

Company Registration Number: 07647432 (England and Wales)

**The Leeds Jewish Free School
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements
Year ended 31 August 2021**

SATURDAY



AAJ4ZJ01

A18

11/12/2021

#75

COMPANIES HOUSE

The Leeds Jewish Free School
Contents

	Page
Reference and Administrative Details	1
Trustees' Report	2
Governance Statement	10
Statement on Regularity, Propriety and Compliance	13
Statement of Trustees' Responsibilities	14
Independent Auditor's Report on the Financial Statements	15
Independent Reporting Accountant's Report on Regularity	18
Statement of Financial Activities incorporating Income & Expenditure Account	19
Balance Sheet	20
Statement of Cash Flows	21
Notes to the Financial Statements, incorporating:	
Statement of Accounting Policies	22
Other Notes to the Financial Statements	25

The Leeds Jewish Free School
Reference and Administrative Details

Members

Mr Alex Abrams
Dr Jason Broch
Cllr Daniel Cohen
Mr Alan Dunwell
Mr Colin Glass
Mr Paul Gross
Mrs Louisa Simons

Trustees

Mr Alex Abrams
Dr Jason Broch
Cllr Daniel Cohen (Chair of Trustees)
Mr Henry Cohen (Chair of Finance and Resources)
Rabbi Reuven Cohen
Rabbi Jason Kleiman
Mr Lee Lipman
Mrs Meirav Sasson
Mr Spencer Weiner

Senior Management Team

Executive Head Teacher
Deputy Head Teacher
Director of Finance

Mrs Susan Hardacre
Ms Samantha Lawson
Mr Paul Staniland

Company Name

Leeds Jewish Free School

Principal and Registered Office

The Leeds Jewish Free School
Henry Cohen Campus
Wentworth Avenue
Leeds
United Kingdom
LS17 7TN

Company Registration Number

07647432 (England and Wales)

Independent Auditor

Gibson Booth Chartered Accountants
and Statutory Auditors
New Court
Abbey Road North
Shepley
Huddersfield
HD8 8BJ

Bankers

Lloyds Bank
1st Floor
14 Church Street
Sheffield
LS1 1NX

Solicitors

Ward Hadaway
1A Tower Square
Wellington Street
Leeds
LS1 4DL

The Leeds Jewish Free School

Trustees' Report

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2020 to 31 August 2021. The Secretary of State for Education approved the school's plans on 11 July 2013 and issued the funding agreement to open the school in September 2013. The annual report serves the purpose of both a trustees' report and a directors' report under company law.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The trustees of the Leeds Jewish Free School and are also the directors of the charitable company for the purposes of company law. The charitable company is known as the Leeds Jewish Free School.

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

Members' Liability

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

Trustees' Insurance

The Trustees' Liability section of the RPA will indemnify Trustees, members of the governing body or board of Trustees of the Academy. Employees of the Academy acting in a managerial capacity and any employee named as a co-defendant in a claim made against a Trustee.

Principal Activities

The company was set up for the purposes of applying to open a free school for the provision of Jewish ethos education and life skills to key stage 3 to 5 pupils from the local and wider community.

Method of Recruitment and Appointment or Election of Trustees

All of the trustees are directors of the charitable company for the purposes of the Companies Act 2006 and all are trustees for the purposes of charity legislation.

The members may appoint up to 14 Trustees.

The Members may appoint staff Trustees through such process as they may determine, provided that the total number of Trustees (including the Principal) who are employees of the academy trust does not exceed one third of the total number of Trustees.

A minimum of 2 parent Trustees shall be elected by parents of registered pupils at the free school.

The governing body shall appoint a person who is the parent of a registered pupil at the free school, or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

The governing body shall make all necessary arrangements for, and determine all other matters relating to, an election of parent Trustees, including any question of whether a person is a parent of a registered pupil at the free school. Any election of parent Trustees which is contested shall be held by secret ballot.

The members may appoint co-opted trustees. A 'co-opted trustee' means a person who is appointed to be a trustee by being co-opted by trustees who have not themselves been so appointed. The trustees may not co-opt an employee of the Academy Trust as a co-opted trustee if thereby the number of trustees who are employees of the Academy Trust would exceed one third of the total number of trustees (including the Principal).

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational, legal and financial matters. All new trustees will be given a tour of the school and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need in order to undertake their role as trustees.

The Leeds Jewish Free School

Trustees' Report (continued)

Organisational Structure

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by the use of budgets and making major decisions about the direction of the academy, capital expenditure and senior staff appointments.

A senior management team (SMT) made up of the Executive Head Teacher, Deputy Head Teacher and Finance Director controls the school at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group, the team is responsible for the authorisation of spending within agreed budgets and the appointment of staff.

Currently the Executive Headteacher controls the school at an executive level implementing the policies laid down by the trustees and reporting back to them. The executive head is assisted by senior management team.. The Executive Head teacher is responsible for appointing all staff, in line with the agreed establishment and with the involvement of key trustees.

Arrangements for setting pay and remuneration of key management personnel

Remuneration of key management personnel will follow DfE advice and direction of the School Teachers' Pay and Conditions Document (STPCD). Senior staff will have their performance reviewed by Trustees and where deemed necessary by specialist sector experts.

Related Parties and other Connected Charities and Organisations

The school operates from dedicated buildings on the site of the Henry Cohen Campus and shares a number of resources and facilities with Brodetsky Primary School, a local authority voluntary aided school. The Executive Head Teacher of the Leeds Jewish Free School is also the Head Teacher of the Brodetsky Primary School. Other staff at the Brodetsky Primary School will provide teaching and support services to the Leeds Jewish Free School. Other connected organisations include, Brodetsky Schools Ltd which provides support services to both schools, 'The Zone' (a local community group) that provides extra curriculum activities outside of school's timetabled classes and Brodetsky Jewish Primary School Foundation Trusts, the beneficial owner of the land and the primary school buildings. Transactions between parties on the campus are recharged on not for profit basis to recover the costs incurred by the party.

Objectives and Activities

Objectives and Aims

The Leeds Jewish Free School is a Modern Orthodox Jewish School which aims to offer outstanding educational provision that ensures high academic standards, a strong moral ethic, a joy of learning, high aspirations and an expectation to contribute to the local community. This is underpinned by its strong Jewish ethos and an innovative educational model.

Every pupil will leave the school having enjoyed their education, achieved well and, if Jewish, proud of their faith, heritage and community. All pupils will see themselves as proud citizens or residents of Britain, respectful and understanding of all other members of its diverse community and contributing at all levels. They will respect and understand the values of this country and understand their future role in building on these. Our aspirations will be key drivers for our curriculum at all Key Stages and in all subjects. Our pupils will have access to education which meets these specific needs without family income or individual need being a barrier.

