

Company Registration No. 08133686 (England and Wales)

BROUGHTON JEWISH CASSEL FOX
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

BROUGHTON JEWISH CASSEL FOX

CONTENTS

	Page
Reference and administrative details	1
Governors' report	2 - 7
Governance statement	8 - 10
Statement on regularity, propriety and compliance	11
Statement of governors' responsibilities	12
Independent auditor's report on the accounts	13 - 15
Independent reporting accountant's report on regularity	16 - 17
Statement of financial activities including income and expenditure account	18 - 19
Balance sheet	20
Statement of cash flows	21
Notes to the accounts including accounting policies	22 - 37

BROUGHTON JEWISH CASSEL FOX

REFERENCE AND ADMINISTRATIVE DETAILS

Members

- Accounting officer Y Pearlman

Governors

D Black
S Fulda
J Goldblatt
L Seitler
A Ellituv
J Kasmir
Y Pearlman
E Pine
J Rose
N Nadav (Resigned 8 June 2018)
A Addleman
D Bondt
N Taylor
J Simons
E Hasleton
C Davies
J Fagleman (Appointed 7 June 2018)

Senior management team

- Principal Y Pearlman
- Deputy Headteacher R Caplan
- Assistant Headteacher N Taylor

Company secretary

D Cohen

Company registration number

08133686 (England and Wales)

Principal address

Legh Road
SALFORD
M7 4RT

Independent auditor

Lopian Gross Barnett & Co
6th Floor Cardinal House
20 St Mary's Parsonage
Manchester
M3 2LG

BROUGHTON JEWISH CASSEL FOX

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

The governors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, governance and management

Constitution

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

The governors are the trustees of Broughton Jewish Cassel Fox and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Governors' indemnities

In accordance with normal commercial practice, the Academy has purchased a Risk Protection Arrangement to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The arrangement provides cover of up to £10,000,000 being the amount payable in total in any one period of cover.

Method of recruitment and appointment or election of governors

Foundation Governors are appointed by the Trustees, normally for a term of 4 years. In addition there is a Community Governor, Parent Governors and Staff Governors. Parent Governors are elected by parents and Staff Governors are elected by the members of staff.

The Articles of Association require the trust board members to appoint a minimum of 3 Governors to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Academy. The Articles of Association contain provisions for the appointment of additional Governors including Staff Governors and Parent Governors. There is no maximum number of Governors.

The Governing Body now comprises of 16 Governors, including 3 Staff Governors and 2 Parent Governors.

The Principal is an ex-officio governor.

Policies and procedures adopted for the induction and training of governors

New Governors have induction training and support available to them, via the Clerk to the Governing Body and through training courses provided by suitable professional organisations.

BROUGHTON JEWISH CASSEL FOX

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Organisational structure

The Governing Body is responsible for the efficient running of the school and efficient delivery of education. The day to day management of the school is delegated to the Principal, the deputy Head Teachers and the Senior Management Team. The Accounting Officer is the Principal, but the Chair of the Governors and the Finance Governor operate an additional layer of supervision over the school finances.

The Governors set and review school policies, set the academic targets, set the budget, monitor academic and financial performance etc and are largely involved in supervising and monitoring the management of the school.

The Governors have sub-committees responsible for specific areas (Admissions, Staffing, Finance, Health & Safety, Safeguarding, Curriculum, Disciplinary, Pupil Disciplinary, etc). Each sub-committee has its own terms of reference and the Governors review the remit of the sub groups and the frequency of meetings. The Finance Committee meet at least once per term and the other committees meet as required.

All Governors receive weekly newsletters and are kept up to date by regular e-mail. Many Governors help in school on a regular basis, often attending events. All Governors have access to all policies, procedures, minutes, accounts, budgets and plans that they need to discharge their governing body duties.

Arrangements for setting pay and remuneration of key management personnel

The Chair and the Vice Chair have regular and frequent performance meetings where the Senior Leadership are appraised against agreed set targets. There is also input from outside Consultants in this regard. The results of these appraisals are used to assess the level of remuneration in the forthcoming year.

Related parties and other connected charities and organisations

There are no related parties, which either control or significantly influence the decisions or operations of Broughton Jewish Cassel Fox. There are no sponsors.

The Academy works closely with parents and other stakeholders to further the principal activities of the academy.

