

**BROUGHTON JEWISH CASSEL FOX**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Haines Watts**  
Chartered Accountants & Registered Auditors  
Bridge House  
157A Ashley Road  
Hale  
Altrincham  
Cheshire  
WA14 2UT

# BROUGHTON JEWISH CASSEL FOX

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# BROUGHTON JEWISH CASSEL FOX

## REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Members</b>	Rabbi Bernard Cohen Rabbi Anthony Jaffe Dov Black Murray Kupetz (Resigned 18 December 2020)
<b>Governors</b>	Mr Dov Black (resigned 31 July 2021) Mr Yehuda Fagleman Rabbi Amir Ellituv Mr Sydney Fulda Mr Jonathan Goldblatt (Resigned 30 July 2021) Mrs Janine Kasmir (Resigned 30 July 2021) Rabbi Yehuda Pearlman (Resigned 30 July 2021) Mr Elliot Pine (Resigned 31 July 2021) Ms Catherine Davies Mrs Hannah Nussbaum Mr David Bondt Miss Nicola Taylor Mr Shlomie Graff Mrs Tamar Tabor Mrs Bashy Rice (Appointed 23 September 2020) Dani Mechlowitz (Appointed 30 July 2021) David Mechlowitz (Appointed 20 July 2021) Nicola Jaysan (Appointed 30 July 2021) Izzy Rosenberg (Appointed 30 July 2021) Alison Kaye (Appointed 1 October 2021)
<b>Senior Leadership Team</b>	Y Pearlman N Taylor S Caplan R Baker
<b>Company Name</b>	Broughton Jewish Cassel Fox Primary School
<b>Registered Office</b>	Legh Road, Salford, M7 4RT
<b>Independent Auditor</b>	Haines Watts, Bridge House, 157A Ashley Road, Hale, Altrincham, WA14 2UT
<b>Bankers</b>	Lloyds Bank, King Street, Manchester, M2 4LQ

# BROUGHTON JEWISH CASSEL FOX

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2021

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The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 3 to 11 serving a catchment area within Salford. Pupils attend the academy from Salford and the neighbouring authorities of Bury, Manchester and Trafford. It has a pupil capacity of 451 and had a roll of 457 in the school census on August 2020.

#### **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 Members, 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 2 Staff Governors and 2 Parent Governors. The Principal is an ex-officio governor. Rabbi Pearlman resigned as a trustee

##### 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.

##### 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 Leadership 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 and are actively involved in supervising and monitoring the management of the school along with the senior leaders of the school.

# BROUGHTON JEWISH CASSEL FOX

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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The Governors have committees responsible for specific areas. The governance structure for 2020 – 2021 was as follows

1. Leadership, Management & Quality of Education;
2. Behavior, Attitudes & Personal Development; and
3. Resources.

Each committee has its own terms of reference. Committees usually meet at least once per term.

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 is as follows:

1. Orthodox Jewish children who are 'Looked After' by a Local Authority;
2. Orthodox Jewish children with another child residing at the same home address of the child already attending the school;
3. Orthodox Jewish children who have attended the Kindergarten and Nursery;
4. Orthodox Jewish children living within a one mile radius of the school;
5. Other Jewish children;
6. Other 'Looked After' children; and
7. Other children.

The curriculum should comply with the substance of the National Curriculum.

The main objectives of the Academy are:

Academic - The school aims for children to make good progress during school and to be effectively challenged to achieve their full potential. To achieve well in standardised tests and maintain a high standard in national benchmarks as well as provide a broad and balanced curriculum.

Wellbeing - To consolidate on the bronze award achievement for being an emotionally friendly school and by working towards the silver award.

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

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### 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.

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

Years 1, 3, 4, 5 and 6 operate as a 3 form entry. Nursery, Reception and Years 2, operate as a 2 form entry. Pupil numbers at the 31st August 2021 were 493.

Pupil progress was slow due to the pandemic and the figures below are internal data as no data was required to be submitted to the ESFA. There is no national data available for comparisons. KS1 was slowed by the pandemic as younger children found it more difficult to access online work at home. KS2 continued to make average progress as they were more able to work independently. The average family size at Broughton Jewish is 4 siblings. This was a challenge for parents providing support for all children during lockdowns.

Table of Results 2020/21

<b>SUBJECT</b>	<b>SCHOOL %</b>	<b>NATIONAL %</b>
EYFS GOOD LEVEL OF DEVELOPMENT		
PHONICS YEAR 1	63	No national data is available
PHONICS YEAR 2	83	
KS1 COMBINED	Not available	
READING	51	
WRITING	34	
MATHS	49	
KS2 COMBINED	Not available	
READING	74	
WRITING	76	
MATHS	72	
GPS	72	

League tables are not available for the academic year 2020-21 due to lockdown.