The Leeds Jewish Free School

Trustees' Report (continued)

Aims

We will:

- Ensure that no pupil has to leave the city, county and region to access the education their families want, and have an entitlement to.
- Ensure that underpinning all aspects of the educational planning will be the need to ensure our pupils are equipped for the world in which they will move into after education.
- Ensure that our teaching methods will ensure that they develop the capacity to learn independently, adapt to changing technologies and the demands of a global work place.
- Ensure that by operating in an innovative way, with secure partnerships across sectors and organisations, the school will model to the pupils, the world in which they will live and work.
- Meet the needs and aspirations of a community that is committed to Leeds and secure this commitment by providing a full educational path within their home city.
- Ensure our pupils are able to apply to university because their high academic achievement, matched with their unique educational experience, will ensure that they are always considered as strong applicants for their chosen course and are well prepared for the challenges of university life. For those who choose an alternative route, they will do so with our support, ensuring they aspire to achieve all they are capable of and can choose confidently from the many alternative educational and vocational routes available today.
- Ensure that all our students will develop a strong sense of self, beliefs and faith irrespective of their own family faith background. They will value the diversity within the school and the opportunity to develop an understanding of each other.

Public Benefit

The provision of a secondary school in Leeds providing a Jewish ethos education provides significant public benefit to the local community.

Until LJFS opened, families who wanted a Jewish ethos based secondary education had to send their children to Manchester each day. Children were spending approximately a year of their school lives travelling.

Releasing children from long days and dangerous travelling over the Pennines every school day is a positive benefit for the Leeds and wider West and North Yorkshire communities. In the longer term when the school achieves its strategic objectives there will be environmental benefits from fewer bus journeys to Manchester.

As well as its Jewish pupils almost 50% of the students are from other faith backgrounds. This unexpected but critical dynamic will help ensure that LJFS contributes to the long term cohesion of the Leeds city community.

A significant number of our students face additional challenges (both educational and socio-economic). These students are being offered an educational opportunity far in excess of what could be offered in other schools.

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit'.

Strategic Report

Achievements and Performance

LJFS underwent its second full OFSTED inspection in February 2019 and was judged to be GOOD in all areas.

Key Strengths identified were:

'You are determined to provide the best education possible for the pupils. You and your senior leaders have an accurate view of the quality of teaching and learning in school.'

'The pupils are at the heart of everything the school does.'

'There is a very strong safeguarding culture in the school. The pupils always have someone they can go to if they need or want to.'

The outcome of the inspection showed clearly that LJFS is making strong progress towards achieving its stated aims.

The school is a member of the Red Kite Alliance which enhances our collaborations and partnership working. Subject leaders and all staff have a wider network of colleagues to help monitor and evaluate our provision.

The Leeds Jewish Free School

Trustees' Report (continued)

Covid 19

During the Covid 19 lockdown the provision of teaching and learning was carried out via highly structured remote learning systems and monitoring.

Monitoring of levels of engagement with home learning

Every lesson we take a register and if a student does not attend a lesson, the pastoral team contact parents and address any obstacles to learning. As a result of this, we have delivered and collected work from children personally, reallocated any school IT devices as and where needed, organised food and welfare support through various channels and the usual pastoral range of work. We also have the IT provision for the Year 10 students that we have been allocated on order.

Addressing any obstacles to engagement with home learning

If a student is attending lessons they are being allocated tasks and having learning delivered either on Teams, Moodle or Zoom. Students are chased in the lesson if they do not notify us that they are present to complete the register. We can also see from Teams which students have accessed the day's assignment. If they don't we usually send a post to that individual and ask if they are struggling to find the work and ask in a roundabout way what they are doing. If they are struggling to access the work either through a learning difficulty or an IT issue we talk them through this. Often this is with a phone link via teams.

Where a pattern emerges of non-completion of work this is escalated to the pastoral team. We have, in a number of cases, responded by offering different ways of working and modes of teaching for individual students - not all of whom have specific learning difficulties.

Quality Assurance - monitoring standard of work

This is reflected in the feedback on the tasks and in marks. We are following Leeds City Council guidelines and updated Safeguarding policies which encourage us to consider the context that we may be unaware of around a child's learning. We are fortunate that we are so aware of many of the home circumstances of our children and that the pastoral team can support learning. However, as children may experience increased anxiety for any number of reasons we are encouraging, providing feedback and supporting home learning through individual contact. There is a lot of parental involvement and Tracy and Daliah are being quite open with parents when the child is simply being lazy and this tends to be working.

Despite the some of the downsides of distance learning our fourth set of GCSE results became available in August 2021 and are again significantly above National average.

GCSE Results	2020	National 2020	2021	National 2021
Average GCSE grade	5.7	5.1	6.0	5.1
Progress 8. An average of the progress of all students against their expected grades e.g a score of 0 would mean all students hit their national predicted grade	+0.73	0	+0.62	0
English and Maths grade 4-9(old pass grade C and above)	88%	73%	88%	75%
English and Maths grade 5 and above	73%	49.9%	68%	54%

The table shows that the academy is significantly above National average across all areas. Trustees and staff are very proud of our continuing upward trend and consistently being in the top few schools in Leeds with our results.

100% of our students have started at their preferred sixth form provision, with many attending Harrogate Grammar School, our sixth form partner.

Key Performance Indicators

Following the ESFA (Education and Skills Funding Agency) introduction of the up-dated VMFI (view my financial insights) tool the data below is taken from the report automatically generated by the system. The source data is taken from the previous year's audited accounting return to the ESFA and compares the school's data with other similar school's data from the same source.

The majority of the rating thresholds are low risk/broadly in line with similar schools. Where the thresholds are outside of these parameters, they are a consequence of Trustee educational policies or the nature of the school operations that are unique and not compatible with other schools.

Supply staff: As indicated above the school uses full time staff from Brodetsky Primary School for the delivery of the curriculum. This is an economic way to fill the posts required to deliver a number of subjects that would normally be employed at a higher cost by the school.

Educational Supplies: The school has always directed more resources toward recruiting qualified and experienced staff rather than educational supplies as part of a Trustee policy.

The Leeds Jewish Free School

Trustees' Report (continued)

Senior Teachers: This does not reflect that the school recoups a significant proportion of the executive head teacher's salary costs from Brodetsky Primary School where she is also the Head Teacher.

Pupil to teacher ratio: This is a Trustee policy to keep class sizes small. The outcome is shown in the excellent examination result shown above.