Objectives and activities

Objects and aims

The principal object and activity of the Charitable Company is the operation of Broughton Jewish Cassel Fox Primary School.

In accordance with the Articles of Association, the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the Academy and that the curriculum should comply with the substance of the National Curriculum.

The main objectives of the Academy are:

Academic - The School aims to achieve the highest academic standards and ensure that every pupil realises their full potential.

Welfare - The school has a warm and caring approach and aims to ensure the well-being and happiness of every child.

Religious - The school promotes the values, standards and discipline of the faith. It provides a strong Jewish education which imbues children with the knowledge of, and pride in, their heritage and identity.

BROUGHTON JEWISH CASSEL FOX

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Objectives, strategies and activities

The objectives of the school are to provide the highest quality of education for each and every child, whilst maintaining the warm and welcoming atmosphere of the school and enhancing the pupils' knowledge of, and pride in, their faith and tradition.

Public benefit

The governors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

Strategic report

Achievements and performance

The Academy continues to achieve forecast numbers of pupils. Total numbers on roll in the period ended 31 August 2018 numbered 481. Reception to Year 5 inclusive continue to be 3 form entry with Nursery and Year 6 moving to three form entry.

Table of Results 2018

SUBJECT	SCHOOL %	NATIONAL %
EYFS GOOD LEVEL OF DEVELOPMENT	74	72
PHONICS YEAR 1	87	83
PHONICS YEAR 2	97	91
KS1 COMBINED	69	65
READING	80	75
WRITING	73	70
MATHS	83	76
KS2 COMBINED	70	64
READING	83	75
WRITING	78	78
MATHS	87	76
GPS	78	78

The School was ranked ninth amongst the Greater Manchester schools.

Key performance indicators

The Academy is committed to observing the importance of performance indicators, to ensure that it continues to strive for both educational and financial excellence.

In September 16 a 'Good' award was issued by Ofsted.

The Overall effectiveness was found to be 'Good', This included the 'Good' recognition in all the key areas, namely 1, Effectiveness of leadership, 2, Quality of teaching, learning and assessment, 3, Personal development, behaviour and welfare, 4, Outcomes for pupils and 5, Early years provision.

The year has continued to see investment in fixed assets, with construction continuing until April 2018. 6 new classrooms were added as a result together with smaller utility rooms and intervention rooms.

BROUGHTON JEWISH CASSEL FOX

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Going concern

After making appropriate enquiries, the board of governors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of governors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The Academy's financial objectives are:

- To set and operate within an agreed and balanced budget.
- Applying at all times, best value principles in all purchases.
- Monitoring and evaluating the value for money of all staff.
- To prevent all areas of wastage.

These objectives were achieved in the period ending 31st August 2018.

Most of the Academy's income is obtained from the EFA in the form of recurring grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ending 31st August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for fixed assets. In accordance with the charities Statement of Recommended Practice, "Accounting and Reporting by Charities," (SORP 2005) such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31st August 2018, total incoming resources were £3,002,488 and resources expended were £2,303,653. The excess of income over expenditure for the period was £698,835.

In the Academies accounts direction 2014 to 2015 (SORP 2005), the EFA amended their guidance in relation to accounting for buildings. This guidance noted that Academies that convert from former voluntary aided schools such as the Broughton Jewish Cassel Fox, and continue to occupy the site occupied by the predecessor school, often have different occupancy arrangements to other schools. In this case the freehold land and buildings are owned independent from the Academy, in this case the Broughton Jewish Primary School. The EFA's view is that taking all considerations into account it is likely that most academies such as the Broughton Jewish Cassel Fox will conclude that the asset should be recognised on their balance sheet and this policy has been adopted.

Based on the recent views of the EFA the land and buildings are shown in the accounts based on the valuation information provided by JMC Chartered Surveyors & Property Consultants in May 2014, less depreciation that would have been incurred to date.

At 31st August 2018 the net book value of fixed assets were £4,803,190 and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and associated support services to pupils.

The Academy held fund balances at 31st August 2018 of £4,794,545. This comprised of unrestricted general funds of £1,388 plus restricted fixed asset funds of £4,774,157, plus the pension scheme surplus of £19,000.

Reserves policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Academy's aim is to achieve prudent levels of reserves.

