(134,000)
Total	(50,488)	(134,000)	1,003,138	818,650

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

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	180,998	459,771
Adjustments for:		
Depreciation	102,508	39,873
(Increase)/decrease in debtors	(10,773)	31,224
Increase/(decrease) in creditors	102,858	(122,350)
Pension adjustment	4,000	7,000
Net cash provided by operating activities	379,591	415,518

19. Cash flows from investing activities

	2019 £	2018 £
Purchase of tangible fixed assets	(140,389)	(705,573)
Net cash used in investing activities	(140,389)	(705,573)

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20. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	341,868	102,666
Total cash and cash equivalents	341,868	102,666

21. Pension commitments

The Academy's employees belong to two principal pension schemes: the Teachers' 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 local Borough. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities.

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.

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 Public Service Pensions Act (2013) 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 – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension 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.

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21. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

The employer's pension costs paid to TPS in the year amounted to £65,791 (2018 - £59,958).

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website

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

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £2,531 (2018 - £3,583), of which employer's contributions totalled £2,111 (2018 - £2,910) and employees' contributions totalled £ 420 (2018 - £673). The agreed contribution rates for future years are 23.5% for employers and 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.

Principal actuarial assumptions

	2019 %	2018 %
Rate of increase in salaries	2.6	2.6
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.9	2.8

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21. 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:

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.0	21.9
Females	23.3	24.3
<i>Retiring in 20 years</i>		
Males	22.3	23.9
Females	25.1	26.5

As at 31 August 2019, the trust had a pension liability of £192,000 (2018: £134,000). The sensitivity analysis detailed below would increase/(decrease) the closing defined benefit obligation in the following way:

Sensitivity Analysis

	2019 £000	2018 £000
Discount rate +0.1%	(10,248)	(8,288)
Discount rate -0.1%	10,248	8,288
Mortality assumption - 1 year increase	3,660	4,144
Mortality assumption - 1 year decrease	(3,660)	(4,144)
CPI rate +0.1%	9,516	7,696
CPI rate -0.1%	(9,516)	(7,696)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	97,000	94,000
Gilts	-	49,000
Corporate bonds	56,000	-
Property	5,000	-
Cash and other liquid assets	16,000	19,000
Total market value of assets	174,000	162,000

The actual return on scheme assets was £10,000 (2018 - £5,000).

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21. Pension commitments (continued)

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

	2019 £	2018 £
Current service cost	(3,000)	(6,000)
Interest income	10,000	4,000
Interest cost	(3,000)	(8,000)
Total amount recognised in the Statement of Financial Activities	<u>4,000</u>	<u>(10,000)</u>

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

	2019 £	2018 £
At 1 September	296,000	314,000
Interest cost	8,000	8,000
Employee contributions	-	1,000
Actuarial losses/(gains)	59,000	(33,000)
At 31 August	<u>363,000</u>	<u>290,000</u>

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

	2019 £	2018 £
At 1 September	162,000	153,000
Expected return on assets	-	4,000
Interest income	5,000	-
Actuarial gains	5,000	1,000
Employer contributions	2,000	3,000
Employee contributions	-	1,000
At 31 August	<u>174,000</u>	<u>162,000</u>

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22. Operating lease commitments

At 31 August 2019 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	academy 2019 £	academy 2018 £
Not later than 1 year	2,172	2,621
Later than 1 year and not later than 5 years	4,344	-
	<u>6,516</u>	<u>2,621</u>

23. Members' liability

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

24. Related party transactions

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee 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.

Any transactions where the Trustee has a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

The Academy operates from land and buildings provided rent free by the Classics Charitable Trust. In accordance with the Academies Accounts Direction 2018 to 2019 The Academy Trustees have concluded that, on the basis of the circumstances existing at the year end, and based upon the probable course of subsequent events, the Academy does have an asset representing the future value of occupying the property free of rent. The Academy Trustees consider that the appropriate period for which to recognise this asset is the length of the notice period detailed in the Funding Agreement with the Secretary of State, i.e. 5 years. The Academy Trustees estimate that the cost of renting equivalent buildings would be £68,000 per annum, on this basis a donation from the Classics Charitable Trust of £68,000 is shown in the accounts together with a notional expense of the same amount. In addition, included within debtors is a donation in kind receivable of £473,000 representing the informal commitment by the Classics Charitable Trust to provide the land and buildings rent free for a minimum of a further 5 years.

Governors Mr J J Grodzinski and Mr J L Wosner are also Trustees of The Classics Charitable Trust.

During the year the Academy received donations from The Independent Jewish Day School Foundation of £690,844 (2018: £1,012,376) of which £660,971 (2018 : £588,000) was for general funding purposes with the balance restricted for specific purposes.

There were no other transactions during the year.