Reserve and balance

Assessment area	School data	% of income	Rating against thresholds
In-year balance	£32,000	3.10%	Low Risk
Revenue reserve	£198,000	19.20%	Low Risk

Spending

Spending

Assessment area	School data	% of Expenditure	Rating against thresholds
Teaching staff	£600,000	60.10%	Broadly in line with similar schools
Supply staff	£87,000	8.70%	Highest 10% of similar schools
Education support staff	£72,000	7.20%	Broadly in line with similar schools
Administrative and clerical staff	£45,000	4.50%	Broadly in line with similar schools
Other staff costs	£3,000	0.30%	Broadly in line with similar schools
Premises costs	£39,000	3.90%	Broadly in line with similar schools
Educational supplies	£26,000	2.60%	Lowest 10% of similar schools
Energy	£17,000	1.70%	Broadly in line with similar schools

School characteristics

Assessment area	School data	Rating against thresholds
Average teacher cost	£51,546	Lowest 20% of similar schools
Senior leaders as a % of workforce	13.70%	Highest 10% of similar schools
Pupil to teacher ratio	11	Lowest 10% of similar schools
Pupil to adult ratio	8.77	Lowest 20% of similar schools

Going Concern

The Academy's activities, together with the factors likely to affect its future development, performance and position are set out in the achievements review above. The financial position of the company, its cash flows and liquidity position are detailed in the financial statements on pages 19 to 35.

The Trustees believe that the Academy is well placed to manage its business risks successfully. The Trustees have a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Financial Review

During the period the majority of the Academy's operating income, was obtained from the Education and Skills Funding Agency (ESFA) in the form of grants, the use of which is restricted to particular purposes. The funds received from the ESFA and donations during the period ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the period ended 31 August 2021, total revenue expenditure of £1,203,475 was financed by grant funding from the ESFA and other trading activities. The excess of expenditure over income for the period was £85,652 before taking into account the actuarial loss from defined benefit pension schemes of £10,000.

At 31 August 2021 the carrying amount of fixed assets was £2,485,100 and movements in intangible and tangible fixed assets are shown in notes 11 and 12 to the financial statements. The assets are to be used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy held fund balances at 31 August 2021 of £2,483,345 comprising a deficit of £190,356 on restricted general funds (including the deficit on defined benefit pension schemes of £212,000), £2,485,100 restricted fixed asset fund and £188,601 unrestricted funds, (see note 15).

The Leeds Jewish Free School

Trustees' Report (continued)

Reserves Policy

Introduction

LJFS has established this reserves policy to protect its activities by providing financial buffers against an unpredictable environment and to make sufficient provision for future cash flow requirements. The policy also provides the framework for future strategic planning and decision-making. An effectively implemented reserves policy will mitigate the impact of any risk upon the continuing operations of LJFS caused by funding uncertainty.

This policy and the establishment of reserve targets should be based on a continual assessment of the internal and external operating environment.

The policy takes into account the Academies Financial Handbook (AFH) and guidance from the Charity Commission. Whilst the 2020 AFH is relatively silent on the issue of reserves, it does state the following:

Trusts should use their allocated GAG funding for the full benefit of their current pupils. If a trust has a substantial surplus, they should have a clear plan for how it will be used to benefit their pupils, for example a long-term capital project. ESFA will report to DfE any trusts where it has serious concerns about a long-term substantial surplus with no clear plans for its use.

The Charity Commission reminds Trustees that:

- Charity law requires any income received by the Trust to be spent within a reasonable period of receipt.
- A good reserves policy takes into account the Trust's financial circumstances and other relevant factors.
- It is good practice to monitor the level of reserves throughout the year.

Types of reserves

Reserves are the representation of the cash balance available at the period end. In charity accounts, which are used for academies, this cash is transferred into fund balances. These balances can be for "restricted" or "unrestricted" purposes depending on their source.

Unrestricted Reserves

Unrestricted reserves are derived from income funds, grants or donations that can be spent at the discretion of Trustees in furtherance of any of the Trust's objectives.

If part of an unrestricted income fund is earmarked for a particular project it may be 'designated' as a separate fund. However, the designation has an administrative purpose only and does not place restrictions on how the fund is eventually spent. Unrestricted reserves will be generally achieved through operating efficiencies and from trading profits.

Restricted Reserves

Restricted reserves are mainly derived from government grant funding through the ESFA (Education and Skills Funding Agency) but may also include other grants or donations provided for a specific purpose. Restricted reserves must be used in accordance with the limitations outlined in the original funding (in the case of ESFA funding, this is as detailed in the Trust's funding agreement).

Key policy principles

The following principles underpin the Trust's approach to reserves management:

- The Trust will set a balanced in-year revenue budget every year
- The Trust's reserves balance should only decrease due to capital investment and/or other organisational needs which shall at all times be approved by the Finance Committee.
- The Trust's general reserves balance may be comprised of restricted or unrestricted reserves.

Trust general reserves balance

The Trust general reserves balance will be maintained at a level equivalent to 10% of General Annual Grant subject to 10% tolerance either way (so between 9% and 11% of GAG). Therefore, if the GAG for the following year is forecasted to be £700k, the Trust's reserves balance should be £70k but can remain between £63k and £77k. This is the percentage that Trustees regard as an appropriate level of reserves, given the current operating environment. It also takes into account that the Trust is eligible for an annual School Condition Allocation (SCA), therefore Trust reserves will not normally be required to fund capital projects. For the avoidance of doubt, the 10% of GAG target reserves does not therefore include any carry forward of unspent SCA.

A general reserve balance higher than this figure must be supported by an appropriate plan, for example for expenditure on school improvement or capital works, or to mitigate a specific foreseen risk.

The amount required to contribute to reserves will vary from year, as this amount is defined by what is required to make the reserves balance up to the 10% of GAG target. If for example the target is £70k and the current reserves balance is £60k, the contribution will be £10k.

The Leeds Jewish Free School

Trustees' Report (continued)

The contribution will be set annually for the following year once February (half year) Management Accounts are completed and will be based on the forecasted current year end reserves balance at that point, together with estimated GAG for the following year. Contributions will then be included in the budgets for the following year.

School in year surplus balances

An in-year surplus balance over and above agreed reserves contribution, may normally be spent as determined, once the previous year's accounts have been closed. Trustees may designate these reserves to specific short term projects that will be completed within two years but reserves may not be carried forward for more than two years without the express approval of the Finance Committee.

Sinking funds

Sinking funds for specific regeneration projects, for example the replacement of an all-weather pitch, fall outside of the general reserves balance and should be agreed annually by the Finance Committee. Contributions to sinking funds should be derived from trading company profits or the Committee may at its discretion allocate funds from the general reserves balance.

Deficit budget

In exceptional circumstances, it may be necessary to propose a deficit in-year budget. Such a budget must be accompanied by a recovery plan approved by the Finance Committee, resulting in the deficit being 'repaid' within a timeframe deemed acceptable by the Committee.

Expenditure against reserves balances

Trustees may temporarily decide to increase the reserves balance over the 10% of GAG target, for example to fund a specific school improvement initiative. Expenditure that subsequently draws on reserves must be approved in advance by the Finance Committee. In exceptional cases, for example where expenditure is necessary to comply with a statutory requirement, reserves may be spent without prior approval (but subject to purchasing authority limits within the Finance Policy) but must be reported at the next Finance committee meeting.