BROUGHTON JEWISH CASSEL FOX

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Investment policy

Currently the academy does not have any investments due to the need to ensure cash balances for the day to day expenditure of the academy. In future periods the governors will look at the level of cash to see whether they merit investments.

Principal risks and uncertainties

The Governors have assessed the major risks to which the Academy is exposed, in particular, those relating to the operational areas of the site and facilities and of teaching and the finances. The Governors have implemented a system to assess the risks the school faces, especially in the operational areas which include teaching and health and safety and in relation to the control of finance. The Governors have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains, they have ensured that they have adequate insurance cover.

1. Government Funding

The Academy has considerable reliance on continued Government funding through the EFA. In 2017/2018, 80% of the Academy's revenue was ultimately public, and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or in the same terms.

This risk is mitigated in a number of ways:

- Funding is derived from a number of direct and indirect contractual arrangements;
- By ensuring that the Academy is rigorous in delivering high quality education and training;
- Considerable focus and investment is placed on maintaining and managing key relationships with the EFA.

2. Maintain adequate funding for pension

The financial statements report the share of the pension scheme surplus on the Academy's balance sheet in line with the requirements of Financial Reporting Standard (FRS102). This surplus relates to non-teaching staff who are members of Greater Manchester Pension Fund. At 31st August 2018 the surplus amounted to £19,000.

The pension scheme asset is an on-going asset which is not expected to materialise until the retirement of the employees in the scheme. The Academy will make contributions to the scheme on behalf of its employees. These contributions are determined by the scheme's Actuaries and are designed to eliminate the deficit over the estimated future working lives of the employees in the scheme.

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

We monitor our risks regularly in order to identify key risks, assess the likelihood of these risks occurring and their potential impact on the Academy and the proposed actions to be taken to reduce and mitigate the risks.

Plans for future periods

The Academy will continue to strive to achieve the highest academic standards, ensuring that every pupil realises their full potential. It will also maintain its efforts to ensure the well-being and happiness of each and every child. Current building works will continue resulting in increased classroom numbers.

BROUGHTON JEWISH CASSEL FOX

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

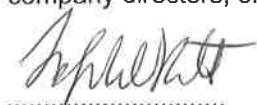
Auditor

In so far as the governors are aware:

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

A resolution proposing that Lopian Gross Barnett & Co be reappointed as auditor of the charitable company will be put to the members.

The governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 13/12/2018 and signed on its behalf by:



J Goldblatt

BROUGHTON JEWISH CASSEL FOX

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

Scope of responsibility

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

The board of governors has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Broughton Jewish Cassel Fox and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

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

Governors	Meetings attended	Out of possible
D Black	3	3
S Fulda	3	3
J Goldblatt	2	3
L Seitler	3	3
A Ellituv	0	3
J Kasmir	3	3
Y Pearlman	3	3
E Pine	1	3
J Rose	3	3
N Nadav (Resigned 8 June 2018)	0	2
A Addleman	3	3
D Bondt	3	3
N Taylor	3	3
J Simons	2	3
E Hasleton	2	3
C Davies	1	3
J Fagleman (Appointed 7 June 2018)	1	1

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.

BROUGHTON JEWISH CASSEL FOX

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of governors 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:

1. Maintaining tight control over expenditure, By making careful consideration of the costs of purchases and their value for money consideration, Evaluating purchase usage and using this knowledge for future purchases, Using Government Preferred Procurement channels (e.g. YPO, RPA Insurance) where possible. The Academy prides itself on using funds effectively.
2. Efficient use of staff. The Academy continues to monitor its staff levels effectively.
3. Continuing to prioritise resources to teaching as opposed to administration.
4. Increasing photocopying costs were managed during the year with increased monitoring and limiting of usage.

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 Broughton Jewish Cassel Fox for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of governors.

The risk and control framework

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

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

[Academy trusts should confirm whether the internal auditor/reviewer has delivered their schedule of work as planned, provide details of any material control issues arising as a result of the internal auditor's/ reviewer's work and, if relevant, describe what remedial action is being taken to rectify the issues]

BROUGHTON JEWISH CASSEL FOX

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Review of effectiveness

As accounting officer the principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditor;
- the financial management and governance self-assessment process ;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and general purposes committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of governors on 13/12/2018 and signed on its behalf by:



J Goldblatt

BROUGHTON JEWISH CASSEL FOX

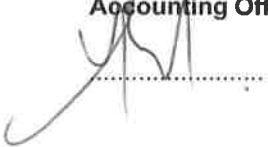
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2018

As accounting officer of Broughton Jewish Cassel Fox I have considered my responsibility to notify the academy trust board of governors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust's board of governors 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 2017.