Our initial benchmark assessments indicate that pupils in KS1 were most affected by COVID lockdowns.

### **Year 1**

#### 2020 AUTUMN

	<b>Comparable</b>	<b>Current</b>	<b>Realistic</b>	<b>Optimistic</b>
GD	N/A	N/A	N/A	N/A
ARE Reading	30%	26%	26%	77%
ARE Writing	28%	21%	21%	66%
ARE Maths	43%	66%	66%	90%

# BROUGHTON JEWISH CASSEL FOX

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### Year 2

##### 2020 AUTUMN

	Comparable	Current	Realistic	Optimistic
GD Reading	17%	N/A	13%	9%
GD Writing	13%	N/A	0%	2%
GD Maths	9%	9%	9%	24%
ARE Reading	50%	51%	51%	76%
ARE Writing	38%	20%	20%	51%
ARE Maths	45%	49%	49%	62%

#### Year 3 (transition from KS1)

##### 2019 AUTUMN

	Comparable	Current	Realistic	Optimistic
GD Reading	29%	2%	2%	13%
GD Writing	16%	N/A	N/A	0%
GD Maths	26%	N/A	3%	0%
ARE Reading	47%	50%	50%	64%
ARE Writing	50%	42%	42%	59%
ARE Maths	27%	36%	36%	63%

The current EYFS cohort have settled into the new academic year better than their peers in previous years and this, we imagine, is due to the extra time they spent at home.

The older pupils in KS2 responded well to remote learning, however, as expected the younger children struggled to engage with the remote provision.

Pupil engagement during lockdown was measured at 67%, which indicates a very good level of provision.

#### Attendance

The figures below illustrate our attendance figures for both pupils and staff

September – 10 November 2020

<b>PUPILS</b>	<b>September</b>	<b>October</b>	<b>November 1st -10th</b>
Pupil Attendance Nursery-Y6	97.48%	97.71%	96.95%
Pupil Covid Absences	0.7%	0.33%	0.07%

  

<b>STAFF</b>	<b>September</b>	<b>October</b>	<b>November 1st-10th</b>
Staff Absence	1.6%	11.3%	3.7%
Staff Covid Absence	0%	2.9%	3.5%

Absence levels such as these will obviously continue to present as a challenge. Additionally, school trips and visits from external providers have been curtailed, narrowing the educational exposure we would normally provide for the pupils.

#### Free School Meals during Covid-19 lockdown

The academy was involved with the National Free School Meals Voucher Scheme via Edenred. The academy experienced many difficulties with access at the start of the scheme due to the high demand from schools on the Edenred system. Due to government guidelines being followed regarding staff staying at home the management of the scheme fell to a member of the Senior Leadership Team placing a high demand on their workload during this period. In December the new School Business Manager took this over and freed up the SLT. The provision of supermarket vouchers was well received by families.

# BROUGHTON JEWISH CASSEL FOX

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 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 2016 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.

Pupil progress since this time continues to be 'good' with progress in reading, writing and maths mainly above average.

#### 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.

#### Impact of Covid-19

Covid-19 continues to bring challenges to the academy. Additional costs relating to cleaning and Health & Safety have been incurred. In addition, increased levels of staff absence are being seen due to Covid-19 related illness and self-isolation. This brings additional strain to the remaining staff and additional costs where agency staff are needed. In addition, the isolation of staff in the 3rd trimester of pregnancy has resulted in longer periods of staff absence.

The academy continues to seek suitable staff deployment methods and levels to ensure they are able to operate within the funds available.

#### **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.

These objectives were achieved in the period ending 31 August 2021.

Most of the academy's income is obtained from the ESFA in the form of recurring grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ending 31st August 2021 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 31 August 2021, total incoming resources were 2,559,000 and resources expended was £2,892,000. The excess of expenditure over income for the period was £333,000

In the Academies Accounts Direction 2014 to 2015 (SORP 2005), the ESFA 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 Broughton Jewish Primary School (ohel Moshe Yitschok). The ESFA'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 ESFA, 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.

# BROUGHTON JEWISH CASSEL FOX

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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At 31 August 2021 the net book value of fixed assets was £4,462,000 and movements in tangible fixed assets are shown in note 11 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 2021 of £3,691,000. This comprised unrestricted general funds of £151,000 plus restricted fixed asset funds of £4,464,000 less the deficit on the pension reserve of £924,000.

#### 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. Governors have determined that the appropriate minimum level of reserves should be equivalent to four weeks GAG, approximately £130,000. This is to ensure there is sufficient working capital to cover delays in receipt of the grant and urgent payments.

At 31 August 2021 net free reserves were higher than this. This situation has arisen due to the school closure during the COVID 19 pandemic. The Governors have a formulated plan to expend these reserves during the current academic year.