Investment Policy

A return on working capital shall be optimised whilst allowing easy access of the funds. In balancing risk against return the academy policy is geared towards avoiding risk rather than to maximise return. The Academies current investment policy is to maximise income but from a low risk strategy. All monies are currently held on bank deposit and are attracting interest.

Principal Risks and Uncertainties

The Academy has undertaken work during the period to develop and embed a system of internal control, including financial, operational and risk management which is designed to protect the Academy's assets and reputation.

A risk register is maintained at the Academy and identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks.

Outlined below is a description of the principal risk factors that may affect the Academy. Not all the factors are within the Academy's control. Other factors besides those listed below may also adversely affect the Academy.

1. Funding

The Academy has considerable reliance on continued government funding through the ESFA. In the year ended 31 August 2021 a significant proportion of the Academy's revenue is DfE/ESFA funded, and it is envisaged the majority of income for the foreseeable future will be derived from public sources.

To mitigate this risk the academy will maintain and manage key relationships with the ESFA, and will make every effort to ensure student numbers, the key driver of funding in the sector, will grow. In addition to ESFA funding the school is seeking community contributions to support the enrichment of the curriculum and the school's activities.

2. Minimise the risk of litigation against the Academy

Trustees are aware of the need to ensure that the risks of litigation from employees, suppliers, parents, students and other stakeholders are minimised to prevent reputational damage and financial loss. Insurance cover remains a necessity for risk mitigation in this area.

3. Ensure on-going cash solvency

Management prepares detailed forecasts and implement internal controls to minimise the possibility of unexpected financial losses. Scrutiny of the financial information by Trustees helps ensure due diligence in all areas of financial planning and cash management.

Fundraising

The trust did not directly engage in any fundraising activities during the 2020-2021 financial year.

The Leeds Jewish Free School

Trustees' Report (continued)

Plans for Future Periods

The Leeds Jewish Free School has increased the choice of secondary school placement to parents of pupils who wish for a Jewish ethos based education, or a strong faith based environment as well as the high standard of education. The next 12 months will continue to focus on developing a strong combination of building pupils' life skills and tailoring the curriculum to individual pupils' abilities and needs. As well as establishing the strong educational provision there will be a clear focus on recruitment using the evidenced progress being made by all pupils and the quality of the educational provision and resources.

Auditors

In so far as the Trustees are aware:

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

Approved by order of the members of the governing body on30/11/21..... and signed on its behalf by:



Councillor Daniel Cohen
Chair of Trustees

The Leeds Jewish Free School

Governance Report

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Leeds Jewish Free 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 governing body has delegated the day-to-day responsibility of accounting officer to the Principal, for ensuring that 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 The Leeds Jewish Free School and the Secretary of State for Education. A trustee has been appointed as the Responsible Officer who is also responsible for reporting to the governing body 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 normally meet formally 5 times during the year. The Spring meeting was unable to take place because of the start of the covid 19 pandemic lockdown when the staff management time concentrated on delivering the distance learning to the pupils. Attendance during the year at meetings of the board of trustees was as follows:

	Meetings attended	Out of a possible
Clr Dan Cohen	5	5
Henry Cohen	2	5
Alex Abrams	5	5
Rabbi Reuven Cohen	3	5
Rabbi Jason Kleiman	3	5
Jason Broch	3	5
Spencer Weiner	5	5
Meirav Sasson	2	5
Lee Lipman	5	5
Susan Hardacre	5	5

Oversight of funds

The Trustees normally meet a minimum of 4 times per financial period where they consider financial health and performance of the school against the approved budget. These reports are presented to Trust Board by the Chair (a qualified ACA accountant) of the Finance, Resources and Building subcommittee. The subcommittee considers in detail the latest monthly management accounts, variances to budget and considers requests to action expenditure not previously approved by the Trustees and the related financial impact. In addition, the Director of Finance produces each month management accounts that are distributed to the Trust Chair, Chair of the Finance, Resources and Building subcommittee and the Principal/Accounting Officer who are able to raise queries and follow up on any matters raised in the report.

The finance and resources committee is a sub-committee of the main board of trustees. Its purpose is:

- Initial review and authorisation of the annual school budget;
- Regular monitoring of actual expenditure and income against budget;
- Ensuring that the school annual accounts are produced in accordance of the requirements of the Companies Act 2006 and the DfE and ESFA guidance issued to Academies;
- Authorising the award of contracts over £2,001;
- Authorising changes to the school personnel establishment;
- Reviewing the reports of the Responsible Officer and internal audit on the effectiveness of the financial procedures and controls. These reports must also be made available to the full Governing Body.

The Leeds Jewish Free School

Governance Report (continued)

Attendance during the year at meetings of the Finance and Resources Committee was as follows:

Trustee	Meetings attended	Out of a possible
Henry Cohen	3	3
Dan Cohen	3	3
Rabbi Cohen	1	3
Susan Hardacre	3	3

Review of Value for Money

As accounting officer, the principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the 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 available. The accounting officer for the academy trust has delivered improved value for money during the year by:

Improving educational results

Leeds Jewish Free School completed its seventh year delivering effective and innovative teaching and learning in the 31 August 2020 – 2021 academic year. Leeds Jewish Free School has made significant steps to provide the community with secondary high-quality teaching and learning built around a Jewish faith, culture and ethos. The Free School's last two cohorts, now year 12 and 13 pupils, have all made significant progress studying at a nearby sixth form or further education colleges. The current cohorts of pupils are all making significant progress and the current year 11 are on course to achieve their progression targets.

Targeted improvement and focus on individual pupil:

Staffing structure is deployed to drive and support school improvement and to support a wider curriculum. The aim is to raise achievement so that all students achieve a minimum of five 9-5 grades including both English and mathematics. English and mathematics are targeted with additional teaching capacity to provide intervention work for students not achieving expected progress.

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 The Leeds Jewish Free School for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The governing body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

The Risk and Control Framework

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

- budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body;
- setting targets to measure financial and other performance;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has decided to employ Moorland Learning Trust as internal auditor an independent appropriately qualified organisation to check financial controls, systems and risks. The internal auditor's role includes giving advice on financial and

The Leeds Jewish Free School

Governance Report (continued)

other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- testing receipts and banking
- testing payments to creditors
- testing staff contracts to payments/overtime payments/deductions from pay
- testing bank reconciliations
- testing credit card use authorisations

On an annual basis, the auditor's report(s) are considered by the board of trustees, through the finance committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The annual report outlines the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has carried out the schedule of work as planned. There were no material control issues arising.

Review of Effectiveness

As accounting officer, the executive 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 or the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit and risk committee and a plan to address weaknesses [if relevant] and ensure continuous improvement of the system is in place.