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

Y Pearlman
Accounting Officer



BROUGHTON JEWISH CASSEL FOX

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2018

The governors (who act as trustees for Broughton Jewish Cassel Fox and are also the directors of Broughton Jewish Cassel Fox for the purposes of company law) are responsible for preparing the governors' report and the accounts in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare accounts for each financial year. Under company law the governors must not approve the accounts 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 accounts, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of governors on 13/12/2018 and signed on its behalf by:



J Goldblatt

BROUGHTON JEWISH CASSEL FOX

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROUGHTON JEWISH CASSEL FOX

Opinion

We have audited the accounts of Broughton Jewish Cassel Fox for the year ended 31 August 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018.

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 accounts' 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 accounts 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

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

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

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The governors are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

BROUGHTON JEWISH CASSEL FOX

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROUGHTON JEWISH CASSEL FOX (CONTINUED)

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 governors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the governors' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 governors' report, including the incorporated strategic report.

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

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

Responsibilities of governors

As explained more fully in the statement of governors' responsibilities, the governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the governors 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 governors either intend to liquidate the charitable company, 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 accounts 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 accounts.

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

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BROUGHTON JEWISH CASSEL FOX

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BROUGHTON JEWISH CASSEL FOX (CONTINUED)



Shlomo Kahan LLB FCA (Senior Statutory Auditor)
for and on behalf of Lopian Gross Barnett & Co

17/12/2018

Chartered Accountants
Statutory Auditor

6th Floor Cardinal House
20 St Mary's Parsonage
Manchester
M3 2LG

BROUGHTON JEWISH CASSEL FOX

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BROUGHTON JEWISH CASSEL FOX AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2018

In accordance with the terms of our engagement letter dated 18 October 2012 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Broughton Jewish Cassel Fox during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Broughton Jewish Cassel Fox's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Broughton Jewish Cassel Fox's funding agreement with the Secretary of State for Education dated 1 August 2012 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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.

BROUGHTON JEWISH CASSEL FOX

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BROUGHTON JEWISH CASSEL FOX AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Conclusion

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



Sulomo Kahan LLB FCA

Reporting Accountant

Lopian Gross Barnett & Co

Dated:17/12/2018.....

BROUGHTON JEWISH CASSEL FOX

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2018 £	Total 2017 £
Income and endowments from:						
Donations and capital grants	3	-	14,757	1,026,491	1,041,248	503,036
Charitable activities:						
- Funding for educational operations	4	-	1,915,142	-	1,915,142	1,783,034
Other trading activities	5	46,007	-	-	46,007	64,346
Investments	6	91	-	-	91	105
Total		46,098	1,929,899	1,026,491	3,002,488	2,350,521
Expenditure on:						
Charitable activities:						
- Educational operations	8	-	2,096,047	207,606	2,303,653	2,148,586
Total	7	-	2,096,047	207,606	2,303,653	2,148,586
Net income/(expenditure)		46,098	(166,148)	818,885	698,835	201,935
Transfers between funds	16	(83,148)	83,148	-	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	18	-	112,000	-	112,000	494,000
Net movement in funds		(37,050)	29,000	818,885	810,835	695,935
Reconciliation of funds						
Total funds brought forward		38,438	(10,000)	3,955,272	3,983,710	3,287,775
Total funds carried forward		1,388	19,000	4,774,157	4,794,545	3,983,710

BROUGHTON JEWISH CASSEL FOX

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2017		Funds	General	Fixed asset	2017
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	8,433	141,354	353,249	503,036
Charitable activities:					
- Funding for educational operations	4	-	1,783,034	-	1,783,034
Other trading activities	5	64,346	-	-	64,346
Investments	6	105	-	-	105
Total		72,884	1,924,388	353,249	2,350,521
Expenditure on:					
Charitable activities:					
- Educational operations	8	-	2,004,949	143,637	2,148,586
Total	7	-	2,004,949	143,637	2,148,586
Net income/(expenditure)		72,884	(80,561)	209,612	201,935
Transfers between funds	16	(15,561)	15,561	-	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	18	-	494,000	-	494,000
Net movement in funds		57,323	429,000	209,612	695,935
Reconciliation of funds					
Total funds brought forward		(18,885)	(439,000)	3,745,660	3,287,775
Total funds carried forward		38,438	(10,000)	3,955,272	3,983,710