Governors remain committed to fund any shortfalls within the academy with charitable income raised.

#### Investment policy

In a period of financial uncertainty and low interest rates, the academy trust's policy has been to maximise liquidity and minimise risk. The academy does not hold any investments currently but will review this policy on an annual basis.

#### 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. In circumstances where significant financial risk still remains, they have ensured that they have adequate insurance cover.

Covid-19 has exposed the academy to increased risk. This is both financial and operational. The trust is monitoring additional costs within their financial system but increased cleaning and staff cover costs are anticipated to continue for several months. In addition, operational risks have been created by the absence of key senior staff within the academy which puts additional strain on remain staff.

#### 1. Government Funding

The academy has considerable reliance on continued Government funding through the ESFA. In 2020/2021, 88% 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 ESFA.

#### 2. Maintain adequate funding of pensions liabilities

The financial statements report the share of the pension scheme deficit on the academy's balance sheet in line with the requirements of Financial Reporting Standard (FRS102). This deficit relates to non-teaching staff who are members of Greater Manchester Pension Fund. At 31st August 2021 the deficit amounted to £924,000.

The pension scheme liability is an on-going liability 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

# BROUGHTON JEWISH CASSEL FOX

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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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.

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

#### **Fundraising**

Fundraising activities are undertaken within the Broughton Jewish (Ohel Moshe Yitschok) Charity. A fundraising committee was established in 2003 with the aim of covering any deficits within the charity and the success of this committee has meant that these funds have been used for the benefit of the academy. The committee comprises of various individuals, including school governors who operate on a voluntary basis.

The principal source of this income is from parents and discretionary donations from charitable trusts. This academic year the Charity held a matching campaign and raised a significant amount of money. This will be used to enhance the school over the coming years.

The school has a fundraising arm, the BJOF (Broughton Jewish Opportunity Fund) that raises money to enhance the school's fund through the annual year book and other activities. It donates approximately £80,000 each academic year.

Volunteers continue to play an active role in supporting the school remotely with fundraising activities.

#### **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.

Covid-19 is bringing additional challenges with gaps in pupil knowledge caused by long term absence from school. Remote learning continues to be a high priority for teaching and learning strategies within the school but, the loss of face to face contact, with the teacher during the summer lockdown has undoubtedly had a negative impact on pupil progress. Catch-up work is supported by additional government funding but the day to day disruption to learning as pupils/groups are absent to illness or isolation continues to be a challenge to the school.

Volunteers who previously played an active role within the school are no longer able to as the school strives to maintain the 'bubble' arrangements within the school.

#### Auditor

In so far as the governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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 Haines Watts 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 ..... and signed on its behalf by:

.....  
**D Bondt**  
**Chair of the Board of Governors**

# BROUGHTON JEWISH CASSEL FOX

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the 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 Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

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

Governors	Meetings attended	Out of a possible
D Black (Chair)	3	3
Y Fagleman	2	3
A Ellituv	0	3
S Fulda	2	3
J Goldblatt	3	3
J Kasmir	2	3
Y Pearlman	3	3
E Pine	3	3
C Davies	3	3
H Nussbaum	3	3
D Bondt	3	3
N Taylor	3	3
S Graff	2	3
T Tabor	2	3
B Rice	3	3
D Mechlowitz	1	1
D Mechlowitz	1	1
N Jaysan	0	0
I Rosenberg	1	1

During the academic year 2020/21 the academy trust has maintained regular monthly meetings between the head teacher and chairs of all committees, in addition to our regular board of trustees' meetings to ensure improved communication and involvement.

The academy has a separate Resources Committee with responsibility for the academy's financial management, internal scrutiny, human resources, premises management, health and safety and risk management. During the period the committee has led on budget approval, staffing structures and IT improvements.

The governors have considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed I Rosenberg, a governor and accountant, to carry out a programme of internal checks.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis the reviewer reports to the Resources Committee on the operation of the systems of control and the discharge of the members' financial responsibilities.

The Resources Committee met three times during the year with management accounts presented to the Chair of Resources on a monthly basis for consideration by the members in order to maintain effective financial oversight.

# BROUGHTON JEWISH CASSEL FOX

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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Attendance at meetings in the year was as follows:

<b>Governors</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
J Goldblatt (Chair)	3	3
D Black	3	3
Y Fagleman	3	3
Y Pearlman	3	3
D Bondt	3	3
S Graff	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 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 appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Clearer delineation of roles and responsibilities.
- Deployment of middle management and senior management staff to manage timetable improvements complimenting.
- Integration (kodesh and secular) of curriculum delivery to achieve a more wider spread of curriculum outcomes.
- Review of contracts and SLAs to ensure best value for money and service.
- Admin team review to ensure tighter controls over the school's financial management.