Approved by order of the members of the governing body on 30 November 2021 and signed on its behalf by:



Councillor Daniel Cohen
Chair of Trustees



Susan Hardacre
Accounting Officer

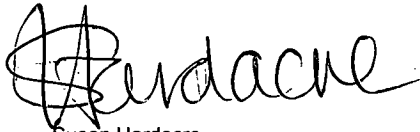
The Leeds Jewish Free School

Statement of Regularity, Propriety and Compliance

As accounting officer of The Leeds Jewish Free School, I have considered my responsibility to notify the Academy Trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust governing body are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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 Governing Body and ESFA.

A handwritten signature in black ink, appearing to read 'S Hardacre', with a stylized circular flourish at the beginning.

Susan Hardacre
Accounting officer
30 November 2021

The Leeds Jewish Free School

Statement of Trustees' Responsibilities

The trustees (who act as governors of the Leeds Jewish Free School and 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 Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 30 November 2021 and signed on its behalf by:



Councillor Daniel Cohen
Chair of Trustees

The Leeds Jewish Free School

Independent Auditor's Report to the Members of The Leeds Jewish Free School

Opinion

We have audited the financial statements of The Leeds Jewish Free School (the 'academy trust') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

Opinions 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Members of The Leeds Jewish Free School (continued)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the academy trust 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 trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charity and the charity sector, we identified that the principal risks of non-compliance with law and regulations related to the Charities Act 2011 and the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the audit procedures performed included:

- discussions with management including consideration of known or suspected instances of non-compliance with laws, regulation and fraud;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- testing of non-purchase and sales ledger bank transactions;
- testing the appropriateness of journal entries;
- testing of purchase invoice authorisations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

The Leeds Jewish Free School

Independent Auditor's Report to the Members of The Leeds Jewish Free School (continued)

Use of our report

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an auditor's 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 trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

ARS Russell

Alistair Russell FCA (Senior Statutory Auditor)

For and on behalf of

Gibson Booth Chartered Accountants

and Statutory Auditors

New Court

Abbey Road North

Shepley

Huddersfield

HD8 8BJ

8/12/21

The Leeds Jewish Free School

Independent Reporting Accountant's Assurance Report on Regularity to The Leeds Jewish Free School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 21 September 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Leeds Jewish Free School during the period from 1 September 2020 to 31 August 2021 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 The Leeds Jewish Free School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Leeds Jewish Free School and the 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 The Leeds Jewish Free School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Leeds Jewish Free School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Leeds Jewish Free School's funding agreement with the Secretary of State for Education dated 11 July 2013 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by the 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 trust's income and expenditure.

The work undertaken to draw our conclusions includes:

- an initial risk assessment, the result of which were used to tailor a specific work programme to ensure sufficient appropriate evidence could be obtained to support the conclusion; and
- a review of the academy trust's accounting and internal control procedures; and
- consideration and review of the evidence supporting the accounting officer's statement on regularity, propriety and compliance.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Gibson Booth

Gibson Booth Chartered Accountants
New Court
Abbey Road North
Shepley
Huddersfield
HD8 8BJ

8112121

The Leeds Jewish Free School

Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account)

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2021	Total 2020
	Note	£	£	£	£	£
Income and endowments from:						
Donations and capital grants	2	40,880	-	7,177	48,057	35,103
Charitable activities:						
Funding for the academy trust's educational operations	3	-	933,704	-	933,704	916,361
Other trading activities	4	20,478	114,356	-	134,834	82,871
Investments	5	1,229	-	-	1,229	1,938
Total		<u>62,586</u>	<u>1,048,060</u>	<u>7,177</u>	<u>1,117,823</u>	<u>1,036,273</u>
Expenditure on:						
Raising funds		29,301	-	-	29,301	36,708
Charitable activities:						
Academy trust educational operations	7	-	1,088,080	86,094	1,174,174	1,077,080
Total	6	<u>29,301</u>	<u>1,088,080</u>	<u>86,094</u>	<u>1,203,475</u>	<u>1,113,788</u>
Net income / (expenditure)		33,285	(40,020)	(78,917)	(85,652)	(77,515)
Transfers between funds	15	-	(10,086)	10,086	-	-
Other recognised gains:						
Actuarial losses on defined benefit pension schemes	19	-	(10,000)	-	(10,000)	(142,000)
Net movement in funds		<u>33,285</u>	<u>(60,106)</u>	<u>(68,831)</u>	<u>(95,652)</u>	<u>(219,515)</u>
Reconciliation of funds						
Total funds brought forward		<u>155,316</u>	<u>(130,250)</u>	<u>2,553,931</u>	<u>2,578,997</u>	<u>2,798,512</u>
Total funds carried forward		<u><u>188,601</u></u>	<u><u>(190,356)</u></u>	<u><u>2,485,100</u></u>	<u><u>2,483,345</u></u>	<u><u>2,578,997</u></u>

The Leeds Jewish Free School
Balance Sheet as at 31 August 2021

		31 August 2021	31 August 2020
	Note	£	£
Fixed assets			
Intangible assets	11	6,847	9,247
Tangible assets	12	2,478,253	2,544,684
		<u>2,485,100</u>	<u>2,553,931</u>
Current assets			
Debtors	13	118,210	58,922
Cash at bank and in hand		196,195	255,380
		<u>314,405</u>	<u>314,302</u>
Creditors: Amounts falling due within one year	14	(104,160)	(116,236)
Net current assets		<u>210,245</u>	<u>198,066</u>
Net assets excluding pension liability		<u>2,695,345</u>	<u>2,751,997</u>
Defined benefit pension scheme liability	20	(212,000)	(173,000)
Total net assets		<u><u>2,483,345</u></u>	<u><u>2,578,997</u></u>
Funds of the academy trust:			
Restricted funds			
General Funds	15	21,644	42,750
Fixed asset reserve	15	2,485,100	2,553,931
Pension reserve	15	(212,000)	(173,000)
Total restricted funds		<u>2,294,744</u>	<u>2,423,681</u>
Unrestricted income funds		188,601	155,316
Total funds		<u><u>2,483,345</u></u>	<u><u>2,578,997</u></u>

The financial statements on pages 19 to 36 were approved by the trustees, and authorised for issue on 30/11/21 and are signed on their behalf by:



Councillor Daniel Cohen
Chair of Trustees

The Leeds Jewish Free School

Statement of Cash Flows for the year ended 31 August 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Net cash (used in)/ provided by operating activities	17	<u>(50,498)</u>	<u>34,870</u>
Cash flows from investing activities			
Interest received		1,229	1,938
Proceeds on disposal of tangible fixed assets		590	-
Purchase of intangible fixed assets		-	(9,599)
Purchase of tangible fixed assets		(17,683)	(35,183)
Capital grants from DfE/ESFA		7,177	5,856
		<u>(8,687)</u>	<u>(36,988)</u>
Change in cash and cash equivalents in the reporting period		(59,185)	(2,118)
Cash and cash equivalents at 1 September 2020		255,380	257,498
Cash and cash equivalents at the 31 August 2021		<u>196,195</u>	<u>255,380</u>

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021

1 Statement of Accounting Policies

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

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Leeds Jewish Free School meets the definition of a public benefit entity under FRS 102.