BROUGHTON JEWISH CASSEL FOX

BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	12		4,803,190		3,960,818
Current assets					
Debtors	13	52,802		235,987	
Cash at bank and in hand		56,369		105,406	
		<u>109,171</u>		<u>341,393</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(136,816)		(308,501)	
Net current assets			<u>(27,645)</u>		<u>32,892</u>
Net assets excluding pension liability			4,775,545		3,993,710
Defined benefit pension scheme asset/ (liability)	18		19,000		(10,000)
Net assets			<u>4,794,545</u>		<u>3,983,710</u>
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			4,774,157		3,955,272
- Pension reserve			19,000		(10,000)
Total restricted funds			<u>4,793,157</u>		<u>3,945,272</u>
Unrestricted income funds	16		1,388		38,438
Total funds			<u>4,794,545</u>		<u>3,983,710</u>

The accounts on pages 18 to 37 were approved by the governors and authorised for issue on 13/12/2018 and are signed on their behalf by:



J Goldblatt

Company Number 08133686

BROUGHTON JEWISH CASSEL FOX

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Net cash provided by (used in) operating activities	19		(25,641)		30,907
Cash flows from investing activities					
Dividends, interest and rents from investments		91		105	
Capital funding from sponsors and others		1,026,491		353,249	
Payments to acquire tangible fixed assets		(1,049,978)		(363,329)	
Movement relating to fixed asset transfer		-		(9,655)	
			(23,396)		(19,630)
Change in cash and cash equivalents in the reporting period					
			(49,037)		11,277
Cash and cash equivalents at 1 September 2017			105,406		94,129
Cash and cash equivalents at 31 August 2018			56,369		105,406

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

1 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.

1.1 Basis of preparation

The accounts 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 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Broughton Jewish Cassel Fox meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The governors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy trust to continue as a going concern. The governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

1.3 Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Donations

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

Other income

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

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.4 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

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.

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.

1.5 Tangible fixed assets and depreciation

Assets which have a useful life of three years or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Land and buildings	2% Straight Line
Property improvements	10%/20% Straight Line
Computer equipment	20%/33% Straight Line
Fixtures, fittings & equipment	20%/33% Straight Line

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

The academy has been granted use of the school building from the Broughton Jewish Cassel Fox Primary School. The Academies Accounts Direction prescribes that under these agreements, the risks and rewards of ownership remain with the Academy. The land and buildings have been included within the tangible fixed assets of the Academy.

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.6 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.

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 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.

1.10 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 and the assets are held separately from those of the academy trust.

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

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

The LGPS is a funded multi-employer 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.

1.11 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Education Funding Agency.

2 Critical accounting estimates and areas of judgement

Accounting 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2018. 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.

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Capital grants from BJCF charity	-	544,929	544,929	22,462
Capital grants	-	481,562	481,562	330,787
Other donations	-	14,757	14,757	149,787
	-	1,041,248	1,041,248	503,036

In 2017, of the total income from donations and capital grants, £8,433 was to unrestricted funds and £494,603 was to restricted funds.

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
DfE / ESFA grants				
General annual grant (GAG)	-	1,289,283	1,289,283	1,214,221
Other DfE group grants	-	361,287	361,287	281,701
	-	1,650,570	1,650,570	1,495,922
Other government grants				
Local authority grants	-	264,572	264,572	287,112
Total funding	-	1,915,142	1,915,142	1,783,034

In 2017, of the total income from charitable activities, £Nil was to unrestricted funds and £1,783,034 was to restricted funds.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Catering income	5,041	-	5,041	6,431
Other income	40,966	-	40,966	57,915
	46,007	-	46,007	64,346

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

6	Investment income	Unrestricted funds	Restricted funds	Total 2018	Total 2017
		£	£	£	£
	Other investment income	91	-	91	105
		<u>91</u>	<u>-</u>	<u>91</u>	<u>105</u>

7	Expenditure	Staff costs	Non Pay Expenditure		Total 2018	Total 2017
		£	£	£	£	£
	Academy's educational operations					
	- Direct costs	1,245,018	-	180,232	1,425,250	1,364,740
	- Allocated support costs	510,469	349,507	18,427	878,403	783,846
		<u>1,755,487</u>	<u>349,507</u>	<u>198,659</u>	<u>2,303,653</u>	<u>2,148,586</u>

In 2017, of the total expenditure, £Nil was to unrestricted funds and £2,148,586 was to restricted funds.