### **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 Primary for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The board of trustees has reviewed the key risks to which the 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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

### **The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the resources 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; and
- clearly defined purchasing (asset purchase or capital investment) guidelines identification and management of risks

# **BROUGHTON JEWISH CASSEL FOX**

## **GOVERNANCE STATEMENT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2021**

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The board of trustees has decided not to appoint an auditor for this purpose. However, the trustees have appointed I Rosenberg, a governor, and Accountant to carry out a programme of internal checks.

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

- A review of the school's policies and procedures in respect of asset management and maintenance of fixed asset registers.

This is a new initiative and it is the intention of the Board that a review is undertaken on a termly basis. The reviewer is to report to the board of trustees, through the resources committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

#### **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 internal reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool; and
- 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 resources and a plan to address weaknesses to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on ..... and signed on its behalf by:

.....  
**David Bondt**  
**Chair of the Board of Governors**

.....  
**Rabbi Y Pearlman**  
**Accounting Officer**

# **BROUGHTON JEWISH CASSEL FOX**

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

***FOR THE YEAR ENDED 31 AUGUST 2021***

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As accounting officer of Broughton Jewish Cassel Fox, I have considered my responsibility to notify the academy trust Board of Governors 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'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 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 Board of Governors and ESFA.

.....

**Rabbi Y Pearlman**  
**Accounting Officer**

Date: .....

# BROUGHTON JEWISH CASSEL FOX

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2021**

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The trustees (who are also the directors of Broughton Jewish Cassel Fox for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 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 accounts for each financial year. Under company law, the trustees 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 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 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 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 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 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Governors on ..... and signed on its behalf by:

.....  
**David Bondt**  
**Chair of the Board of Governors**

# **BROUGHTON JEWISH CASSEL FOX**

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

***FOR THE YEAR ENDED 31 AUGUST 2021***

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### **Opinion**

We have audited the accounts of Broughton Jewish Cassel Fox for the year ended 31 August 2021 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 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and 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 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

### **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**

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, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. 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)**

***FOR THE YEAR ENDED 31 AUGUST 2021***

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### **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 including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has 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 trustees' 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 trustees' 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 statement of trustees' responsibilities, the trustees 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 trustees 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 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 charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

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.

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.

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.

# BROUGHTON JEWISH CASSEL FOX

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

**FOR THE YEAR ENDED 31 AUGUST 2021**

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As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Identify and test journal entries, in particular any journal entries posting with unusual account combinations.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

### **Use of our 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.

.....  
**Candice Beynon FCCA (Senior Statutory Auditor)**  
**for and on behalf of Haines Watts**  
**Chartered Accountants**  
**Statutory Auditor**

Bridge House  
157A Ashley Road  
Hale  
Altrincham  
Cheshire WA14 2UT

Date: .....

# **BROUGHTON JEWISH CASSEL FOX**

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

***FOR THE YEAR ENDED 31 AUGUST 2021***

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In accordance with the terms of our engagement letter dated 2 July 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 Broughton Jewish Cassel Fox during the period 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 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 25 February 2011 and the Academies Financial Handbook, extant from 1 September 2020, 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts 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 AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

### **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.

.....

**Haines Watts**  
**Reporting Accountant**

Date: .....

# BROUGHTON JEWISH CASSEL FOX

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2021 £'000	Total 2020 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	8	276	9	293	92
Charitable activities:						
- Funding for educational operations	4	-	2,173	-	2,173	2,159
Other trading activities	5	93	-	-	93	88
<b>Total</b>		<u>101</u>	<u>2,449</u>	<u>9</u>	<u>2,559</u>	<u>2,339</u>
<b>Expenditure on:</b>						
Raising funds	6	-	96	-	96	76
Charitable activities:						
- Educational operations	7	24	2,477	119	2,620	2,527
<b>Total</b>	<b>6</b>	<u>24</u>	<u>2,573</u>	<u>119</u>	<u>2,716</u>	<u>2,603</u>
<b>Net income/(expenditure)</b>		77	(124)	(110)	(157)	(264)
<b>Other recognised gains/(losses)</b>						
Actuarial losses on defined benefit pension schemes	17	-	(176)	-	(176)	(239)
<b>Net movement in funds</b>		77	(300)	(110)	(333)	(503)
<b>Reconciliation of funds</b>						
Total funds brought forward		74	(624)	4,574	4,024	4,527
Total funds carried forward		<u>151</u>	<u>(924)</u>	<u>4,464</u>	<u>3,691</u>	<u>4,024</u>