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 company 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 trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Incoming Resources

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

Grants

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

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

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

Donations

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

Other income

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

Donated goods, facilities and services

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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.

Expenditure on Raising Funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021 (continued)

Statement of Accounting Policies (continued)

Charitable activities

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

Intangible fixed assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Computer software	25% straight line
-------------------	-------------------

Tangible Fixed Assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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

Long leasehold buildings	2% straight line
Furniture and fixtures	20% straight line
Plant and equipment	25% straight line

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

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

Liabilities

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

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021 (continued)

Statement of Accounting Policies (continued)

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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.

Fund Accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

The annual amortisation and depreciation charge for intangible and tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 11 and 12 for the carrying amount of the intangible and tangible assets, and accounting policies for the amortisation and depreciation rates used for each class of assets.

Critical areas of judgement

No significant judgements have been made in the process of applying the entity's accounting policies.

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021 (continued)

2 Donations and capital grants

	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£
Donations	40,880	-	40,880
Capital Grants	-	7,177	7,177
	<u>40,880</u>	<u>7,177</u>	<u>48,057</u>
	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£
Donations	29,247	-	29,247
Capital Grants	-	5,856	5,856
	<u>29,247</u>	<u>5,856</u>	<u>35,103</u>

3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£
DfE / ESFA grants			
General Annual Grant (GAG)	-	832,383	832,383
Pupil number adjustment	-	(7,421)	(7,421)
Pupil Premium	-	25,952	25,952
Other DfE/ESFA grants	-	69,149	69,149
	<u>-</u>	<u>920,063</u>	<u>920,063</u>
Other Government grants			
Local authority grants	-	13,641	13,641
	<u>-</u>	<u>933,704</u>	<u>933,704</u>
	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£
DfE / ESFA grants			
General Annual Grant (GAG)	-	797,551	797,551
Pupil number adjustment	-	22,001	22,001
Start Up Grants	-	13,500	13,500
Pupil Premium	-	24,965	24,965
Other DfE/ESFA grants	-	53,066	53,066
	<u>-</u>	<u>911,083</u>	<u>911,083</u>
Other Government grants			
Local authority grants	-	5,278	5,278
	<u>-</u>	<u>916,361</u>	<u>916,361</u>

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021 (continued)

4 Other trading activities

	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£
Other Income	8,768	-	8,768
Catering	6,883	-	6,883
School Trips	4,827	-	4,827
Recharges	-	114,356	114,356
	<u>20,478</u>	<u>114,356</u>	<u>134,834</u>
	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£
Other Income	5,606	-	5,606
Catering	5,901	-	5,901
School Trips	10,942	-	10,942
Recharges	-	60,422	60,422
	<u>22,449</u>	<u>60,422</u>	<u>82,871</u>

5 Investment income

	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£
Bank interest	1,229	-	1,229
	<u>1,229</u>	<u>-</u>	<u>1,229</u>
	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£
Bank interest	1,938	-	1,938
	<u>1,938</u>	<u>-</u>	<u>1,938</u>

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021 (continued)

6 Expenditure

	Non Pay Expenditure			Total
	Staff Costs	Premises	Other	2021
	£	£	£	£
Expenditure on raising funds	-	-	29,301	29,301
Academy's educational operations:				
Direct costs	744,405	-	21,505	765,910
Allocated support costs	221,746	107,085	79,433	408,264
	<u>966,151</u>	<u>107,085</u>	<u>130,239</u>	<u>1,203,475</u>

	Non Pay Expenditure			Total
	Staff Costs	Premises	Other	2020
	£	£	£	£
Expenditure on raising funds	-	-	36,708	36,708
Academy's educational operations:				
Direct costs	686,706	-	40,194	726,900
Allocated support costs	135,922	76,191	138,067	350,180
	<u>822,628</u>	<u>76,191</u>	<u>214,969</u>	<u>1,113,788</u>

Net income/(expenditure) for the period includes:

	2021	2020
	£	£
Amortisation	2,400	352
Depreciation	83,696	78,627
Fees payable to auditor - audit	<u>4,000</u>	<u>4,000</u>

7 Charitable Activities

	Total 2021	Total 2020
	£	£
Direct costs – educational operations	765,910	726,900
Support costs – educational operations	<u>408,264</u>	<u>350,180</u>
	<u>1,174,174</u>	<u>1,077,080</u>

Analysis of support costs	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Support staff costs	-	221,746	221,746	135,922
Depreciation	-	63,453	63,453	64,966
Staff development	-	1,425	1,425	2,101
Technology costs	-	43,160	43,160	34,138
Premises costs	-	43,632	43,632	76,191
Other support costs	-	21,376	21,376	22,120
Governance costs	-	13,471	13,471	14,742
Total support costs	<u>-</u>	<u>408,264</u>	<u>408,264</u>	<u>350,180</u>

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021 (continued)

8 Staff

a. Staff costs

Staff costs during the period were:

	Total 2021	Total 2020
	£	£
Wages and salaries	656,619	538,843
Social security costs	55,444	45,369
Operating costs of defined benefit pension schemes	140,300	135,415
	<u>852,363</u>	<u>719,627</u>
Non-contracted staff	113,788	103,001
	<u>966,151</u>	<u>822,628</u>

The non-contracted staff costs above include:

Service costs for the teaching and support staff supplied by Brodetsky Primary School

b. Staff numbers

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

	2021	2020
	No.	No.
Teachers	16	15
Administration and support	13	4
Management	<u>1</u>	<u>1</u>
	<u>30</u>	<u>20</u>

c. Higher paid staff

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

	2021	2020
	No.	No.
£70,001 - £80,000	<u>1</u>	<u>1</u>

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount paid for their services to the academy trust was £194,396 (2020: £194,535).

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021 (continued)

9 Related Party Transactions - Trustees' Remuneration and Expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The executive head teacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of staff members under their contracts of employment. Two thirds of the executive head teacher's salary cost and benefits are recharged to Brodetsky Primary School.

The value of trustees' remuneration and other benefits was as follows:

	Salaries	Employer's pension costs
Mrs Susan Hardacre	£70,001 - £75,000 (2020: £70,001 - £75,000)	£nil - £5,000 (2020: £15,001 - £20,000)
Rabbi Jason Kleiman	£5,001 - £10,000 (2020: £5,001 - £10,000)	£nil - £5,000 (2020: £nil - £5,000)

During the year ended 31 August 2021, no expenses were reimbursed to trustees (2020 - £nil).