Net income/(expenditure) for the year includes:	2018	2017
	£	£
Fees payable to auditor for:		
- Audit	5,995	5,995
- Other services	2,255	2,255
- Teacher's Pension	450	450
- Annual accounts return review	650	650
Operating lease rentals	4,861	5,066
Depreciation of tangible fixed assets	207,606	142,637
Loss on disposal of fixed assets	-	1,000
	<u>211,812</u>	<u>260,053</u>

8	Charitable activities	2018	2017
	All from restricted funds:	£	£
	Direct costs		
	Educational operations	1,425,250	1,364,740
	Support costs		
	Educational operations	878,403	783,846
		<u>2,303,653</u>	<u>2,148,586</u>
		2018	2017
		£	£
	Analysis of support costs		
	Support staff costs	510,469	470,180
	Depreciation	207,606	143,637

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

8 Charitable activities	(Continued)	
Premises costs	141,901	142,383
Other support costs	9,051	18,294
Governance costs	9,376	9,352
	<u>878,403</u>	<u>783,846</u>

9 Governors' and key management personnel remuneration and expenses

One or more of the governors has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as governors.

The value of governors' and key management personnel remuneration and other benefits was as follows:

C Davies :

Remuneration £35,000-£40,000 (2017: £35,000-£40,000)
Employer's pension contributions paid £5,000-£10,000 (2017 : £5,000-£10,000)

Y Pearlman :

Remuneration £55,000-£60,000 (2017: £55,000-£60,000)
Employer's pension contributions paid £5,000-£10,000 (2017 : £5,000-£10,000)

N Taylor :

Remuneration £50,000-£55,000 (2017: £40,000-£45,000)
Employer's pension contributions paid £5,000- £10,000 (2017 : £5,000- £10,000)

R Caplan :

Remuneration £30,000-£35,000 (2016: £50,000-£55,000)
Employer's pension contributions paid £Nil- £5,000 (2017 : £5,000-£10,000)

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

10 Staff

Staff costs

Staff costs during the year were:

	2018 £	2017 £
Wages and salaries	1,124,996	990,410
Social security costs	108,792	101,287
Pension costs	268,288	232,465
Staff costs	1,502,076	1,324,162
Agency staff costs	11,230	39,734
Staff restructuring costs	-	30,000
Staff development and other staff costs	242,181	251,766
Total staff expenditure	1,755,487	1,645,662

Staff restructuring costs comprise:

Redundancy payments	-	30,000
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Staff numbers

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

	2018 Number	2017 Number
Teachers	36	34
Administration and support	10	9
Management	3	3
	49	46

Higher paid staff

There were no employees whose annual remuneration was £60,000 or more.

Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £207,348 (2017:£249,609).

11 Governors and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost is included within the total insurance premium of £8,116 (2017: £10,625).

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

12 Tangible fixed assets	Land and buildings	Property improvements	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2017	3,764,600	411,207	88,637	279,477	4,543,921
Additions	-	1,049,449	-	529	1,049,978
At 31 August 2018	<u>3,764,600</u>	<u>1,460,656</u>	<u>88,637</u>	<u>280,006</u>	<u>5,593,899</u>
Depreciation					
At 1 September 2017	376,460	25,924	48,997	131,722	583,103
Charge for the year	75,288	84,327	16,172	31,819	207,606
At 31 August 2018	<u>451,748</u>	<u>110,251</u>	<u>65,169</u>	<u>163,541</u>	<u>790,709</u>
Net book value					
At 31 August 2018	<u>3,312,852</u>	<u>1,350,405</u>	<u>23,468</u>	<u>116,465</u>	<u>4,803,190</u>
At 31 August 2017	<u>3,388,140</u>	<u>385,283</u>	<u>39,640</u>	<u>147,755</u>	<u>3,960,818</u>
13 Debtors				2018	2017
				£	£
Trade debtors				-	2,992
Other debtors				16,155	31,467
Prepayments and accrued income				36,647	201,528
				<u>52,802</u>	<u>235,987</u>
14 Creditors: amounts falling due within one year				2018	2017
				£	£
Trade creditors				68,846	88,371
Accruals and deferred income				67,970	220,130
				<u>136,816</u>	<u>308,501</u>