# BROUGHTON JEWISH CASSEL FOX

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative information ended 31 August 2020	Notes	Unrestricted	Restricted funds:		Total
		funds	General	Fixed asset	2020
		£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	2	80	10	92
Charitable activities:					
- Funding for educational operations	4	-	2,159	-	2,159
Other trading activities	5	88	-	-	88
<b>Total</b>		<u>90</u>	<u>2,239</u>	<u>10</u>	<u>2,339</u>
<b>Expenditure on:</b>					
Raising funds	6	70	6	-	76
Charitable activities:					
- Educational operations	7	2	2,357	168	2,527
<b>Total</b>	6	<u>72</u>	<u>2,363</u>	<u>168</u>	<u>2,603</u>
<b>Net income/(expenditure)</b>		18	(124)	(158)	(264)
Transfers between funds	15	(56)	1	55	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	17	-	(239)	-	(239)
<b>Net movement in funds</b>		(38)	(362)	(103)	(503)
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>112</u>	<u>(262)</u>	<u>4,677</u>	<u>4,527</u>
Total funds carried forward		<u>74</u>	<u>(624)</u>	<u>4,574</u>	<u>4,024</u>

# BROUGHTON JEWISH CASSEL FOX

## BALANCE SHEET

AS AT 31 AUGUST 2021

		2021		2020	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	11		4,462		4,574
<b>Current assets</b>					
Debtors	12	293		62	
Cash at bank and in hand		107		162	
		<u>400</u>		<u>224</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	13	(247)		(150)	
		<u></u>		<u></u>	
<b>Net current assets</b>			153		74
<b>Net assets excluding pension liability</b>			4,615		4,648
Defined benefit pension scheme liability	17		(924)		(624)
			<u></u>		<u></u>
<b>Total net assets</b>			3,691		4,024
			<u></u>		<u></u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	15				
- Fixed asset funds			4,464		4,574
- Pension reserve			(924)		(624)
			<u></u>		<u></u>
<b>Total restricted funds</b>			3,540		3,950
<b>Unrestricted income funds</b>	15		151		74
			<u></u>		<u></u>
<b>Total funds</b>			3,691		4,024
			<u></u>		<u></u>

The accounts were approved by the trustees and authorised for issue on ..... and are signed on their behalf by:

.....

**David Bondt**  
Chair of the Board of Governors

Company Number 08133686

# BROUGHTON JEWISH CASSEL FOX

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

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	Notes	2021 £'000	£'000	2020 £'000	£'000
<b>Cash flows from operating activities</b>					
Net cash (used in)/provided by operating activities	18		(57)		162
<b>Cash flows from investing activities</b>					
Capital grants from DfE Group		9		10	
Purchase of tangible fixed assets		(7)		(63)	
Proceeds from sale of tangible fixed assets		-		(1)	
		<u>          </u>		<u>          </u>	
<b>Net cash provided by/(used in) investing activities</b>			<u>          </u> 2		<u>          </u> (54)
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>			(55)		108
Cash and cash equivalents at beginning of the year			<u>          </u> 162		<u>          </u> 54
<b>Cash and cash equivalents at end of the year</b>			<u>          </u> 107		<u>          </u> 162

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1 Accounting policies

Broughton Jewish Cassel Fox is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

##### 1.2 Going concern

The trustees 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 charitable 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 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.

###### Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### 1 Accounting policies

##### 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.

##### Donated goods, facilities and services

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

##### Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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.

#### 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.

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1 Accounting policies

##### 1.5 Tangible fixed assets and depreciation

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. 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%
Leasehold improvements	2%
Computer equipment	20%/33%
Fixtures, fittings & equipment	20%/33%

The land and buildings from which the school operates is owned by Broughton Jewish Primary School (Ohel MosheYit Schok), a registered charity.

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

##### 1.6 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 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.

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1 Accounting policies

##### 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 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 based on quadrennial valuations using a prospective unit credit 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.

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 net income or expenditure 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.

#### 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 trustees.

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/donor and include grants from the Education and Skills Funding Agency.

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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### 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 17 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 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.

### 3 Donations and capital grants

	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total 2021 £'000</b>	<b>Total 2020 £'000</b>
Private sponsorship	-	276	276	80
Capital grants	-	9	9	10
Other donations	8	-	8	2
	<hr/>	<hr/>	<hr/>	<hr/>
	8	285	293	92
	<hr/>	<hr/>	<hr/>	<hr/>

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	1,688	1,688	1,583
Other DfE/ESFA grants:				
UIFSM	-	73	73	32
Pupil premium	-	8	8	39
Teachers' pension grant	-	64	64	66
Others	-	50	50	76
	<u>-</u>	<u>1,883</u>	<u>1,883</u>	<u>1,796</u>
<b>Other government grants</b>				
Local authority grants	-	250	250	351
Coronavirus job retention scheme	-	7	7	12
	<u>-</u>	<u>257</u>	<u>257</u>	<u>363</u>
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Catch-up premium	-	33	33	-
	<u>-</u>	<u>33</u>	<u>33</u>	<u>-</u>
<b>Total funding</b>	<u>-</u>	<u>2,173</u>	<u>2,173</u>	<u>2,159</u>

The academy trust received £250,000 (2020 - £351,000) from the local authority in the year, being £17,000 (2020: £157,000), high needs funding £174,000 (2020 - £170,000) early years funding £31,000 (2020: £nil) rates relief and £28,000 (2020: £24,000) growth funding.