Other related party transactions involving the trustees are set out in note 21.

10 Governors Insurance

The Governors Liability section of the RPA will indemnify Governors, members of the governing body or board of governors of the Academy; Employees of the Academy acting in a managerial capacity and any employee named as a co-defendant in a claim made against a Governor.

11 Intangible Fixed Assets

	Computer Software
Cost	£000
At 1 September 2020 and 31 August 2021	<u>22,424</u>
Amortisation	
At 1 September 2020	13,177
Charged in year	<u>2,400</u>
At 31 August 2021	<u>15,577</u>
Carrying amount	
At 31 August 2021	<u>6,847</u>
At 31 August 2020	<u>9,247</u>

12 Tangible Fixed Assets

	Long leasehold buildings	Furniture and fixtures	Plant and equipment	Total
	£	£	£	£
Cost				
At 1 September 2020	2,889,498	222,951	279,866	3,392,315
Additions	-	243	17,440	17,683
Disposals	-	-	(667)	(667)
At 31 August 2021	<u>2,889,498</u>	<u>223,194</u>	<u>296,638</u>	<u>3,409,330</u>
Depreciation				
At 1 September 2020	398,426	206,278	242,927	847,631
Charged in year	57,791	5,662	20,243	83,696
Eliminated on disposal	-	-	(249)	(249)
At 31 August 2021	<u>456,217</u>	<u>211,940</u>	<u>262,921</u>	<u>931,078</u>
Carrying amount				
At 31 August 2021	<u>2,433,281</u>	<u>11,255</u>	<u>33,717</u>	<u>2,478,253</u>
At 31 August 2020	<u>2,491,072</u>	<u>16,674</u>	<u>36,939</u>	<u>2,544,684</u>

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021 (continued)

13 Debtors

	2021	2020
	£	£
Trade debtors	67,060	23,033
VAT recoverable	24,727	11,928
Other debtors	-	6,764
Prepayments and accrued income	26,423	17,197
	<u>118,210</u>	<u>58,922</u>

14 Creditors: Amounts Falling due within one year

	2021	2020
	£	£
Trade creditors	8,554	47,882
Taxation and social security	15,510	14,502
Other creditors	23,744	16,257
Accruals	56,352	37,595
	<u>104,160</u>	<u>116,236</u>

There was no deferred income at 31 August 2021 (2020: £nil)

15 Funds

	Balance at 1 September 2020	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2021
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	-	824,962	(814,876)	(10,086)	-
Start Up Grant	42,750	-	(22,777)	-	19,973
Pupil Premium	-	25,952	(25,952)	-	-
Other grants	-	82,790	(82,790)	-	-
Other income	-	114,356	(112,685)	-	1,671
Pension reserve	(173,000)	-	(29,000)	(10,000)	(212,000)
	<u>(130,250)</u>	<u>1,048,060</u>	<u>(1,088,080)</u>	<u>(20,086)</u>	<u>(190,356)</u>
Restricted fixed asset funds					
Capital expenditure from revenue	59,146	-	(22,952)	10,086	46,280
Capital expenditure from DfE/ESFA grants	2,494,785	7,177	(63,142)	-	2,438,820
	<u>2,553,931</u>	<u>7,177</u>	<u>(86,094)</u>	<u>10,086</u>	<u>2,485,100</u>
Total restricted funds	<u>2,423,681</u>	<u>1,055,237</u>	<u>(1,174,174)</u>	<u>(10,000)</u>	<u>2,294,744</u>
Unrestricted funds					
Donations	129,247	40,880	(5,484)	-	164,643
Other Income	24,131	20,478	(20,650)	-	23,959
Investment income	1,938	1,229	(3,167)	-	-
	<u>155,316</u>	<u>62,586</u>	<u>(29,301)</u>	<u>-</u>	<u>188,601</u>
Total funds	<u>2,578,997</u>	<u>1,117,823</u>	<u>(1,203,475)</u>	<u>(10,000)</u>	<u>2,483,345</u>

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021 (continued)

15 Funds (continued)

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

The other restricted general funds relate to grants and other income receivable from the DfE, ESFA and other sources towards the operating activities of the academy trust.

The restricted fixed asset funds represent the net book values of assets funded by capital grants or other income which are held for the continuing use of the academy trust together with unspent capital grants.

The transfer of £10,086 into the fixed asset fund represents fixed assets purchased using GAG funding.

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

	Balance at 1 September 2019	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2020
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	-	819,552	(780,626)	(38,926)	-
Start Up Grant	81,994	13,500	(52,744)	-	42,750
Pupil Premium	-	24,965	(24,965)	-	-
Other grants	-	58,344	(58,344)	-	-
Other income	-	60,422	(60,422)	-	-
Pension reserve	(10,000)	-	(21,000)	(142,000)	(173,000)
	<u>71,994</u>	<u>976,783</u>	<u>(998,101)</u>	<u>(180,926)</u>	<u>(130,250)</u>
Restricted fixed asset funds					
Capital expenditure from revenue	34,233	-	(14,013)	38,926	59,146
Capital expenditure from DfE/ESFA grants	2,553,895	5,856	(64,966)	-	2,494,785
	<u>2,588,128</u>	<u>5,856</u>	<u>(78,979)</u>	<u>38,926</u>	<u>2,553,931</u>
Total restricted funds	<u>2,660,122</u>	<u>982,639</u>	<u>(1,077,080)</u>	<u>(142,000)</u>	<u>2,423,681</u>
Unrestricted funds					
Donations	100,000	29,247	-	-	129,247
Other Income	38,390	22,449	(36,708)	-	24,131
Investment income	-	1,938	-	-	1,938
	<u>138,390</u>	<u>53,634</u>	<u>(36,708)</u>	<u>-</u>	<u>155,316</u>
Total funds	<u>2,798,512</u>	<u>1,036,273</u>	<u>(1,113,788)</u>	<u>(142,000)</u>	<u>2,578,997</u>

The transfer of £38,926 into the fixed asset fund represents fixed assets purchased using GAG funding.