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

15	Deferred income		2018	2017		
			£	£		
	Deferred income is included within:					
	Creditors due within one year		50,092	54,973		
			<u>50,092</u>	<u>54,973</u>		
	Deferred income at 1 September 2017		54,973	46,187		
	Released from previous years		(54,973)	(46,187)		
	Resources deferred in the year		50,092	54,973		
			<u>50,092</u>	<u>54,973</u>		
	Deferred income at 31 August 2018		<u>50,092</u>	<u>54,973</u>		
			<u>50,092</u>	<u>54,973</u>		
16	Funds					
		Balance at 1	Incoming	Resources	Gains, losses	Balance at 31
		September	resources	expended	& transfers	August 2018
		2017				
		£	£	£	£	£
	Restricted general funds					
	General Annual Grant	-	1,289,283	(1,372,431)	83,148	-
	Other DfE / EFA grants	-	361,287	(361,287)	-	-
	Other government grants	-	264,572	(264,572)	-	-
	Other restricted funds	-	14,757	(14,757)	-	-
		<u>-</u>	<u>1,929,899</u>	<u>(2,013,047)</u>	<u>83,148</u>	<u>-</u>
	Funds excluding pensions	-	1,929,899	(2,013,047)	83,148	-
	Pension reserve	(10,000)	-	(83,000)	112,000	19,000
		<u>(10,000)</u>	<u>1,929,899</u>	<u>(2,096,047)</u>	<u>195,148</u>	<u>19,000</u>
		<u>(10,000)</u>	<u>1,929,899</u>	<u>(2,096,047)</u>	<u>195,148</u>	<u>19,000</u>
	Restricted fixed asset funds					
	DfE / EFA capital grants	120,322	481,562	(65,144)	-	536,740
	Transfer of buildings	3,463,432	-	(75,288)	-	3,388,144
	Capital expenditure from GAG	343,331	-	(19,872)	-	323,459
	Donations	24,770	544,929	(47,302)	-	522,397
		<u>3,955,272</u>	<u>1,026,491</u>	<u>(207,606)</u>	<u>-</u>	<u>4,774,157</u>
		<u>3,955,272</u>	<u>1,026,491</u>	<u>(207,606)</u>	<u>-</u>	<u>4,774,157</u>
	Total restricted funds	<u>3,945,272</u>	<u>2,956,390</u>	<u>(2,303,653)</u>	<u>195,148</u>	<u>4,793,157</u>
		<u>3,945,272</u>	<u>2,956,390</u>	<u>(2,303,653)</u>	<u>195,148</u>	<u>4,793,157</u>
	Unrestricted funds					
	General funds	38,438	46,098	-	(83,148)	1,388
		<u>38,438</u>	<u>46,098</u>	<u>-</u>	<u>(83,148)</u>	<u>1,388</u>
	Total funds	<u>3,983,710</u>	<u>3,002,488</u>	<u>(2,303,653)</u>	<u>112,000</u>	<u>4,794,545</u>
		<u>3,983,710</u>	<u>3,002,488</u>	<u>(2,303,653)</u>	<u>112,000</u>	<u>4,794,545</u>

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

16 Funds

(Continued)

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

Restricted fixed asset funds have been reclassified to correctly reflect the brought forward funds as capital expenditure from GAG.

Restricted General Funds are used specifically to provide educational resources for the pupils of the Academy.

Restricted Fixed Asset Funds provide for the installation, maintenance and repair of the Fixed Assets of the Academy.

Unrestricted Funds are those other Resources which may be used to further the objectives of the Academy.

Transfers between unrestricted general and restricted fixed asset funds have occurred for capital purchases.

The deficit on the pension reserve will be eliminated based on future contributions as advised by the schemes actuary.

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 2017.