The academy also received £33,000 of funding for catch-up premium. The funding has been spent within the year in line with the guidance from the ESFA

The academy trust furloughed some of its staff under the governments Coronavirus job retention scheme grant. The funding received of £7,000 funding relates to staff costs in respect of staff included in note 8 within the financial statements.

There were no unfulfilled conditions or other contingencies relating to the grants in the year.

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Catering income	66	-	66	70
Parental contributions	27	-	27	18
	<u>93</u>	<u>-</u>	<u>93</u>	<u>88</u>

### 6 Expenditure

	Staff costs £'000	Non-pay expenditure		Total 2021 £'000	Total 2020 £'000
		Premises £'000	Other £'000		
Expenditure on raising funds					
- Direct costs	-	-	96	96	76
Academy's educational operations					
- Direct costs	1,156	-	167	1,323	1,460
- Allocated support costs	801	414	82	1,297	1,067
	<u>1,957</u>	<u>414</u>	<u>345</u>	<u>2,716</u>	<u>2,603</u>

#### Net income/(expenditure) for the year includes:

	2021 £'000	2020 £'000
Fees payable to auditor for:		
- Audit	7	7
- Other services	1	1
Operating lease rentals	47	34
Depreciation of tangible fixed assets	119	150
Loss on disposal of fixed assets	-	18
Net interest on defined benefit pension liability	11	5
	<u>11</u>	<u>5</u>

### 7 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
<b>Direct costs</b>				
Educational operations	24	1,299	1,323	1,460
<b>Support costs</b>				
Educational operations	-	1,297	1,297	1,067
	<u>24</u>	<u>2,596</u>	<u>2,620</u>	<u>2,527</u>

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 7 Charitable activities

<b>Analysis of costs</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Direct costs</b>		
Teaching and educational support staff costs	1,156	1,299
Staff development	3	17
Technology costs	74	48
Educational supplies and services	85	94
Other direct costs	5	2
	<u>1,323</u>	<u>1,460</u>
<b>Support costs</b>		
Support staff costs	802	619
Depreciation	119	168
Technology costs	19	9
Maintenance of premises and equipment	73	69
Cleaning	75	39
Energy costs	37	35
Rent, rates and other occupancy costs	52	24
Security and transport	58	36
Interest on net defined pension scheme	11	5
Other support costs	37	45
Governance costs	14	18
	<u>1,297</u>	<u>1,067</u>

### 8 Staff

#### Staff costs

Staff costs during the year were:

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	1,424	1,398
Social security costs	125	118
Pension costs	384	376
	<u>1,933</u>	<u>1,892</u>
Staff costs - employees	1,933	1,892
Agency staff costs	24	25
	<u>1,957</u>	<u>1,917</u>
Staff development and other staff costs	4	18
	<u>1,961</u>	<u>1,935</u>

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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### 8 Staff

#### Staff numbers

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

	2021 Number	2020 Number
Teachers	23	25
Administration and support	39	39
Management	4	3
	<u>66</u>	<u>67</u>

#### Higher paid staff

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

	2021 Number	2020 Number
£60,001-£70,000	<u>1</u>	<u>1</u>

#### 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 of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £226,000 (2020: £195,000).

### 9 Governors' 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 £40,001-45,000 (2020: £35,001-£40,000)

Employer's pension contributions paid £5,001-£10,000 (2020: £5,001-£10,000)

Y Pearlman (resigned 30 July 2021)

Remuneration £55,001-£60,000 (2020: £60,001-£65,000)

Employer's pension contributions paid £10,001-£15,000 (2020: £10,001-£15,000)

N Taylor

Remuneration £55,001-£60,000 (2020: £55,001-£60,000)

Employer's pension contributions paid £10,001-£15,000 (2020: £5,001-£10,000)

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 10 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers' indemnity element from the overall cost of the RPA scheme.