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021 (continued)

16 Analysis of Net Assets between Funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2021
	£	£	£	£
Intangible fixed assets	-	-	6,847	6,847
Tangible fixed assets	-	-	2,478,253	2,478,253
Current assets	146,767	167,639	-	314,405
Current liabilities	-	(104,160)	-	(104,160)
Pension scheme liability	-	(212,000)	-	(212,000)
Total net assets	<u>146,767</u>	<u>(148,521)</u>	<u>2,485,100</u>	<u>2,483,345</u>

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

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2020
	£	£	£	£
Intangible fixed assets	-	-	9,247	9,247
Tangible fixed assets	-	-	2,544,684	2,544,684
Current assets	155,316	158,986	-	314,302
Current liabilities	-	(116,236)	-	(116,236)
Pension scheme liability	-	(173,000)	-	(173,000)
Total net assets	<u>155,316</u>	<u>(130,250)</u>	<u>2,553,931</u>	<u>2,578,997</u>

17 Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure	(85,652)	(77,515)
Capital grants from DfE (note 2)	(7,177)	(5,856)
Interest receivable (note 5)	(1,229)	(1,938)
Amortisation (note 11)	2,400	352
Depreciation charges (note 12)	83,696	78,627
Profit on disposal of tangible fixed assets	(172)	-
FRS 17 Pension cost less contribution payable (note 20)	26,000	21,000
Defined benefit pension scheme finance cost (note 20)	3,000	-
Increase/ decrease in debtors	(59,288)	61,071
Decrease in creditors	(12,076)	(40,871)
Net cash used in by Operating Activities	<u>(50,498)</u>	<u>34,870</u>

18 Analysis of changes in net debt

	1 Sep 20 £	Cash flows £	31 Aug 21 £
Cash	255,380	(59,185)	196,195
Total	<u>255,380</u>	<u>(59,185)</u>	<u>196,195</u>

19 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.

20 Pension and Similar Obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £12,182 were payable to the schemes at 31 August 2021 (2019/20: £13,870) and are included within creditors.

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021 (continued)

20 Pension and Similar Obligations (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employers' pension costs paid to TPS in the period amounted to £103,300 (2020: £105,415).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £16,000 (2020: £13,000), of which employer's contributions totalled £11,000 (2020: £9,000) and employees' contributions totalled £5,000 (2020: £4,000). The agreed contribution rates for future years are 14.4% for employers and between 5.5% and 12.5% 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

	At 31 August 2021	At 31 August 2020
Rate of increase in salaries	3.85%	3.45%
Rate of increase for pensions in payment/inflation	2.60%	2.20%
Discount rate for scheme liabilities	1.70%	1.70%
Inflation assumption (CPI)	2.60%	2.20%

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021 (continued)

20 Pension and Similar Obligations (continued)

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

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	21.9	21.8
Females	24.7	24.6
<i>Retiring in 20 years</i>		
Males	22.6	22.5
Females	25.8	25.7

Sensitivity analysis

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 August 2020 is set below:

	At 31 August 2021 £	At 31 August 2020 £
Discount rate +0.1%	400,000	149,000
Discount rate -0.1%	425,000	159,000
Rate of increase in salaries +0.1%	414,000	156,000
Rate of increase in salaries -0.1%	410,000	152,000
Rate of increase for pensions in payment/inflation +0.1%	423,000	157,000
Rate of increase for pensions in payment/inflation -0.1%	401,000	151,000
Mortality assumption – 1 year increase	396,000	149,000
Mortality assumption – 1 year decrease	428,000	159,000

The academy's share of the assets in the scheme were:

	Fair value at 31 August 2021 £	Fair value at 31 August 2020 £
Equity instruments	160,000	116,000
Debt instruments	25,000	23,000
Property	8,000	7,000
Cash	4,000	3,000
Other	3,000	2,000
Total market value of assets	200,000	151,000
Present value of scheme liabilities		
-funded	(412,000)	(324,000)
Deficit in scheme	(212,000)	(173,000)

The actual return on scheme assets was £34,000 (2020: (£6,000)).

Amounts recognised in the statement of financial activities

	2021 £	2020 £
Current service cost	37,000	27,000
Past service cost	-	3,000
Total operating charge	37,000	30,000

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021 (continued)

20 Pension and Similar Obligations (continued)

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

	2021	2020
	£	£
At 1 September	324,000	154,000
Current service cost	37,000	27,000
Interest expenses	6,000	3,000
Employee contributions	5,000	4,000
Actuarial loss	41,000	133,000
Benefits paid	(1,000)	-
Past service cost	-	3,000
At 31 August	<u>412,000</u>	<u>324,000</u>

Changes in the fair value of academy's share of scheme assets:

	2021	2020
	£	£
At 1 September	151,000	144,000
Expected return	3,000	3,000
Employer contributions	11,000	9,000
Employee contributions	5,000	4,000
Actuarial gain/ (loss)	31,000	(9,000)
Benefits paid	(1,000)	-
At 31 August	<u>200,000</u>	<u>151,000</u>

21 Related Party Transactions

Owing to the nature of the academy trust'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 the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the requirements of the Academies' Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the trust's financial regulations and normal procurement procedures. The following related party transactions took place in the period of account.

The school shares some facilities on the Henry Cohen Campus with Brodetsky Primary School and The Zone (a community facility for local residents). To take advantage of scale economies and to avoid duplication the parties on the campus share and provide services to each other, services are recharged to the related parties on a strict principle of recovering cost and on a 'not for profit' and 'open-book' basis. Wherever possible the value of the recharge is calculated by reference to identifiable sources i.e. utility meters, payroll reports etc. Where costs are apportioned because a shared cost cannot be directly allocated to the party the recharge calculation methodology is based on a reasonable basis related to the party's use of the resource. The method of allocating costs are documented and agreed by all the parties.

Trustees of Leeds Jewish Free School also serve as Trustees at Brodetsky Primary School and are directors of Brodetsky School Limited. As at Leeds Jewish Free School, no Trustees or directors at Brodetsky Primary School and Brodetsky School Limited receive any remuneration for their duties at these organisations.

Table of joint control

Trustee Leeds Jewish Free School	Governor Brodetsky Primary School	Director Brodetsky Schools Limited	Brodetsky Jewish Primary School Foundation Trust
Cllr Dan Cohen	✓	✓	✓
Henry Cohen	✓		✓
Rabbi Reuven Cohen			
Rabbi Jason Kleiman	✓		✓
Jason Broch	✓		✓

The Leeds Jewish Free School

Notes to the Financial Statements for the period ended 31 August 2021 (continued)

21 Related Party Transactions (continued)

The following transactions and balances arose with Brodetsky Primary School:

	2021	2020
	£	£
Shared facility costs	117,784	123,667
Shared facility income	119,186	60,701
Trade debtor	45,257	4,911
Trade creditor	8,476	-
Accruals	49,988	31,593

The following donations were received from Trustees:

Dan Cohen	1,700	50
Henry Cohen	-	8,000
Jason Broch	-	50

The land on which the Leeds Jewish Free School is situated is leased from the Brodetsky Jewish Primary School Foundation Trust on a peppercorn rent.

A trustee's close family member was paid a remuneration of £41,983 (2020: £34,760). This member of staff was appointed by the previous executive head teacher/trustee (not a close family member) and was employed by Brodetsky Primary School. He TUPE to the Leeds Jewish Free School in November 2016. His terms and conditions of employment are consistent with a NQT starting their teaching career with his initial salary at point 1 on the teacher's main scale and will be on point 6 in 2021-2022.