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	29,033	-	4,774,157	4,803,190
Current assets	109,171	-	-	109,171
Creditors falling due within one year	(136,816)	-	-	(136,816)
Defined benefit pension asset	-	19,000	-	19,000
Total net assets	1,388	19,000	4,774,157	4,794,545
	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	3,960,818	3,960,818
Current assets	341,393	-	-	341,393
Creditors falling due within one year	(302,955)	-	(5,546)	(308,501)
Defined benefit pension asset	-	(10,000)	-	(10,000)
Total net assets	38,438	(10,000)	3,955,272	3,983,710

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

18 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, which is managed by Tameside MBC, Administering Authority for Greater Manchester Pension Fund. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

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

Teachers' Pension Scheme

Introduction

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

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

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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% 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 £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £53,000 (2017: £45,000).

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

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

18 Pension and similar obligations

(Continued)

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 scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 16.1% for employers and 5.5 to 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.

Total contributions made	2018 £	2017 £
Employer's contributions	53,000	45,000
Employees' contributions	21,000	18,000
Total contributions	74,000	63,000

Principal actuarial assumptions	2018 %	2017 %
Rate of increase in salaries	3.2	3.2
Rate of increase for pensions in payment/inflation	2.4	2.4
Discount rate for scheme liabilities	2.8	2.5

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

	2018 Years	2017 Years
Retiring today		
- Males	21.5	21.5
- Females	24.1	24.1
Retiring in 20 years		
- Males	23.7	23.7
- Females	26.2	26.2

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

18 Pension and similar obligations

(Continued)

Sensitivity analysis

Changes in assumptions at 31 August 2018: Approximate % increase to Employer Liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	138
0.5% increase in the Salary Increase Rate	10
0.5% increase in the Pension Increase Rate	128

The academy trust's share of the assets in the scheme

	2018 Fair value £	2017 Fair value £
Equities	753,440	719,780
Bonds	177,280	157,760
Cash	77,560	49,300
Property	99,720	59,160
Total market value of assets	<u>1,108,000</u>	<u>986,000</u>

The actual return on scheme assets was £56,000 (2017: £99,000).

Amount recognised in the Statement of Financial Activities

	2018 £	2017 £
Current service cost	<u>83,000</u>	<u>65,000</u>

Changes in the present value of defined benefit obligations

	2018 £
At 1 September 2017	996,000
Current service cost	134,000
Interest cost	27,000
Employee contributions	21,000
Actuarial gain	(81,000)
Benefits paid	(8,000)
At 31 August 2018	<u>1,089,000</u>

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

18 Pension and similar obligations (Continued)

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

		2018
		£
At 1 September 2017		986,000
Interest income		25,000
Actuarial gain		31,000
Employer contributions		53,000
Employee contributions		21,000
Benefits paid		(8,000)
		1,108,000
At 31 August 2018		1,108,000

19 Reconciliation of net income to net cash flow from operating activities

	2018	2017
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	698,835	201,935
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(1,026,491)	(353,249)
Investment income receivable	(91)	(105)
Defined benefit pension costs less contributions payable	83,000	65,000
Depreciation of tangible fixed assets	207,606	142,637
Loss on disposal of fixed assets	-	1,000
Decrease/(increase) in debtors	183,185	(186,478)
(Decrease)/increase in creditors	(171,685)	160,167
	(25,641)	30,907
Net cash (used in)/provided by operating activities	(25,641)	30,907

20 Commitments under operating leases

At 31 August 2018 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2018	2017
	£	£
Amounts due within one year	54,376	-
Amounts due in two and five years	132,563	-
	186,939	-
	186,939	-

BROUGHTON JEWISH CASSEL FOX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

21 Related party transactions

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

Broughton Jewish Cassel Fox Primary School (Charity) previously managed the school. It has no trustees in common with the academy trust.

Broughton Jewish Cassel Fox Primary School (Charity) owns, via its legal title the building in which the Academy currently occupy and allows the Academy to operate from the site under a agreement. The building has been brought in the accounts at a valuation of £3,764,600. The building is being depreciated over 50 years.

The Academy receives income classified as voluntary donations from Broughton Jewish Cassel Fox Primary School (Charity) for shared costs, central services and utilities. The amount received during the year amounted to £559,686 (2017 : £162,766) and is recognised as restricted funds and restricted fixed asset funds.

In entering into these transactions, the academy trust has complied with the requirements of the Academies Financial Handbook 2018.

22 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.