#### 11 Tangible fixed assets

	Land and buildings	Leasehold improvements	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 September 2020	3,765	1,540	91	224	5,620
Additions	-	-	7	-	7
At 31 August 2021	3,765	1,540	98	224	5,627
<b>Depreciation</b>					
At 1 September 2020	602	169	85	190	1,046
Charge for the year	75	31	4	9	119
At 31 August 2021	677	200	89	199	1,165
<b>Net book value</b>					
At 31 August 2021	3,088	1,340	9	25	4,462
At 31 August 2020	3,163	1,371	6	34	4,574

#### The net book value of land and buildings comprises:

	2021 £'000	2020 £'000
Freeholds	3,088	3,163
Long leaseholds (over 50 years)	1,340	1,371
	4,428	4,534

#### 12 Debtors

	2021 £'000	2020 £'000
VAT recoverable	44	4
Other debtors	235	42
Prepayments and accrued income	14	16
	293	62

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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**13 Creditors: amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	119	28
Other taxation and social security	67	59
Accruals and deferred income	61	63
	<u>247</u>	<u>150</u>

**14 Deferred income**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Deferred income is included within:		
Creditors due within one year	<u>35</u>	<u>46</u>
Deferred income at 1 September 2020	46	45
Released from previous years	(46)	(45)
Resources deferred in the year	<u>35</u>	<u>46</u>
<b>Deferred income at 31 August 2021</b>	<u><u>35</u></u>	<u><u>46</u></u>

At the balance sheet date, the academy trust was holding funds received in advance for the following purposes:

- Universal Infant Free School Meals grant received in advance - £35,000

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 15 Funds

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	1,688	(1,688)	-	-
UIFSM	-	73	(73)	-	-
Pupil premium	-	8	(8)	-	-
Catch-up premium	-	33	(33)	-	-
Other DfE/ESFA grants	-	114	(114)	-	-
Other government grants	-	257	(257)	-	-
Teachers' pension grant	-	64	(64)	-	-
Other restricted funds	-	212	(212)	-	-
Pension reserve	(624)	-	(124)	(176)	(924)
	<u>(624)</u>	<u>2,449</u>	<u>(2,573)</u>	<u>(176)</u>	<u>(924)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	3,236	-	(84)	-	3,152
DfE group capital grants	531	9	(14)	-	526
Capital expenditure from GAG	354	-	(9)	-	345
Private sector capital sponsorship	453	-	(12)	-	441
	<u>4,574</u>	<u>9</u>	<u>(119)</u>	<u>-</u>	<u>4,464</u>
<b>Total restricted funds</b>	<u>3,950</u>	<u>2,458</u>	<u>(2,692)</u>	<u>(176)</u>	<u>3,540</u>
<b>Unrestricted funds</b>					
General funds	74	101	(24)	-	151
	<u>74</u>	<u>101</u>	<u>(24)</u>	<u>-</u>	<u>151</u>
<b>Total funds</b>	<u>4,024</u>	<u>2,559</u>	<u>(2,716)</u>	<u>(176)</u>	<u>3,691</u>

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

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

Restricted Fixed Asset Funds are funds to 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.

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 2021.

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 15 Funds

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

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	1,583	(1,584)	1	-
UIFSM	-	32	(32)	-	-
Pupil premium	-	39	(39)	-	-
Teachers' pay grant	-	66	(66)	-	-
Catch-up premium	-	-	-	-	-
Other DfE/ESFA grants	-	76	(76)	-	-
Other government grants	-	363	(363)	-	-
Other restricted funds	-	80	(80)	-	-
Pension reserve	(262)	-	(123)	(239)	(624)
	<u>(262)</u>	<u>2,239</u>	<u>(2,363)</u>	<u>(238)</u>	<u>(624)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	3,313	-	(77)	-	3,236
DfE group capital grants	533	10	(12)	-	531
Capital expenditure from GAG	306	-	(7)	55	354
Private sector capital sponsorship	525	-	(72)	-	453
	<u>4,677</u>	<u>10</u>	<u>(168)</u>	<u>55</u>	<u>4,574</u>
<b>Total restricted funds</b>	<u>4,415</u>	<u>2,249</u>	<u>(2,531)</u>	<u>(183)</u>	<u>3,950</u>
<b>Unrestricted funds</b>					
General funds	112	90	(72)	(56)	74
<b>Total funds</b>	<u>4,527</u>	<u>2,339</u>	<u>(2,603)</u>	<u>(239)</u>	<u>4,024</u>

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 16 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2021 are represented by:</b>				
Tangible fixed assets	-	-	4,462	4,462
Current assets	398	-	2	400
Creditors falling due within one year	(247)	-	-	(247)
Defined benefit pension liability	-	(924)	-	(924)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total net assets</b>	<b>151</b>	<b>(924)</b>	<b>4,464</b>	<b>3,691</b>

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2020 are represented by:</b>				
Tangible fixed assets	-	-	4,574	4,574
Current assets	224	-	-	224
Creditors falling due within one year	(150)	-	-	(150)
Defined benefit pension liability	-	(624)	-	(624)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total net assets</b>	<b>74</b>	<b>(624)</b>	<b>4,574</b>	<b>4,024</b>

### 17 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 Greater Manchester Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £31,000 were payable to the schemes at 31 August 2021 (2020: £29,000) and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' 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.

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 17 Pension and similar obligations

##### 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 including earnings growth is 4.45%.

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

The employer's pension costs paid to the TPS in the period amounted to £ 132,000 (2020: £ 53,000)

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 contributions are as noted below. The agreed contribution rates for future years are 19% for employers and 5.5%-12% 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.

<b>Total contributions made</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Employer's contributions	76	65
Employees' contributions	24	23
	<hr/>	<hr/>
Total contributions	100	88
	<hr/>	<hr/>

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 17 Pension and similar obligations

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.7	3.0
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.7	1.7

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

	2021 Years	2020 Years
Retiring today		
- Males	20.5	20.5
- Females	23.3	23.1
Retiring in 20 years		
- Males	21.9	22.0
- Females	25.3	25.0

Scheme liabilities would have been affected by changes in assumptions as follows:

#### Sensitivity analysis

##### Change in assumptions at 31 August 2021:

	Approximate % increase to employer liability	Approximate monetary amount £'000
0.1% decrease in real discount rate	3%	57
1 year increase in member life expectancy	4%	89
0.1% increase in salary increase rate	0%	2
0.1% increase in the pension increase rate	2%	54

The academy trust's share of the assets in the scheme	2021 Fair value £'000	2020 Fair value £'000
Equities	928	690
Bonds	197	162
Cash	91	71
Property	91	91
Total market value of assets	1,307	1,014

The actual return on scheme assets was £209,000 (2020: £(278,000)).

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 17 Pension and similar obligations

<b>Amount recognised in the statement of financial activities</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost	189	179
Past service cost	-	4
Interest income	(18)	(23)
Interest cost	29	28
	<u>200</u>	<u>188</u>
<b>Total operating charge</b>	<b>200</b>	<b>188</b>
<b>Changes in the present value of defined benefit obligations</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
At 1 September 2020	1,638	1,484
Current service cost	189	179
Interest cost	29	28
Employee contributions	24	23
Actuarial loss/(gain)	367	(62)
Benefits paid	(16)	(18)
Past service cost	-	4
	<u>2,231</u>	<u>1,638</u>
At 31 August 2021	2,231	1,638
<b>Changes in the fair value of the academy trust's share of scheme assets</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
At 1 September 2020	1,014	1,222
Interest income	18	23
Actuarial (gain)/loss	191	(301)
Employer contributions	76	65
Employee contributions	24	23
Benefits paid	(16)	(18)
	<u>1,307</u>	<u>1,014</u>
At 31 August 2021	1,307	1,014

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Reconciliation of net expenditure to net cash flow from operating activities	2021 £'000	2020 £'000
Net expenditure for the reporting period (as per the statement of financial activities)	(157)	(264)
Adjusted for:		
Capital grants from DfE and other capital income	(9)	(10)
Defined benefit pension costs less contributions payable	113	118
Defined benefit pension scheme finance cost	11	5
Depreciation of tangible fixed assets	119	150
Loss on disposal of fixed assets	-	18
(Increase)/decrease in debtors	(231)	53
Increase in creditors	97	92
<b>Net cash (used in)/provided by operating activities</b>	<b>(57)</b>	<b>162</b>

19 Analysis of changes in net funds	1 September 2020 £'000	Cash flows £'000	31 August 2021 £'000
Cash	162	(55)	107

### 20 Long-term commitments, including operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £'000	2020 £'000
Amounts due within one year	34	44
Amounts due in two and five years	19	50
	<b>53</b>	<b>94</b>

# BROUGHTON JEWISH CASSEL FOX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **21 Related party transactions**

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

#### Expenditure related party transactions

State Fayre Limited - a company in which Mr J Fagelman (a governor) together with his wife has a 50% interest.

The Academy Trust purchased provisions from State Fayre Limited totalling £6,158 (2020: £518) during the period. The balance outstanding at 31 August 2021 was £nil (2020: £144)

The full amount of has been provided 'at no more than cost' and State Fayre Limited has provided a statement of assurance confirming this.

#### Income related party transactions

During the year Broughton Jewish Primary School (Ohel Moshe Yitschok) a charity in which Rabbis A Jaffe, and B Cohen are Trustees, donated £147,000 (2020: £35,000) to the school as a contribution towards teachers' salaries and other educational purposes.

At 31 August 2021 there was £147,000 outstanding (2020: £35,000).

During the year the school received a donation of £80,000 (2020: £80,000) from BJOF (Broughton Jewish Opportunity Fund.)

At 31 August 2021 £80,000 was outstanding (2020: £nil).

### **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.